

Audited Financial Statements of

**School District No. 28 (Quesnel)**

And Independent Auditors' Report thereon

June 30, 2022

# School District No. 28 (Quesnel)

June 30, 2022

## Table of Contents

Management Report .....	1
Independent Auditors' Report .....	2-5
Statement of Financial Position - Statement 1 .....	6
Statement of Operations - Statement 2 .....	7
Statement of Changes in Net Debt - Statement 4 .....	8
Statement of Cash Flows - Statement 5 .....	9
Notes to the Financial Statements .....	10-30
Schedule of Changes in Accumulated Surplus (Deficit) by Fund - Schedule 1 (Unaudited) .....	31
Schedule of Operating Operations - Schedule 2 (Unaudited) .....	32
Schedule 2A - Schedule of Operating Revenue by Source (Unaudited) .....	33
Schedule 2B - Schedule of Operating Expense by Object (Unaudited) .....	34
Schedule 2C - Operating Expense by Function, Program and Object (Unaudited) .....	35
Schedule of Special Purpose Operations - Schedule 3 (Unaudited) .....	37
Schedule 3A - Changes in Special Purpose Funds and Expense by Object (Unaudited) .....	38
Schedule of Capital Operations - Schedule 4 (Unaudited) .....	40
Schedule 4A - Tangible Capital Assets (Unaudited) .....	41
Schedule 4B - Tangible Capital Assets - Work in Progress (Unaudited) .....	42
Schedule 4C - Deferred Capital Revenue (Unaudited) .....	43
Schedule 4D - Changes in Unspent Deferred Capital Revenue (Unaudited) .....	44

# School District No. 28 (Quesnel)

## MANAGEMENT REPORT

Version: 2106-1360-8377

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

The accompanying financial statements of School District No. 28 (Quesnel) 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. 28 (Quesnel) (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. 28 (Quesnel) 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. 28 (Quesnel)



Signature of the Chairperson of the Board of Education

Sept 23 / 22

Date Signed



Signature of the Superintendent

Sept 23 / 22

Date Signed



Signature of the Secretary Treasurer

Sept 23 / 22

Date Signed



KPMG LLP  
177 Victoria Street, Suite 400  
Prince George BC V2L 5R8  
Canada  
Telephone 250 563-7151  
Fax 250 563-5693

## INDEPENDENT AUDITORS' REPORT

To the Board of Education of the School District No. 28 (Quesnel), and  
To the Minister of Education and Child Care, Province of British Columbia

### Opinion

We have audited the financial statements of School District No. 28 (Quesnel) (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 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 22 to the financial statements which explains that certain comparative information presented for the year ended June 30, 2021 has been restated. Note 22 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, other than the financial statements and the auditors' report thereon, 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, other than the financial statements and the auditors' report thereon, 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.

*KPMG LLP*

Chartered Professional Accountants

Prince George, Canada  
September 21, 2022


# School District No. 28 (Quesnel)

## Statement of Financial Position

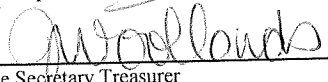
As at June 30, 2022

	2022 Actual	2021 Actual (Restated - Note 22)
	\$	\$
<b>Financial Assets</b>		
Cash and Cash Equivalents	6,249,806	5,093,889
Accounts Receivable		
Due from Province - Ministry of Education and Child Care	4,536,258	2,656,499
Other (Note 3)	285,583	252,103
<b>Total Financial Assets</b>	<u>11,071,647</u>	<u>8,002,491</u>
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities		
Other (Note 4)	5,082,940	1,342,522
Unearned Revenue	50,000	
Deferred Revenue (Note 5)	805,106	763,974
Deferred Capital Revenue (Note 6)	63,560,652	38,190,849
Employee Future Benefits (Note 7)	941,412	966,877
Other Liabilities (Note 8)	2,550,547	3,111,771
<b>Total Liabilities</b>	<u>72,990,657</u>	<u>44,375,993</u>
<b>Net Debt</b>	<u>(61,919,010)</u>	<u>(36,373,502)</u>
<b>Non-Financial Assets</b>		
Tangible Capital Assets (Note 9)	70,042,003	44,870,535
Restricted Assets (Endowments) (Note 11)	122,000	122,000
Prepaid Expenses	416,807	468,054
Supplies Inventory	45,617	21,211
<b>Total Non-Financial Assets</b>	<u>70,626,427</u>	<u>45,481,800</u>
<b>Accumulated Surplus (Deficit)</b>	<u>8,707,417</u>	<u>9,108,298</u>
Unrecognized Assets (Note 14)		
Contractual Obligations (Note 15)		
Contingent Liabilities (Note 16)		

