

Audited Financial Statements of

School District No. 72 (Campbell River)

And Independent Auditors' Report thereon

June 30, 2024

School District No. 72 (Campbell River)

June 30, 2024

Table of Contents

Management Report	1
Independent Auditors' Report	2-3
Statement of Financial Position - Statement 1	4
Statement of Operations - Statement 2	5
Statement of Changes in Net Debt - Statement 4	6
Statement of Cash Flows - Statement 5	7
Notes to the Financial Statements	8-31
Schedule of Changes in Accumulated Surplus (Deficit) by Fund - Schedule 1 (Unaudited)	32
Schedule of Operating Operations - Schedule 2 (Unaudited)	33
Schedule 2A - Schedule of Operating Revenue by Source (Unaudited)	34
Schedule 2B - Schedule of Operating Expense by Object (Unaudited)	35
Schedule 2C - Operating Expense by Function, Program and Object (Unaudited)	36
Schedule of Special Purpose Operations - Schedule 3 (Unaudited)	38
Schedule 3A - Changes in Special Purpose Funds and Expense by Object (Unaudited)	39
Schedule of Capital Operations - Schedule 4 (Unaudited)	42
Schedule 4A - Tangible Capital Assets (Unaudited)	43
Schedule 4B - Tangible Capital Assets - Work in Progress (Unaudited)	44
Schedule 4C - Deferred Capital Revenue (Unaudited)	45
Schedule 4D - Changes in Unspent Deferred Capital Revenue (Unaudited)	46

School District No. 72 (Campbell River)

MANAGEMENT REPORT

Version: 7401-6655-4673

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 72 (Campbell River) 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. 72 (Campbell River) (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, MNP 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. 72 (Campbell River) 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. 72 (Campbell River)

Originally signed by the Board Chair

Signature of the Chairperson of the Board of Education

Sept 27, 2024
Date Signed

Originally signed by the Superintendent

Signature of the Superintendent

Sept 27, 2024
Date Signed

Originally signed by the Secretary-Treasurer

Signature of the Secretary Treasurer

Sept 27, 2024
Date Signed

To the Board of Education of School District No. 72 (Campbell River) and the Minister of Education and Child Care:

Opinion

We have audited the financial statements of School District No. 72 (Campbell River) (the "School District"), which comprise the statement of financial position as at June 30, 2024, and the statements of operations, changes in net debt and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present the financial position of the School District as at June 30, 2024, and the results of its operations, changes in net debt and its cash flows for the year then ended in compliance with, in all material respects, the financial reporting framework based on Section 23.1 of the Budget Transparency and Accountability Act and the Province of British Columbia's Treasury Board Regulations 257/2010 and 198/2011.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the School District in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Financial Reporting Framework

We draw attention to Note 2 which describes the financial reporting framework being followed by School District No. 72 (Campbell River).

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report comprises of Unaudited Schedules 1-4 attached to the audited financial statements and Financial Statement Discussion and Analysis, but does not include the financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the financial reporting framework based on Section 23.1 of the Budget Transparency and Accountability Act and the Province of British Columbia's Treasury Board Regulations 257/2010 and 198/2011, 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

Campbell River, British Columbia

September 24, 2024

MNP LLP

Chartered Professional Accountants

School District No. 72 (Campbell River)

Statement of Financial Position
As at June 30, 2024

	2024 Actual	2023 Actual
	\$	\$
Financial Assets		
Cash and Cash Equivalents	17,740,067	19,650,334
Accounts Receivable		
Due from Province - Ministry of Education and Child Care	1,775,645	107,139
Due from First Nations	902,981	626,818
Other (Note 3)	321,515	473,657
Total Financial Assets	<u>20,740,208</u>	<u>20,857,948</u>
Liabilities		
Accounts Payable and Accrued Liabilities		
Other (Note 4)	10,556,370	9,068,685
Unearned Revenue (Note 5)	800,461	783,698
Deferred Revenue (Note 6)	1,910,756	1,603,413
Deferred Capital Revenue (Note 7)	68,283,882	64,605,922
Employee Future Benefits (Note 8)	1,485,634	1,497,007
Asset Retirement Obligation (Note 16)	14,157,307	14,157,307
Total Liabilities	<u>97,194,410</u>	<u>91,716,032</u>
Net Debt	<u>(76,454,202)</u>	<u>(70,858,084)</u>
Non-Financial Assets		
Tangible Capital Assets (Note 10)	84,491,140	78,976,739
Prepaid Expenses	414,611	474,540
Total Non-Financial Assets	<u>84,905,751</u>	<u>79,451,279</u>
Accumulated Surplus (Deficit)	<u>8,451,549</u>	<u>8,593,195</u>

Contingent Liabilities (Note 14)

Approved by the Board

Originally signed by the Board Chair

Signature of the Chairperson of the Board of Education

Originally signed by the Superintendent

Signature of the Superintendent

Originally signed by the Secretary-Treasurer

Signature of the Secretary Treasurer

Sept 27, 2024

Date Signed

Sept 27, 2024

Date Signed

Sept 27, 2024

Date Signed

School District No. 72 (Campbell River)

Statement of Operations
Year Ended June 30, 2024

	2024 Budget (Note 15) \$	2024 Actual \$	2023 Actual \$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	77,570,879	76,405,329	69,979,683
Other		158,871	
Tuition	947,050	939,264	945,849
Other Revenue	6,019,876	5,731,124	4,906,519
Rentals and Leases	163,000	165,707	154,352
Investment Income	629,000	715,226	609,469
Amortization of Deferred Capital Revenue	3,413,167	3,297,210	3,211,775
Total Revenue	<u>88,742,972</u>	<u>87,412,731</u>	<u>79,807,647</u>
Expenses			
Instruction	68,997,513	68,003,535	61,311,677
District Administration	3,451,387	3,489,152	3,187,835
Operations and Maintenance	14,857,971	13,909,963	13,914,264
Transportation and Housing	2,138,334	2,151,727	2,022,113
Total Expense	<u>89,445,205</u>	<u>87,554,377</u>	<u>80,435,889</u>
Surplus (Deficit) for the year	<u>(702,233)</u>	<u>(141,646)</u>	<u>(628,242)</u>
Accumulated Surplus (Deficit) from Operations, beginning of year		8,593,195	9,221,437
Accumulated Surplus (Deficit) from Operations, end of year		<u>8,451,549</u>	<u>8,593,195</u>

School District No. 72 (Campbell River)