Approved by the Board

  
 Signature of the Chairperson of the Board of Education
 
 Sept 23 / 22  
 Date Signed

  
 Signature of the Superintendent
 
 SEPT 23 / 22  
 Date Signed

  
 Signature of the Secretary Treasurer
 
 Sept 23 / 22  
 Date Signed



**School District No. 28 (Quesnel)**

Statement of Operations  
Year Ended June 30, 2022

	2022 Budget	2022 Actual	2021 Actual (Restated - Note 22)
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education and Child Care	39,511,409	<b>39,792,399</b>	40,543,824
Other	312,949		21,534
Other Revenue	344,000	<b>523,523</b>	481,086
Rentals and Leases	190,460	<b>190,677</b>	169,576
Investment Income	26,000	<b>39,518</b>	45,755
Amortization of Deferred Capital Revenue	1,389,210	<b>1,391,663</b>	1,302,342
<b>Total Revenue</b>	<u>41,774,028</u>	<u><b>41,937,780</b></u>	<u>42,564,117</u>
<b>Expenses</b>			
Instruction	32,881,237	<b>32,532,763</b>	32,752,507
District Administration	1,824,894	<b>1,842,147</b>	1,779,347
Operations and Maintenance	5,570,622	<b>5,443,977</b>	5,321,356
Transportation and Housing	2,379,532	<b>2,519,774</b>	2,309,740
<b>Total Expense</b>	<u>42,656,285</u>	<u><b>42,338,661</b></u>	<u>42,162,950</u>
<b>Surplus (Deficit) for the year</b>	<u>(882,257)</u>	<u><b>(400,881)</b></u>	<u>401,167</u>
<b>Accumulated Surplus (Deficit) from Operations, beginning of year</b>		<u>9,108,298</u>	<u>8,707,131</u>
<b>Accumulated Surplus (Deficit) from Operations, end of year</b>		<u><u><b>8,707,417</b></u></u>	<u><u>9,108,298</u></u>

**School District No. 28 (Quesnel)**

Statement of Changes in Net Debt

Year Ended June 30, 2022

	2022 Budget	2022 Actual	2021 Actual (Restated - Note 22)
	\$	\$	\$
<b>Surplus (Deficit) for the year</b>	(882,257)	(400,881)	401,167
<b>Effect of change in Tangible Capital Assets</b>			
Acquisition of Tangible Capital Assets	(70,000)	(26,937,747)	(14,054,066)
Amortization of Tangible Capital Assets	1,756,496	1,766,279	1,641,322
<b>Total Effect of change in Tangible Capital Assets</b>	1,686,496	(25,171,468)	(12,412,744)
Acquisition of Prepaid Expenses			(258,046)
Use of Prepaid Expenses		51,247	
Acquisition of Supplies Inventory		(24,406)	(21,211)
<b>Total Effect of change in Other Non-Financial Assets</b>		26,841	(279,257)
<b>(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)</b>	804,239	(25,545,508)	(12,290,834)
<b>Net Remeasurement Gains (Losses)</b>			
<b>(Increase) Decrease in Net Debt</b>		(25,545,508)	(12,290,834)
<b>Net Debt, beginning of year</b>		(36,373,502)	(24,082,668)
<b>Net Debt, end of year</b>		(61,919,010)	(36,373,502)