Statement of Changes in Net Debt

Year Ended June 30, 2024

	2024 Budget (Note 15) \$	2024 Actual \$	2023 Actual \$
Surplus (Deficit) for the year	(702,233)	(141,646)	(628,242)
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(12,434,236)	(9,969,324)	(3,319,346)
Amortization of Tangible Capital Assets	4,570,604	4,454,923	4,396,743
Total Effect of change in Tangible Capital Assets	(7,863,632)	(5,514,401)	1,077,397
Acquisition of Prepaid Expenses		(233,994)	(474,540)
Use of Prepaid Expenses		293,923	256,152
Total Effect of change in Other Non-Financial Assets	-	59,929	(218,388)
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	<u>(8,565,865)</u>	(5,596,118)	230,767
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Debt		(5,596,118)	230,767
Net Debt, beginning of year		(70,858,084)	(71,088,851)
Net Debt, end of year		<u>(76,454,202)</u>	<u>(70,858,084)</u>

School District No. 72 (Campbell River)

Statement 5

Statement of Cash Flows

Year Ended June 30, 2024

	2024 Actual	2023 Actual
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	(141,646)	(628,242)
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(1,792,527)	(445,102)
Prepaid Expenses	59,928	(218,388)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	1,487,688	2,908
Unearned Revenue	16,763	(97,775)
Deferred Revenue	307,343	370,084
Employee Future Benefits	(11,375)	(37,860)
Amortization of Tangible Capital Assets	4,454,923	4,396,743
Amortization of Deferred Capital Revenue	(3,297,210)	(3,211,775)
Deferred Capital Transferred to Operations and Maintenance	(540,576)	(1,055,256)
Total Operating Transactions	543,311	(924,663)
Capital Transactions		
Tangible Capital Assets Purchased	(5,646,140)	(2,835,857)
Tangible Capital Assets -WIP Purchased	(4,323,184)	(483,489)
Total Capital Transactions	(9,969,324)	(3,319,346)
Financing Transactions		
Capital Revenue Received	7,515,746	3,483,998
Total Financing Transactions	7,515,746	3,483,998
Net Increase (Decrease) in Cash and Cash Equivalents	(1,910,267)	(760,011)
Cash and Cash Equivalents, beginning of year	19,650,334	20,410,345
Cash and Cash Equivalents, end of year	17,740,067	19,650,334
Cash and Cash Equivalents, end of year, is made up of:		
Cash	17,740,067	19,650,334
	17,740,067	19,650,334

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2024

NOTE 1 AUTHORITY AND PURPOSE

The School District, established on April 12, 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. 72 (Campbell River)", and operates as " School District No. 72 (Campbell River)". 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. 72 (Campbell River) is exempt from federal and provincial corporate income taxes.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting

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

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

As noted in Notes 2(e) and 2(m), Section 23.1 of the Budget Transparency and Accountability Act and its related regulations require the School District to recognize government transfers for the acquisition of 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
- 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.

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2024

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

a) Basis of Accounting *(continued)*

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

- Year-ended June 30, 2023 – increase in annual surplus by \$2,700,283.
- June 30, 2023 – increase in accumulated surplus (deficit) and decrease in deferred contributions by \$58,884,470.
- Year-ended June 30, 2024 – increase in annual surplus by \$9,447,798.
- June 30, 2024 – increase in accumulated surplus (deficit) and decrease in deferred contributions by \$65,040,436.

b) Cash and Cash Equivalents

Cash and cash equivalents include cash and highly liquid securities with original terms to maturity of three months or less when purchased 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.

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2024

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

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 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 transfer or and eligibility criteria have been met, unless the transfer contains a stipulation that creates a liability, in which case the transfer is recognized as revenue over the period that the liability is extinguished. See note 2 (a) for the impact of this policy on these financial statements.

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 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.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2024

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

g) Asset Retirement Obligations

A liability is 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.

The liability for the removal of asbestos and other hazardous material in several of the buildings owned by the School District has been initially recognized using the modified retroactive method. The liability has been measured at current cost as the timing and amounts of future cash flows cannot be estimated. The resulting costs have been capitalized into the carrying amount of tangible capital assets and are being amortized on the same basis as the related tangible capital asset (see Note 2 (i)). Assumptions used in the calculations are reviewed annually.

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 of the following criteria are met:

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

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

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2024

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

i) Tangible Capital Assets

The following criteria apply:

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

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

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2024

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

j) Capital Leases

Leases that, from the point of view of the lessee, transfer substantially all the benefits and risks 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

Software licensing and support, memberships, dues and tuition are included as a prepaid expense, stated at acquisition cost and are charged to expense over the periods expected to benefit from it.

l) Funds and Reserves

Certain amounts, as approved by the Board are set aside in accumulated surplus for future operating and capital purposes. Transfers to and from funds and reserves are an adjustment to the respective fund when approved (see Notes 12 – Interfund Transfers and Note 9 – Accumulated Surplus). *Funds and reserves are disclosed on Schedules 2, 3 and 4.*

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.

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2024

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

m) Revenue Recognition (*continued*)

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

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

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

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

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

Revenue from transactions with no performance obligations is recognized when the district:

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

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.

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2024

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

n) Expenses

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 Directors of Instruction employed under an administrative officer contract are categorized as Principals and Vice Principals.
- Superintendents, Assistant 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 aboriginal education, are allocated to these programs. All other costs are allocated to regular 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 identification of program.

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, and 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 investments upon initial recognition.

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

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2024

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

o) Financial Instruments *(continued)*

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

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

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

p) Measurement Uncertainty

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

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2024

NOTE 3 ACCOUNTS RECEIVABLE – OTHER

	2024	2023
Due from Federal Government	\$119,070	\$82,013
Due from North Island College	11,000	-
Due from Royal Bank	35,060	44,044
Due from other	156,385	347,600
	\$321,515	\$473,657

NOTE 4 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES – OTHER

	2024	2023
Trade Payables	\$ 1,339,773	\$ 840,241
Salaries and Benefits Payable	6,520,162	6,526,605
Accrued Vacation Pay	934,431	846,851
Capital Trade Payables	915,189	120,950
Other Payables	846,815	734,038
	\$10,556,370	\$9,068,685

NOTE 5 UNEARNED REVENUE

Unearned revenue consists of contributions received for services to be delivered in a future period. Changes in unearned revenue are as follows:

	2024	2023
Balance, beginning of year	\$783,698	\$881,473
Changes for the year:		
Increase:		
Tuition fees	772,961	756,198
Decrease:		
Tuition fees	(756,198)	(853,973)
Net changes for the year	16,763	(97,775)
Balance, end of year	\$800,461	\$783,698

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2024

NOTE 6 DEFERRED REVENUE

a) Deferred Revenue – Ministry of Education and Child Care

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. Detailed information about the changes in deferred revenue is included in Schedule 3A.

The special purpose fund represents government grants for aboriginal improvement and early learning, repairs and minor capital improvements to facilities, special education equipment, labor equity, and social equity programs; recorded on the capital funds represents government grants for seismic, building envelope and asset disposal proceeds in use by the Ministry of Education.

	<u>2024</u>	<u>2023</u>
Balance, beginning of year	\$555,776	\$252,059
Increases:		
Provincial grants – MEd	7,382,101	6,463,409
Investment income	12,576	16,634
	<u>7,394,677</u>	<u>6,480,043</u>
Decreases:		
Transfers to Revenue	(7,152,461)	(6,176,326)
Recovery	(6,214)	-
	<u>(7,158,675)</u>	<u>(6,176,326)</u>
Net Changes for the year	<u>236,002</u>	<u>303,717</u>
Balance, end of the year	<u><u>\$791,778</u></u>	<u><u>\$555,776</u></u>

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2024

NOTE 6 DEFERRED REVENUE (continued)

b) Deferred Revenue – Other

Deferred Revenue – Other recorded in the operating fund represents an aboriginal early learning grant; recorded in the special purpose fund represents school generated funds, community supported social programs and scholarship trust funds; recorded in the capital fund represents community grants to support capital projects.

	<u>2024</u>	<u>2023</u>
Balance, beginning of year	<u>\$1,047,637</u>	<u>\$981,270</u>
Increases:		
School Generated Funds	2,151,494	2,185,297
Investment income	7,753	7,464
Other	163,019	67,306
	<u>2,322,266</u>	<u>2,260,067</u>
Decreases:		
Transfers to Revenue	<u>(2,250,925)</u>	<u>(2,193,700)</u>
Net Changes for the year	<u>71,341</u>	<u>66,367</u>
Balance, end of the year	<u><u>\$1,118,978</u></u>	<u><u>\$1,047,637</u></u>
Total Deferred Revenue	<u><u>\$1,910,756</u></u>	<u><u>\$1,603,413</u></u>

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2024

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 Treasury Board. Once spent, the contributions are amortized into revenue over the life of the asset acquired. Changes to deferred capital revenue are as follows:

	Deferred Cap Revenue	Unspent Def. Cap Revenue	2024 Total	2023 Total
Balance, beginning of year	\$58,889,847	\$5,716,075	\$64,605,922	\$65,388,954
Increases:				
Transfers from DC - capital additions	5,124,615	-	5,124,615	2,216,794
Transfers from DC – work in progress	4,323,184	-	4,323,184	483,489
Provincial Grants – Med	-	7,515,746	7,515,746	3,483,998
Provincial Grants – Other	-	-	-	-
Other Revenue	-	-	-	-
	<u>9,447,799</u>	<u>7,515,746</u>	<u>16,963,545</u>	<u>6,184,281</u>
Decreases:				
Amortization	3,297,210	-	3,297,210	3,211,775
Transfers to revenue - capital additions	-	5,124,615	5,124,615	2,216,794
Transfers to revenue – capital additions	-	4,323,184	4,323,184	483,489
Transfers to revenue – site purchases	-	-	-	-
Transfers to capital expense	-	290,522	290,522	380,316
Transfers to capital - approved project expense	-	250,054	250,054	674,939
	<u>3,297,210</u>	<u>9,988,375</u>	<u>13,285,585</u>	<u>6,972,690</u>
Balance, end of the year	<u>\$65,040,436</u>	<u>\$3,243,446</u>	<u>\$68,283,882</u>	<u>\$64,605,922</u>

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2024

NOTE 8 EMPLOYEE FUTURE BENEFITS

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

The period of amortization is equal to the expected average remaining service lifetime (EARSL) of active employees.

	2024	2023
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	\$1,237,124	\$1,302,264
Service Cost	108,867	111,162
Interest Cost	51,016	42,492
Benefit Payments	(156,788)	(185,813)
Actuarial Gain	(3,661)	(32,981)
Accrued Benefit Obligation – March 31	\$1,236,558	\$1,237,124
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation – March 31	\$1,236,558	\$1,237,124
Funded Status - Deficit	(1,236,558)	(1,237,124)
Employer Contributions After Measurement Date	4,856	32,318
Benefit Expense After Measurement Date	(40,343)	(39,971)
Unamortized Net Actuarial Gain	(213,589)	(252,230)
Accrued Benefit Liability – June 30	\$(1,485,634)	\$(1,497,007)
Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability – July 1	\$1,497,008	\$1,534,867
Net Expense for Fiscal Year	117,952	132,312
Employer Contributions	(129,326)	(170,172)
Accrued Benefit Liability – June 30	\$1,485,634	\$1,497,007
Components of Net Benefit Expense		
Service Cost	\$108,486	\$110,588
Interest Cost	51,770	44,623
Amortization of Net Actuarial Loss	(42,303)	(22,899)
Net Benefit Expense	\$117,952	\$132,312

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2024

NOTE 8 EMPLOYEE FUTURE BENEFITS – (continued)

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

	2024	2023
Discount Rate – April 1	4.00%	3.25%
Discount Rate – March 31	4.25%	4.00%
Long Term Salary Growth – April 1	2.50% + Seniority	2.50% + Seniority
Long Term Salary Growth – March 31	2.50% + Seniority	2.50% + Seniority
EARSL – March 31	10.6	10.6

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2024

NOTE 9 INTERNALLY RESTRICTED SURPLUS – OPERATING FUND

	2024	2023
Internally Restricted (Appropriated) By Board For:		
Constraints On Funds		
Indigenous Education Program	\$135,289	\$91,000
Operations Spanning Multiple Years		
School Based Supply Accounts	\$112,481	\$94,619
International Program	89,430	26,728
International Program – to Balance		100,000
Next Year Budget	-	
Health and Safety	12,000	30,000
Strategic Priorities	120,000	100,000
Robron Conference Room	-	50,000
ERP Replacement	50,000	50,000
IT Equipment Replacement	205,353	
Maintenance Vehicle	65,000	-
Subtotal Operations Spanning Multiple Years	654,264	451,347
Subtotal Internally Restricted	789,553	542,347
Unrestricted Operating Surplus (Deficit)		
Operational Needs and Emergency		
Contingency	832,878	694,065
Unrestricted	1,000,000	1,000,000
Subtotal Unrestricted	1,832,878	1,694,065
Total Available for Future Operations	\$2,622,431	\$2,236,412

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2024

NOTE 10 TANGIBLE CAPITAL ASSETS

June 30, 2024

Cost:	Opening Cost July 1, 2023	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2024
Sites	\$8,448,233	\$ -	\$ -	\$ -	\$8,448,233
Buildings	168,551,627	4,653,171	-	196,890	173,401,688
Buildings – work in progress	483,489	4,323,184	-	(196,890)	4,609,783
Furniture & Equipment	2,476,702	536,922	(43,831)	-	2,969,793
Vehicles	3,845,521	156,397	(506,505)	-	3,495,413
Computer Hardware	2,462,976	299,650	(229,465)	-	2,533,161
Total	\$186,268,548	\$9,969,324	\$(779,801)	\$ -	\$195,458,071