**School District No. 28 (Quesnel)**Statement of Cash Flows  
Year Ended June 30, 2022

	2022 Actual	2021 Actual
		(Restated - Note 22)
	\$	\$
<b>Operating Transactions</b>		
Surplus (Deficit) for the year	(400,881)	401,167
Changes in Non-Cash Working Capital		
Decrease (Increase)	(1,913,239)	(2,782,762)
Accounts Receivable	(24,406)	
Supplies Inventories	51,247	(279,257)
Prepaid Expenses		
Increase (Decrease)	3,740,418	1,023,762
Accounts Payable and Accrued Liabilities	50,000	
Unearned Revenue	41,132	(5,511)
Deferred Revenue	(25,465)	51,097
Employee Future Benefits	(561,224)	484,968
Other Liabilities	1,766,279	1,641,322
Amortization of Tangible Capital Assets	(1,391,663)	(1,302,342)
Amortization of Deferred Capital Revenue	1,332,198	(767,556)
<b>Total Operating Transactions</b>		
<b>Capital Transactions</b>	(2,654,269)	(3,312,598)
Tangible Capital Assets Purchased	(24,283,478)	(10,741,468)
Tangible Capital Assets -WIP Purchased	(26,937,747)	(14,054,066)
<b>Total Capital Transactions</b>		
<b>Financing Transactions</b>	26,761,466	13,503,632
Capital Revenue Received	26,761,466	13,503,632
<b>Total Financing Transactions</b>		
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	1,155,917	(1,317,990)
<b>Cash and Cash Equivalents, beginning of year</b>	5,093,889	6,411,879
<b>Cash and Cash Equivalents, end of year</b>	6,249,806	5,093,889
<b>Cash and Cash Equivalents, end of year, is made up of:</b>		
Cash	6,249,806	5,093,889

**SCHOOL DISTRICT NO. 28**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2022**

---

**NOTE 1      AUTHORITY AND PURPOSE**

The School District, operates under authority of the *School Act* of British Columbia as a corporation under the name of "The Board of Education of School District No. 28 (Quesnel)", and operates as "School District No. 28 (Quesnel)." 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. 28 (Quesnel) is exempt from federal and provincial corporate income taxes.

The COVID-19 outbreak was declared a pandemic by the World Health Organization in March 2020 and has had a significant financial, market and social dislocating impact worldwide. Under direction of the Provincial Health Officer, all schools suspended in-class instruction in March 2020 and the District remained open to continue to support students and families in a variety of ways. Parents were given the choice to send their children back to school on a gradual and part-time basis beginning June 1, 2020 and full-time beginning Sept 1, 2020 with new health and safety guidelines. The ongoing impact of the pandemic presents uncertainty over future cash flows, may have a significant impact on future operations including decreases in revenue, impairment of receivables, reduction in investment income and delays in completing capital project work. As the situation is dynamic and the ultimate duration and magnitude of the impact are not known, an estimate of the future financial effect on the District is not practicable at this time.

**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(d) and 2(l).

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(d) and 2(l), 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.

**SCHOOL DISTRICT NO. 28**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2022**

---

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

a) Basis of Accounting (cont'd)

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.

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

Year-ended June 30, 2021 (restated – note 22) – increase in annual surplus by \$11,574,767  
June 30, 2021 (restated – note 22) – increase in accumulated surplus and decrease in deferred contributions by \$38,190,849

Year-ended June 30, 2022 – increase in annual surplus by \$24,696,611  
June 30, 2022 – increase in accumulated surplus and decrease in deferred contributions by \$63,560,652

b) Cash and Cash Equivalents

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

c) Accounts Receivable

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

d) 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

**SCHOOL DISTRICT NO. 28**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2022**

---

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

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 (l).

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

e) 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. 28**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2022**

---

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

f) 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.

g) Tangible Capital Assets

The following criteria apply:

- Tangible capital assets acquired or constructed are recorded at cost which includes amounts that are directly related to 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.

**SCHOOL DISTRICT NO. 28**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2022**

---

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

- Works of art, historic assets and other intangible assets are not recorded as assets in these financial statements.
- The cost, less residual value, of tangible capital assets (excluding sites), is amortized on a straight-line basis over the estimated useful life of the asset. It is management's responsibility to determine the appropriate useful lives for tangible capital assets. These useful lives are reviewed on a regular basis or if significant events initiate the need to revise. Estimated useful life is as follows:

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

h) 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.

i) Prepaid Expenses

City utilities and taxes, insurance, contract services, memberships and conference/course registration are included as a prepaid expense and stated at acquisition cost and are charged to expense over the periods expected to benefit from it.

j) 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 12 – Interfund Transfers and Note 20 – Internally Restricted Surplus).



**SCHOOL DISTRICT NO. 28**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2022**

---

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

k) 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

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 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.

**SCHOOL DISTRICT NO. 28**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2022**

---

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

l) Expenditures

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year is expensed.