Accumulated Amortization:	Opening Accumulated Amortization July 1, 2023	Additions	Disposals	Balance at June 30, 2024
Buildings	\$103,466,575	\$3,315,937	\$ -	\$106,782,512
Furniture & Equipment	1,067,538	272,325	(43,831)	1,296,032
Vehicles	1,531,253	367,047	(506,505)	1,391,795
Computer Hardware	1,226,443	499,614	(229,465)	1,496,592
Total	\$107,291,809	\$4,454,923	\$(779,801)	\$110,966,931

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2024

NOTE 10 TANGIBLE CAPITAL ASSETS (continued)

June 30, 2023

Cost:	Opening Cost July 1, 2022	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2023
Sites	\$8,448,233	\$ -	\$ -	\$ -	\$8,448,233
Buildings	166,641,639	1,562,342	-	347,646	168,551,627
Buildings – work in progress	347,646	483,489	-	(347,646)	483,489
Furniture & Equipment	2,467,628	200,775	(191,701)	-	2,467,702
Vehicles	3,059,373	793,658	(7,510)	-	3,845,521
Computer Hardware	3,086,101	279,082	(902,207)	-	2,462,976
Total	\$184,050,620	\$3,319,346	\$(1,101,418)	\$ -	\$186,268,548

Accumulated Amortization:	Opening Accumulated Amortization July 1, 2022	Additions	Disposals	Balance at June 30, 2023
Buildings	\$100,217,202	\$3,249,373	\$ -	\$103,466,575
Furniture & Equipment	1,012,022	247,217	(191,701)	1,067,538
Vehicles	1,193,518	345,245	(7,510)	1,531,253
Computer Hardware	1,573,742	554,908	(902,207)	1,226,443
Total	\$103,996,484	\$4,396,743	\$(1,101,418)	\$107,291,809

Net Book Value:

	Net Book Value June 30, 2024	Net Book Value June 30, 2023
Sites	\$8,448,233	\$8,448,233
Buildings	66,619,176	65,085,052
Buildings – work in progress	4,609,783	483,489
Furniture & Equipment	1,673,761	1,409,164
Vehicles	2,103,618	2,314,268
Computer Hardware	1,036,569	1,236,533
Total	\$84,491,140	\$78,976,739

Buildings – work in progress having a value of \$4,609,783 (2023: \$483,489) have not been amortized. Amortization of these assets will commence the year the asset is put into service.

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2024

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 plans, including investment of assets and administration of benefits. The plans are multi-employer defined benefit pension plans. Basic pension benefits are based on a formula. As at December 31, 2023, the Teachers' Pension Plan has about 51,000 active members and approximately 42,000 retired members. As of December 31, 2023, the Municipal Pension Plan has about 256,000 active members, including approximately 31,000 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 billion surplus for basic pension benefits on a going concern basis.

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2021, indicated a \$3.761 billion funding surplus for basic pension benefits on a going concern basis.

The School District paid \$5,970,663 for employer contributions to these plans for the year ended June 30, 2024, and \$5,375,428 for the year ended June 30, 2023.

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, 2024, with results available in 2025.

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.

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2024

NOTE 12 INTERFUND TRANSFERS

Interfund transfers between the operating, special purpose and capital funds are reported on Schedule 1 (Statement of Changes in Accumulated Surplus (Deficit) by Fund). For the year ended June 30, 2024 transfers were as follows:

- A transfer in the amount of \$161,858 was made from the operating fund to the capital fund for the purchase of local capital assets.
- A transfer in the amount of \$326,249 was made from the operating fund to the capital fund for the purchase of capital assets.
- A transfer in the amount of \$116,809 was made from the special purpose fund to the capital fund for the purchase of capital assets.

NOTE 13 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 generally considered to be in the normal course of operations and are recorded at the exchange amount.

NOTE 14 CONTINGENT LIABILITIES

In the ordinary course of operations, the School District has legal proceedings brought against it and provision has been included in liabilities where appropriate. It is the opinion of management that final determination of these claims will not have a material effect on the financial position or operations of the School District.

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2024

NOTE 15 BUDGET FIGURES

Budget figures included in the financial statements were approved by the Board through the adoption of an amended annual budget on February 27, 2024. The Board adopted a preliminary annual budget on May 30, 2023. The amended budget is used for comparison purposes, as these are based on actual student enrollments. The difference between the two budgets is as follows:

	2024 Amended	2024 Preliminary	Difference
Revenues			
Provincial Grants			
\$77,570,879	\$77,570,879	\$75,205,552	2,365,327
Tuition	947,050	972,000	(24,950)
Other Revenue	6,019,876	5,395,517	624,359
Rentals and Leases	163,000	163,000	-
Investment Income	629,000	365,800	263,200
Amortization of Deferred Capital Revenue	3,413,167	3,390,503	22,664
Total Revenue	\$88,742,972	\$85,492,372	\$3,250,600
Expenses			
Instruction	68,997,513	66,380,940	2,616,573
District Administration	3,451,387	3,134,390	316,997
Operations and Maintenance	10,287,367	10,116,430	170,937
Transportation and Housing	2,138,334	2,095,109	43,225
Debt Services	-	-	-
Amortization	4,570,604	4,448,130	122,474
Total Expenses	89,445,205	86,174,999	3,270,206
Deficit for the year	(702,233)	(682,627)	(19,606)
Effects of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(12,434,236)	(6,121,389)	(6,312,847)
Amortization of Tangible Capital Assets	4,570,604	4,448,130	122,474
Total Effect of change, Tangible Capital Assets	(7,863,632)	1,673,259	(6,190,373)
(Increase) Decrease in Net Financial Assets (Debt)	(8,565,865)	(2,355,886)	(563,957)

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2024

NOTE 16 ASSET RETIREMENT OBLIGATION

Legal liabilities exist for the removal and disposal of asbestos within some district owned buildings that will undergo major renovations or demolition in the future. A reasonable estimate of the fair value of the obligation has been recognized using the modified retroactive approach as at July 1, 2022. The obligation has been measured at current cost as the timing of future cash flows cannot be reasonably determined. These costs have been capitalized as part of the assets' carrying value and are amortized over the assets' estimated useful lives.

Asset Retirement Obligation, July 1, 2023	\$ 14,157,307
Settlements during the year	-
Asset Retirement Obligation, closing balance	\$ 14,157,307

NOTE 17 EXPENSE BY OBJECT

	Budget 2024	Actual 2024	Actual 2023
Salaries	\$59,055,832	\$58,833,352	\$52,454,342
Benefits	13,311,845	13,610,110	12,234,969
Service and supplies	12,506,924	10,655,992	11,349,835
Interest	-	-	-
Amortization	4,570,604	4,454,923	4,396,743
	\$ 89,445,205	\$87,554,377	\$80,435,889

NOTE 18 TRUST FUNDS

Funds in the amount of \$2,331,357 (2023 - \$2,061,168) are held in trust for teachers who participate in the payroll savings plan. These funds are included in Cash and Cash Equivalents in Statement 1 for the year ended June 30, 2024, and are to be paid to teachers who participate in the plan through August 31, 2024. The amount payable is included in Salaries and Benefits Payable as stated in Note 4.

NOTE 19 ECONOMIC DEPENDENCE

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.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2024

NOTE 20 SUBSEQUENT EVENTS – WRITE-DOWN OF BUILDING

On July 17, 2024 a closed school building called Cedar Annex was damaged by fire. The current early estimate is that 20% of the building will require a rebuild with remaining 80% needing remediation. The Cedar Annex was opened in 1957 at a cost of \$356,085. Final write-down will occur in the 2024/25 fiscal year with the capital replacement set-up in the year of completion.

NOTE 21 RISK MANAGEMENT

All significant financial assets, financial liabilities and equity instruments of the School District are either recognized or disclosed in the financial statements together with other information relevant for making a reasonable assessment of future cash flows, interest rate risk and credit risk.

- **Credit Risk**
Financial instruments that potentially subject the School District to concentrations of credit risk consist primarily of other receivables. The maximum credit risk exposure is \$321,515 (2023 - \$473,657).

However, the School District believes that there is minimal risk associated with the collection of these amounts as they consist primarily of receivables from the Federal and Provincial Government organizations. The School District manages its credit risk by performing regular credit assessments of its customers and provides allowances for potentially uncollectible accounts receivable.

- **Liquidity Risk**
Liquidity risk is the risk that the School District will encounter difficulty in meeting obligations associated with financial liabilities.

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, to 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.

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2024

NOTE 21 RISK MANAGEMENT – (continued)

- **Foreign Currency Risk**

The School District maintains a U.S. bank account and enters into transactions with vendors for supplies denominated in U.S. currency for which the related expenses and accounts payable balances are subject to exchange rate fluctuations. As at June 30, 2024, there was an insignificant balance maintained in the U.S. dollar bank account.

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. In seeking to manage the risks from foreign exchange rate fluctuations, the School District does not hold significant funds in U.S. dollars in order to reduce their risk against adverse movements in the foreign exchange rates

- **Financial Asset Impairment**

At each year-end date, the School District is required to evaluate and record any other-than-temporary impairment of its financial assets, other than those classified as held for trading. Accordingly, the School District has compared the carrying value of each of these financial assets to its fair value as at June 30, 2024. No provision for impairment was recorded in the current year, as the fair value of all financial assets tested exceeded their carrying value.

- **Fair Values of Financial Instruments**

The carrying amount of cash, accounts receivable and accounts payable and accrued liabilities approximates their fair value due to the short-term maturities of these items.

- **Risk Management Policy**

The School District, as part of its operations, has established objectives (i.e. hedging of risk exposures and avoidance of undue concentrations of risk) to mitigate credit risk as risk management objectives. In seeking to meet these objectives, the School District follows a risk management policy approved by its Board of Trustees.

School District No. 72 (Campbell River)

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

	Operating Fund	Special Purpose Fund	Capital Fund	2024 Actual	2023 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	2,236,412		6,356,783	8,593,195	9,221,437
Changes for the year					
Surplus (Deficit) for the year	874,126	116,809	(1,132,581)	(141,646)	(628,242)
Interfund Transfers					
Tangible Capital Assets Purchased	(326,249)	(116,809)	443,058	-	
Local Capital	(161,858)		161,858	-	
Net Changes for the year	386,019	-	(527,665)	(141,646)	(628,242)
Accumulated Surplus (Deficit), end of year - Statement 2	2,622,431	-	5,829,118	8,451,549	8,593,195

School District No. 72 (Campbell River)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2024

	2024 Budget (Note 15) \$	2024 Actual \$	2023 Actual \$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	68,450,294	68,724,130	62,764,735
Other		158,871	
Tuition	947,050	939,264	945,849
Other Revenue	3,673,476	3,487,954	2,711,940
Rentals and Leases	163,000	165,707	154,352
Investment Income	600,000	670,501	576,820
Total Revenue	<u>73,833,820</u>	<u>74,146,427</u>	<u>67,153,696</u>
Expenses			
Instruction	59,298,478	59,086,845	53,297,121
District Administration	3,451,387	3,489,152	3,187,835
Operations and Maintenance	9,118,471	9,018,334	8,544,333
Transportation and Housing	1,535,280	1,677,970	1,602,168
Total Expense	<u>73,403,616</u>	<u>73,272,301</u>	<u>66,631,457</u>
Operating Surplus (Deficit) for the year	<u>430,204</u>	<u>874,126</u>	<u>522,239</u>
Budgeted Appropriation (Retirement) of Surplus (Deficit)	<u>39,796</u>		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(270,000)	(326,249)	(279,783)
Local Capital	(200,000)	(161,858)	(191,801)
Total Net Transfers	<u>(470,000)</u>	<u>(488,107)</u>	<u>(471,584)</u>
Total Operating Surplus (Deficit), for the year	<u>-</u>	<u>386,019</u>	<u>50,655</u>
Operating Surplus (Deficit), beginning of year		2,236,412	2,185,757
Operating Surplus (Deficit), end of year		<u>2,622,431</u>	<u>2,236,412</u>
Operating Surplus (Deficit), end of year			
Internally Restricted (Note 9)		789,553	542,347
Unrestricted		1,832,878	1,694,065
Total Operating Surplus (Deficit), end of year		<u>2,622,431</u>	<u>2,236,412</u>

School District No. 72 (Campbell River)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2024