Categories of Salaries

- Principals, Vice-Principals, and 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 related programs.
- Actual salaries of personnel assigned to two or more functions or programs are allocated based on the time spent in each function and program. School-based clerical salaries are allocated to school administration and partially to other programs to which they may be assigned. Principals and Vice-Principals salaries are allocated to school administration and may be partially allocated to other programs to recognize their other responsibilities.
- Employee benefits and allowances are allocated to the same programs, and in the same proportions, as the individual's salary.
- Supplies and services are allocated based on actual program identification.

m) Endowment Contributions

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

n) 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.

**SCHOOL DISTRICT NO. 28**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2022**

---

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

Financial instruments consist of cash and cash equivalents, accounts receivable, portfolio investments, bank overdraft, accounts payable and accrued liabilities, long term debt and other liabilities.

Except for portfolio investments in equity instruments quoted in an active market that are recorded at fair value, all financial assets and liabilities are recorded at cost or amortized cost and the associated transaction costs are added to the carrying value of these investments upon initial recognition and amortized using the effective interest rate method. Transaction costs are incremental costs directly attributable to the acquisition or issue of a financial asset or a financial liability.

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. Interest and dividends attributable to financial instruments are reported in the statement of operations. There are no measurement gains or losses during the periods presented; therefore, no statement of remeasurement gains or losses is included in these financial statements.

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

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

o) Measurement Uncertainty

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

p) 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

**SCHOOL DISTRICT NO. 28**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2022**

---

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

the retirement of tangible capital assets and is effective July 1, 2022. A liability will be recognized when, as at the financial reporting date:

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

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

A modified retroactive application has been recommended by Government. Management is in the process of assessing the impact of adopting this standard on the School District's financial results.

**PS 3400 Revenue** issued November 2018 establishes standards on how to account for and report on revenue and is effective July 1, 2023. Specifically, it differentiates between revenue arising from transactions that include performance obligations, referred to as "exchange transactions", and transactions that do not have performance obligations, referred to as "non-exchange transactions".

Revenue from transactions with performance obligations should be recognized when (or as) the school district satisfies a performance obligation by providing the promised goods or services to a payor.

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

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

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

**SCHOOL DISTRICT NO. 28**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2022**

---

**NOTE 3      ACCOUNTS RECEIVABLE – OTHER RECEIVABLES**

	2022	2021
Due from Federal Government	\$ 191,918	\$ 191,642
Other	93,665	60,461
	\$ 285,583	\$ 252,103

**NOTE 4      ACCOUNTS PAYABLE AND ACCRUED LIABILITIES – OTHER**

	2022	2021
Trade payables	\$ 5,076,381	\$ 1,317,439
Salaries and benefits payable	6,559	\$ 25,083
	\$ 5,082,940	\$ 1,342,522

**NOTE 5      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. Detailed information about the changes in deferred revenue is included in Schedule 3A.

	2022	2021
Deferred Revenue, beginning of year	\$ 763,974	\$ 769,485
Add: Restricted Grants		
Provincial Grants – Ministry of Education	\$ 3,474,069	\$ 4,554,574
Provincial Grants – Other	-	8,000
Other Grants	535,680	428,980
Investment Income	3,483	4,178
	\$ 4,013,232	\$ 4,995,732
Less: Allocated to Revenue	\$ 3,972,100	\$ 5,001,243
Recovered	-	-
	\$ 3,972,100	\$ 5,001,243
Balance, end of year	\$ 805,106	\$ 763,974

**SCHOOL DISTRICT NO. 28**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2022**

---

**NOTE 6      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. Detailed information about the changes in deferred capital revenue is included in Schedules 4C and 4D.