	2024 Budget (Note 15)	2024 Actual	2023 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education and Child Care			
Operating Grant, Ministry of Education and Child Care	69,096,327	69,303,487	61,902,248
ISC/LEA Recovery	(2,274,059)	(2,362,502)	(2,042,951)
Other Ministry of Education and Child Care Grants			
Pay Equity	75,322	75,322	75,322
Funding for Graduated Adults	629		629
Student Transportation Fund	316,860	316,860	316,860
Support Staff Benefits Grant	63,499	63,499	63,499
FSA Scorer Grant	8,187	8,187	8,187
Child Care Funding		156,540	
Early Learning Framework (ELF) Implementation	792		792
Labour Settlement Funding	1,162,737	1,162,737	2,432,768
Equity Scan			7,381
Total Provincial Grants - Ministry of Education and Child Care	68,450,294	68,724,130	62,764,735
Provincial Grants - Other		158,871	
Tuition			
International and Out of Province Students	947,050	939,264	945,849
Total Tuition	947,050	939,264	945,849
Other Revenues			
Other School District/Education Authorities	466,191	505,756	477,862
Funding from First Nations	2,274,059	2,362,502	2,031,623
Miscellaneous			
Contract Services - Inclusive Education	71,626	71,626	71,626
Miscellaneous Revenue/Transcripts	203,600	261,399	130,829
Child Care Fees	658,000	286,671	
Total Other Revenue	3,673,476	3,487,954	2,711,940
Rentals and Leases	163,000	165,707	154,352
Investment Income	600,000	670,501	576,820
Total Operating Revenue	73,833,820	74,146,427	67,153,696

School District No. 72 (Campbell River)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2024

	2024 Budget (Note 15)	2024 Actual	2023 Actual
	\$	\$	\$
Salaries			
Teachers	31,595,279	31,546,363	28,292,460
Principals and Vice Principals	4,148,617	4,146,628	4,074,678
Educational Assistants	7,132,586	6,579,121	5,530,706
Support Staff	7,286,573	7,382,019	6,791,635
Other Professionals	2,237,663	2,337,426	1,904,623
Substitutes	1,682,748	1,882,467	1,545,019
Total Salaries	54,083,466	53,874,024	48,139,121
Employee Benefits	12,121,696	12,399,787	11,228,027
Total Salaries and Benefits	66,205,162	66,273,811	59,367,148
Services and Supplies			
Services	1,981,032	1,829,238	1,965,455
Student Transportation	31,860	65,436	63,740
Professional Development and Travel	791,958	721,217	706,421
Rentals and Leases	72,700	39,379	56,463
Dues and Fees	60,900	76,295	62,659
Insurance	182,486	123,781	181,645
Supplies	2,580,363	2,524,247	2,443,227
Utilities	1,497,155	1,618,897	1,784,699
Total Services and Supplies	7,198,454	6,998,490	7,264,309
Total Operating Expense	73,403,616	73,272,301	66,631,457

School District No. 72 (Campbell River)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2024

	Teachers Salaries	Principals and Vice Principals Salaries	Educational Assistants Salaries	Support Staff Salaries	Other Professionals Salaries	Substitutes Salaries	Total Salaries
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	23,369,690	551,159	115,259	660,450	34,845	1,796,250	26,527,653
1.03 Career Programs				1,680			1,680
1.07 Library Services	821,332			146,515			967,847
1.08 Counselling	1,087,597			29,832		472	1,117,901
1.10 Special Education	4,825,481	339,067	5,105,452	108,195		45,644	10,423,839
1.20 Early Learning and Child Care			477,274				477,274
1.30 English Language Learning	438,044					12,999	451,043
1.31 Indigenous Education	591,096	167,547	863,966	49,160		4,696	1,676,465
1.41 School Administration		3,056,964		642,321			3,699,285
1.60 Summer School	127,892	13,009	17,170	7,683		540	166,294
1.62 International and Out of Province Students	285,231			59,145	188,157		532,533
Total Function 1	31,546,363	4,127,746	6,579,121	1,704,981	223,002	1,860,601	46,041,814
4 District Administration							
4.11 Educational Administration		18,882		75,466	726,094	3,913	824,355
4.40 School District Governance					112,717		112,717
4.41 Business Administration				393,742	872,358	17,953	1,284,053
Total Function 4	-	18,882	-	469,208	1,711,169	21,866	2,221,125
5 Operations and Maintenance							
5.20 Early Learning and Child Care				3,457			3,457
5.41 Operations and Maintenance Administration				92,080	90,992		183,072
5.50 Maintenance Operations				4,089,997	261,677		4,351,674
5.52 Maintenance of Grounds				223,942			223,942
5.56 Utilities							-
Total Function 5	-	-	-	4,409,476	352,669	-	4,762,145
7 Transportation and Housing							
7.70 Student Transportation				798,354	50,586		848,940
7.73 Housing							-
Total Function 7	-	-	-	798,354	50,586	-	848,940
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	31,546,363	4,146,628	6,579,121	7,382,019	2,337,426	1,882,467	53,874,024

School District No. 72 (Campbell River)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2024

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2024 Actual	2024 Budget (Note 15)	2023 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	26,527,653	6,138,461	32,666,114	1,509,976	34,176,090	33,580,558	32,007,239
1.03 Career Programs	1,680	309	1,989		1,989	4,738	
1.07 Library Services	967,847	230,457	1,198,304	214,948	1,413,252	1,503,414	1,380,142
1.08 Counselling	1,117,901	263,646	1,381,547		1,381,547	1,624,119	1,330,271
1.10 Special Education	10,423,839	2,486,891	12,910,730	176,987	13,087,717	13,206,026	10,663,599
1.20 Early Learning and Child Care	477,274	88,733	566,007	18,412	584,419	549,767	
1.30 English Language Learning	451,043	107,520	558,563	13,666	572,229	531,798	474,646
1.31 Indigenous Education	1,676,465	397,886	2,074,351	108,854	2,183,205	2,237,346	2,056,812
1.41 School Administration	3,699,285	794,420	4,493,705	143,621	4,637,326	4,914,869	4,304,270
1.60 Summer School	166,294	34,232	200,526	1,983	202,509	198,793	167,736
1.62 International and Out of Province Students	532,533	127,070	659,603	186,959	846,562	947,050	912,406
Total Function 1	46,041,814	10,669,625	56,711,439	2,375,406	59,086,845	59,298,478	53,297,121
4 District Administration							
4.11 Educational Administration	824,355	177,975	1,002,330	139,198	1,141,528	1,014,177	874,784
4.40 School District Governance	112,717	7,248	119,965	105,607	225,572	217,579	239,802
4.41 Business Administration	1,284,053	277,045	1,561,098	560,954	2,122,052	2,219,631	2,073,249
Total Function 4	2,221,125	462,268	2,683,393	805,759	3,489,152	3,451,387	3,187,835
5 Operations and Maintenance							
5.20 Early Learning and Child Care	3,457	726	4,183	4,538	8,721	4,183	
5.41 Operations and Maintenance Administration	183,072	40,927	223,999	136,918	360,917	305,653	323,350
5.50 Maintenance Operations	4,351,674	986,772	5,338,446	1,259,542	6,597,988	6,673,118	6,047,275
5.52 Maintenance of Grounds	223,942	41,324	265,266	115,598	380,864	636,112	414,755
5.56 Utilities	-	-	-	1,669,844	1,669,844	1,499,405	1,758,953
Total Function 5	4,762,145	1,069,749	5,831,894	3,186,440	9,018,334	9,118,471	8,544,333
7 Transportation and Housing							
7.70 Student Transportation	848,940	198,145	1,047,085	593,785	1,640,870	1,485,280	1,564,018
7.73 Housing	-	-	-	37,100	37,100	50,000	38,150
Total Function 7	848,940	198,145	1,047,085	630,885	1,677,970	1,535,280	1,602,168
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	53,874,024	12,399,787	66,273,811	6,998,490	73,272,301	73,403,616	66,631,457

School District No. 72 (Campbell River)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2024

	2024 Budget (Note 15)	2024 Actual	2023 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	7,817,340	7,140,623	6,159,692
Other Revenue	2,346,400	2,243,170	2,194,579
Investment Income	4,000	19,593	15,756
Total Revenue	<u>10,167,740</u>	<u>9,403,386</u>	<u>8,370,027</u>
Expenses			
Instruction	9,699,035	8,916,690	8,014,556
Operations and Maintenance	263,177	263,177	263,177
Transportation and Housing	205,528	106,710	74,700
Total Expense	<u>10,167,740</u>	<u>9,286,577</u>	<u>8,352,433</u>
Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>116,809</u>	<u>17,594</u>
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased		(116,809)	(17,594)
Total Net Transfers	<u>-</u>	<u>(116,809)</u>	<u>(17,594)</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. 72 (Campbell River)

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

	Annual Facility Grant	Learning Improvement Fund	Scholarships and Bursaries	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK	Classroom Enhancement Fund - Overhead
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year		13,629	140,908	833,335		18,501	29,375	64,806	
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	263,177	256,837			128,000	31,850	451,750	590,612	319,209
Other			59,467	2,151,494					
Investment Income			7,592			609	688	1,066	
	263,177	256,837	67,059	2,151,494	128,000	32,459	452,438	591,678	319,209
Less: Allocated to Revenue	263,177	250,066	51,934	2,134,617	128,000	34,661	463,405	627,933	319,209
Recovered									
Deferred Revenue, end of year	-	20,400	156,033	850,212	-	16,299	18,408	28,551	-
Revenues									
Provincial Grants - Ministry of Education and Child Care	263,177	250,066			128,000	34,052	462,717	626,867	319,209
Other Revenue			44,342	2,134,617					
Investment Income			7,592			609	688	1,066	
	263,177	250,066	51,934	2,134,617	128,000	34,661	463,405	627,933	319,209
Expenses									
Salaries									
Teachers						33,377	68,465		
Principals and Vice Principals							159,210		
Educational Assistants		201,057			99,325			448,434	
Support Staff							6,994		41,216
Other Professionals									170,983
Substitutes							18,264		22,800
	-	201,057	-	-	99,325	33,377	252,933	448,434	234,999
Employee Benefits		49,009			24,938	1,284	59,497	111,877	84,210
Services and Supplies	263,177		51,934	2,134,617	3,737		98,031	55,404	
	263,177	250,066	51,934	2,134,617	128,000	34,661	410,461	615,715	319,209
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	52,944	12,218	-
Interfund Transfers									
Tangible Capital Assets Purchased							(52,944)	(12,218)	
	-	-	-	-	-	-	(52,944)	(12,218)	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 72 (Campbell River)

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

	Classroom Enhancement Fund - Staffing	Classroom Enhancement Fund - Remedies	First Nation Student Transportation	Mental Health in Schools	Changing Results for Young Children	Student & Family Affordability	SEY2KT (Early Years to Kindergarten)	ECL (Early Care & Learning)	Feeding Futures Fund
	\$	\$	\$	\$	\$	\$	\$	\$	
Deferred Revenue, beginning of year			94,196	32,929	22,777	268,481		2,862	
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	3,860,816	110,391	111,332	52,000	11,250	100,000	19,000	175,000	709,927
Other									
Investment Income			1,917	2,920	957	1,000	737		2,682
	3,860,816	110,391	113,249	54,920	12,207	101,000	19,737	175,000	712,609
Less: Allocated to Revenue	3,860,816	110,391	106,710	9,676	9,357	168,708	-	177,862	429,541
Recovered									
Deferred Revenue, end of year	-	-	100,735	78,173	25,627	200,773	19,737	-	283,068
Revenues									
Provincial Grants - Ministry of Education and Child Care	3,860,816	110,391	104,793	6,756	8,400	167,708		177,862	426,859
Other Revenue									
Investment Income			1,917	2,920	957	1,000			2,682
	3,860,816	110,391	106,710	9,676	9,357	168,708	-	177,862	429,541
Expenses									
Salaries									
Teachers	3,124,750								
Principals and Vice Principals								144,516	59,519
Educational Assistants			8,305		226				30,663
Support Staff			63,899						
Other Professionals									
Substitutes		82,852		2,062	7,215				
	3,124,750	82,852	72,204	2,062	7,441	-	-	144,516	90,182
Employee Benefits	736,066	27,539	23,894	459	1,524			33,346	18,549
Services and Supplies			10,612	7,155	392	168,708			269,163
	3,860,816	110,391	106,710	9,676	9,357	168,708	-	177,862	377,894
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	51,647
Interfund Transfers									
Tangible Capital Assets Purchased									(51,647)
	-	-	-	-	-	-	-	-	(51,647)
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 72 (Campbell River)

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

	District Trust Funds	Van Foundation KELP Grant	Compass PRP	TOTAL
	\$	\$	\$	\$
Deferred Revenue, beginning of year	646	72,754	8,214	1,603,413
Add: Restricted Grants				
Provincial Grants - Ministry of Education and Child Care			190,950	7,382,101
Other	103,551			2,314,512
Investment Income	162			20,330
	103,713	-	190,950	9,716,943
Less: Allocated to Revenue	64,373	-	192,950	9,403,386
Recovered			6,214	6,214
Deferred Revenue, end of year	39,986	72,754	-	1,910,756
Revenues				
Provincial Grants - Ministry of Education and Child Care			192,950	7,140,623
Other Revenue	64,211			2,243,170
Investment Income	162			19,593
	64,373	-	192,950	9,403,386
Expenses				
Salaries				
Teachers			119,288	3,345,880
Principals and Vice Principals			16,049	379,294
Educational Assistants				788,010
Support Staff	19,314		10,545	141,968
Other Professionals				170,983
Substitutes				133,193
	19,314	-	145,882	4,959,328
Employee Benefits	3,563		34,568	1,210,323
Services and Supplies	41,496		12,500	3,116,926
	64,373	-	192,950	9,286,577
Net Revenue (Expense) before Interfund Transfers	-	-	-	116,809
Interfund Transfers				
Tangible Capital Assets Purchased				(116,809)
	-	-	-	(116,809)
Net Revenue (Expense)	-	-	-	-