	2022	2021 (Restated - Note 22)
Deferred Capital Revenue, beginning of year	\$ 38,138,721	\$ 26,563,990
MOE Restricted Capital Revenue, beginning of year	52,128	52,056
Total Deferred Capital Revenue, beginning of year	\$ 38,190,849	\$ 26,616,046
Increase:		
Transferred from Deferred Revenue – Capital Addition	\$ 2,527,952	\$ 2,812,128
Transferred from Deferred Revenue – Work in Progress	24,233,478	10,691,468
Investment Income	36	36
Total Increase of Deferred Capital Revenue	\$ 26,761,466	\$ 13,503,632
Decrease:		
Unspent Capital Revenue		\$ -
Transferred from Shareable Deferred Revenue	-	-
Amortization of Deferred Capital Revenue	\$ 1,391,663	\$ 1,255,673
Half year amortization adjustments	-	673,156
Total Decrease of Deferred Capital Revenue	1,391,663	1,928,829
Deferred Capital Revenue	\$ 63,560,652	\$ 38,190,849

**SCHOOL DISTRICT NO. 28**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2022**

**NOTE 7      EMPLOYEE FUTURE BENEFITS**

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

	<b>June 30, 2022</b>	<b>June 30, 2021</b>
<b>Reconciliation of Accrued Benefit Obligation</b>		
Accrued Benefit Obligation – April 1	977,529	1,027,987
Service Cost	70,840	70,913
Interest Cost	24,765	23,281
Benefit Payments	(113,693)	(95,762)
Increase (Decrease) in obligation due to Plan Amendment	-	-
Actuarial (Gain) Loss	(313,478)	(48,890)
Accrued Benefit Obligation – March 31	645,963	977,529
<b>Reconciliation of Funded Status at End of Fiscal Year</b>		
Accrued Benefit Obligation - March 31	645,963	977,529
Market Value of Plan Assets - March 31	-	-
Funded Status - Surplus (Deficit)	(645,963)	(977,529)
Employer Contributions After Measurement Date	22,750	3,470
Benefits Expense After Measurement Date	(20,833)	(23,901)
Unamortized Net Actuarial (Gain) Loss	(297,366)	31,083
Accrued Benefit Asset (Liability) - June 30	(941,412)	(966,877)
<b>Reconciliation of Change in Accrued Benefit Liability</b>		
Accrued Benefit Liability (Asset) - July 1	966,879	915,780
Net Expense for Fiscal Year	107,507	121,519
Employer Contributions	(132,974)	(70,422)
Accrued Benefit Liability (Asset) - June 30	941,412	966,877
<b>Components of Net Benefit Expense</b>		
Service Cost	68,506	70,894
Interest Cost	24,031	23,652
Immediate Recognition of Plan Amendment	-	-
Amortization of Net Actuarial (Gain)/Loss	14,971	26,973
Net Benefit Expense (Income)	107,508	121,519

**SCHOOL DISTRICT NO. 28**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2022**

---

**NOTE 7 EMPLOYEE FUTURE BENEFITS (Continued)**

<b>Assumptions</b>			
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%
Long Term Salary Growth - March 31	2.50%	+ seniority	2.50%
EARSL - March 31	9.6		8.9

**NOTE 8 OTHER LIABILITIES**

	2022	2021
Accrued Vacation Payable	\$ 432,499	\$ 666,808
Receiver General Payable	524,881	470,403
Workers Compensation Board Payable	93,226	103,180
Teacher Summer Pay Plan Payable	1,030,706	982,783
Employers Health Tax	198,267	205,892
Employee Benefit and Programs Payable	209,628	203,432
Pension	56,594	477,221
Other	4,746	2,052
	<u>\$ 2,550,547</u>	<u>\$ 3,111,771</u>

**NOTE 9 TANGIBLE CAPITAL ASSETS**

**Net Book Value:**

	Net Book Value 2022	Net Book Value 2021 (Restated - Note 22)
Sites	\$ 2,842,620	\$ 2,842,620
Buildings	25,350,939	24,718,593
Buildings – work in progress	36,983,401	13,657,761
Furniture & Equipment	922,865	891,463
Furniture & Equipment – work in progress	457,161	-
Vehicles	2,660,811	2,352,077
Computer Software	315,654	394,897
Computer Hardware	7,875	13,124
Computer Hardware – work in progress	500,677	-
Total	<u>\$ 70,042,003</u>	<u>\$ 44,870,535</u>