School District No. 72 (Campbell River)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2024

	2024	2024 Actual			2023
	Budget (Note 15)	Invested in Tangible Capital Assets	Local Capital	Fund Balance	Actual
	\$	\$	\$	\$	\$
Revenues					
Provincial Grants					
Ministry of Education and Child Care	1,303,245	540,576		540,576	1,055,256
Investment Income	25,000		25,132	25,132	16,893
Amortization of Deferred Capital Revenue	3,413,167	3,297,210		3,297,210	3,211,775
Total Revenue	4,741,412	3,837,786	25,132	3,862,918	4,283,924
Expenses					
Operations and Maintenance	1,303,245	540,576		540,576	1,055,256
Amortization of Tangible Capital Assets					
Operations and Maintenance	4,173,078	4,087,876		4,087,876	4,051,498
Transportation and Housing	397,526	367,047		367,047	345,245
Total Expense	5,873,849	4,995,499	-	4,995,499	5,451,999
Capital Surplus (Deficit) for the year	(1,132,437)	(1,157,713)	25,132	(1,132,581)	(1,168,075)
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	270,000	443,058		443,058	297,377
Local Capital	200,000		161,858	161,858	191,801
Total Net Transfers	470,000	443,058	161,858	604,916	489,178
Other Adjustments to Fund Balances					
Tangible Capital Assets Purchased from Local Capital		78,467	(78,467)	-	
Total Other Adjustments to Fund Balances		78,467	(78,467)	-	
Total Capital Surplus (Deficit) for the year	(662,437)	(636,188)	108,523	(527,665)	(678,897)
Capital Surplus (Deficit), beginning of year		5,792,426	564,357	6,356,783	7,035,680
Capital Surplus (Deficit), end of year		5,156,238	672,880	5,829,118	6,356,783

School District No. 72 (Campbell River)

Tangible Capital Assets
Year Ended June 30, 2024

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	8,448,233	168,551,627	2,476,702	3,845,521		2,462,976	185,785,059
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		1,514,824	215,676	85,808			1,816,308
Deferred Capital Revenue - Other		3,138,347	153,629			16,331	3,308,307
Operating Fund			100,568	7,524		218,157	326,249
Special Purpose Funds			51,647			65,162	116,809
Local Capital			15,402	63,065			78,467
Transferred from Work in Progress		196,890					196,890
	-	4,850,061	536,922	156,397	-	299,650	5,843,030
Decrease:							
Deemed Disposals			43,831	506,505		229,465	779,801
	-	-	43,831	506,505	-	229,465	779,801
Cost, end of year	8,448,233	173,401,688	2,969,793	3,495,413	-	2,533,161	190,848,288
Work in Progress, end of year		4,609,783					4,609,783
Cost and Work in Progress, end of year	8,448,233	178,011,471	2,969,793	3,495,413	-	2,533,161	195,458,071
Accumulated Amortization, beginning of year		103,466,575	1,067,538	1,531,253		1,226,443	107,291,809
Changes for the Year							
Increase: Amortization for the Year		3,315,937	272,325	367,047		499,614	4,454,923
Decrease:							
Deemed Disposals			43,831	506,505		229,465	779,801
		-	43,831	506,505	-	229,465	779,801
Accumulated Amortization, end of year		106,782,512	1,296,032	1,391,795	-	1,496,592	110,966,931
Tangible Capital Assets - Net	8,448,233	71,228,959	1,673,761	2,103,618	-	1,036,569	84,491,140

School District No. 72 (Campbell River)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2024

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
Work in Progress, beginning of year	\$ 483,489	\$	\$	\$	\$ 483,489
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	483,664				483,664
Deferred Capital Revenue - Other	3,839,520				3,839,520
	<u>4,323,184</u>	-	-	-	<u>4,323,184</u>
Decrease:					
Transferred to Tangible Capital Assets	196,890				196,890
	<u>196,890</u>	-	-	-	<u>196,890</u>
Net Changes for the Year	<u>4,126,294</u>	-	-	-	<u>4,126,294</u>
Work in Progress, end of year	<u><u>4,609,783</u></u>	-	-	-	<u><u>4,609,783</u></u>

School District No. 72 (Campbell River)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2024

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
Deferred Capital Revenue, beginning of year	\$ 52,135,848	\$ 5,593,718	\$ 676,792	\$ 58,406,358
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	1,816,308	3,308,307		5,124,615
Transferred from Work in Progress	53,309	143,581		196,890
	<u>1,869,617</u>	<u>3,451,888</u>	-	<u>5,321,505</u>
Decrease:				
Amortization of Deferred Capital Revenue	2,994,072	270,239	32,899	3,297,210
	<u>2,994,072</u>	<u>270,239</u>	<u>32,899</u>	<u>3,297,210</u>
Net Changes for the Year	<u>(1,124,455)</u>	<u>3,181,649</u>	<u>(32,899)</u>	<u>2,024,295</u>
Deferred Capital Revenue, end of year	<u>51,011,393</u>	<u>8,775,367</u>	<u>643,893</u>	<u>60,430,653</u>
Work in Progress, beginning of year	53,309	430,180		483,489
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	483,664	3,839,520		4,323,184
	<u>483,664</u>	<u>3,839,520</u>	-	<u>4,323,184</u>
Decrease				
Transferred to Deferred Capital Revenue	53,309	143,581		196,890
	<u>53,309</u>	<u>143,581</u>	-	<u>196,890</u>
Net Changes for the Year	<u>430,355</u>	<u>3,695,939</u>	-	<u>4,126,294</u>
Work in Progress, end of year	<u>483,664</u>	<u>4,126,119</u>	-	<u>4,609,783</u>
Total Deferred Capital Revenue, end of year	<u>51,495,057</u>	<u>12,901,486</u>	<u>643,893</u>	<u>65,040,436</u>

School District No. 72 (Campbell River)

Changes in Unspent Deferred Capital Revenue
Year Ended June 30, 2024

	Bylaw Capital	MECC Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
Balance, beginning of year	\$ 635,901	\$ 2,246,521	\$ 2,833,653	\$	\$	\$ 5,716,075
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education and Child Care	3,080,381		4,435,365			7,515,746
	3,080,381	-	4,435,365	-	-	7,515,746
Decrease:						
Transferred to DCR - Capital Additions	1,816,308		3,308,307			5,124,615
Transferred to DCR - Work in Progress	483,664		3,839,520			4,323,184
AFG Spent on Non-Capital	290,522					290,522
Capital Approved Project Expense	250,054					250,054
	2,840,548	-	7,147,827	-	-	9,988,375
Net Changes for the Year	239,833	-	(2,712,462)	-	-	(2,472,629)
Balance, end of year	875,734	2,246,521	121,191	-	-	3,243,446