**SCHOOL DISTRICT NO. 28**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2022**

**NOTE 9 TANGIBLE CAPITAL ASSETS (Continued)**

**June 30, 2022**

	Opening Cost	Additions	Disposals	Total 2022
Sites	\$ 2,842,620	\$ -	\$ -	\$ 2,842,620
Buildings	60,614,698	1,744,633	-	62,359,331
Buildings – work in progress	13,657,761	23,325,640	-	36,983,401
Furniture & Equipment	1,567,985	191,122	132,684	1,626,423
Furniture & Equipment – work in progress	-	457,161	-	457,161
Vehicles	3,556,389	686,505	228,262	4,014,632
Computer Software	540,253	32,009	-	572,262
Computer Hardware	26,246	-	-	26,246
Computer Hardware – work in progress	-	500,677	-	500,677
<b>Total</b>	<b>\$ 82,805,952</b>	<b>\$ 26,937,747</b>	<b>\$ 360,946</b>	<b>\$ 109,382,753</b>

	Opening Accumulated Amortization (Restated - Note 22)	Additions	Disposals	Total 2022
Buildings	\$ 35,896,105	\$ 1,112,287	\$ -	\$ 37,008,392
Furniture & Equipment	676,522	159,720	132,684	703,558
Vehicles	1,204,312	377,771	228,262	1,353,821
Computer Software	145,356	111,252	-	256,608
Computer Hardware	13,122	5,249	-	18,371
<b>Total</b>	<b>\$ 37,935,417</b>	<b>\$ 1,766,279</b>	<b>\$ 360,946</b>	<b>\$ 39,340,750</b>

**SCHOOL DISTRICT NO. 28**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2022**

**NOTE 9 TANGIBLE CAPITAL ASSETS (Continued)**

**June 30, 2021**

	Opening Cost	Additions	Disposals	Total 2021
Sites	\$ 2,842,620	\$ -	\$ -	\$ 2,842,620
Buildings	58,488,745	2,125,953	-	60,614,698
Buildings – work in progress	2,916,293	10,741,468	-	13,657,761
Furniture & Equipment	1,418,131	291,998	142,144	1,567,985
Vehicles	3,130,269	572,265	146,145	3,556,389
Computer Software	217,871	322,382	-	540,253
Computer Hardware	26,246	-	-	26,246
<b>Total</b>	<b>\$ 69,040,175</b>	<b>\$ 14,054,066</b>	<b>\$ 288,289</b>	<b>\$ 82,805,952</b>

	Opening Accumulated Amortization	Additions	Disposals	Prior Period Adjustment	Total 2021 (Restated - Note 22)
Buildings	\$ 34,291,481	\$ 1,056,405	\$ -	\$ 548,219	\$ 35,896,105
Furniture & Equipment	598,456	141,813	142,144	78,397	\$ 676,522
Vehicles	859,613	313,027	146,145	177,817	\$ 1,204,312
Computer Software	47,757	43,574	-	54,025	\$ 145,356
Computer Hardware	5,249	5,249	-	2,624	\$ 13,122
<b>Total</b>	<b>\$ 35,802,556</b>	<b>\$ 1,560,068</b>	<b>\$ 288,289</b>	<b>\$ 861,082</b>	<b>\$ 37,935,417</b>

- Buildings – work in progress having a value of \$37,941,239 (2021: \$13,657,761) have not been amortized. Amortization of these assets will commence when the asset is put into service.
- Contributed tangible capital assets - Additions to buildings and furniture and equipment include the following contributed tangible capital assets:

	2022	2021
Bus shelter	\$ -	\$ 17,751
Belt sander and planer	-	32,227
<b>Total</b>	<b>\$ -</b>	<b>\$ 49,978</b>

**SCHOOL DISTRICT NO. 28**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2022**

---

**NOTE 10     EMPLOYEE PENSION PLANS**

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

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

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

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 \$2,961,837 for employer contributions to the plans for the year ended June 30, 2022 (2021: \$2,949,072).

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

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

**SCHOOL DISTRICT NO. 28**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2022**

---

**NOTE 11 RESTRICTED ASSETS - ENDOWMENT FUNDS**

Donors have placed restrictions on their contributions to the endowment funds of the school district. One restriction is that the original contribution should not be spent. Another potential restriction is that any investment income of the endowment fund that is required to offset the eroding effect of inflation or preserve the original value of the endowment should also not be spent.

Name of Endowment	2021	Contributions	2022
QSS 1950-67 Reunion	\$ 25,000	\$ -	\$ 25,000
QSS Grad Scholarship	20,000	-	20,000
QSS Student Council Scholarship	12,000	-	12,000
Maple Drive Scholarship	15,000	-	15,000
Walsh Performing Arts Award	50,000	-	50,000
Total	\$ 122,000	\$ -	\$ 122,000

**NOTE 12 INTERFUND TRANSFERS**

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

- \$155,701 to Capital Fund for purchase from the Operating Fund primarily for maintenance vehicles and equipment.
- \$50,000 to Capital Fund work in progress to meet the School Districts commitment to provide funds for the construction of the new Quesnel Junior Secondary School.

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

**NOTE 14 UNRECOGNIZED ASSETS**

The lands located at the former site of Quesnel Junior School (585 Callanan Street, Quesnel) and the Helen Dixon Centre site (241 Kinchant Street, Quesnel) are crown land which are not recorded as an asset. A reasonable estimate of the value of the use of those lands cannot be made.

**SCHOOL DISTRICT NO. 28**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2022**

---

**NOTE 15 CONTRACTUAL OBLIGATIONS**

The School District has entered into a number of multiple-year contracts for the delivery of services and the construction of tangible capital assets. 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.

Contractual obligations	2023	2024	2025	2026	2027	Thereafter
Multi-Functional Devices	\$ 83,395	\$37,443	\$12,060	\$9,428	\$6,795	\$ -
Quesnel Junior Secondary	12,713,647	-	-	-	-	-
	<u>\$12,797,042</u>	<u>\$37,443</u>	<u>\$12,060</u>	<u>\$9,428</u>	<u>\$6,795</u>	<u>\$ -</u>

**NOTE 16 CONTINGENT LIABILITIES**

The School District has been named as the defendant in a civil lawsuit, in which damages have been sought. These matters may give rise to future liabilities. The outcome of these actions is not determinable as at June 30, 2022, and accordingly, no provision has been made in these financial statements.

**NOTE 17 BUDGET FIGURES**

Budget figures included in the financial statements were approved by the Board through the adoption of an amended annual budget on February 16, 2022.

	2021/2022 Preliminary Budget	2021/2022 Amended Budget
Revenue		
Provincial Grants – Ministry of Education	\$ 38,911,851	\$ 39,824,358
Other Revenue	657,248	344,000
Rentals and Leases	190,460	190,460
Investment Income	48,500	26,000
Amortization of Deferred Capital Revenue	1,228,614	1,389,210
Total Revenue	<u>\$ 41,036,673</u>	<u>\$ 41,774,028</u>
Expenses		
Instruction	32,420,875	32,881,237
District Administration	1,783,393	1,824,894
Operations and Maintenance	5,828,322	5,570,622
Transportation and Housing	2,185,072	2,379,532
Total Expenses	<u>\$ 42,217,662</u>	<u>\$ 42,656,285</u>
Net Expenses	(1,180,989)	(882,257)
Budget Allocation of Surplus	580,135	584,971
Budget Deficit for the year	<u>\$ (600,854)</u>	<u>\$ (297,286)</u>

**SCHOOL DISTRICT NO. 28**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2022**

---

**NOTE 18 ASSET RETIREMENT OBLIGATION**

Certain Schools in the School District contain asbestos. No amount has been recorded in these financial statements with regard to potential liabilities since fair value of future removal costs cannot be reasonably estimated due to unknown timelines.

**NOTE 19 EXPENSE BY OBJECT**

	2022	2021 (Restated - Note 22)
Salaries and benefits	\$ 36,198,211	\$ 36,191,568
Services and supplies	4,374,171	4,330,060
Amortization	1,766,279	1,641,322
	\$ 42,338,661	\$ 42,162,950

**NOTE 20 INTERNALLY RESTRICTED SURPLUS – OPERATING FUND**

Internally Restricted (appropriated) by Board for:		
Aboriginal Education	\$ 279,095	
QDTA Training Fund	70,000	
School surpluses	73,266	
District Contribution to QJS Replacement	50,000	
Subtotal Internally Restricted		472,361
Unrestricted Operating Surplus (Deficit)		1,579,576
Total Available for Future Operations		\$ 2,051,937

**NOTE 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. 28**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2022**

---

**NOTE 22 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 district did not recognize amortization in the first partial service year. The School District has made a retroactive adjustment to recognize amortization of all assets and deferred capital contributions beginning in the first service year. The impact of the prior period adjustment on the June 30, 2021 comparative amounts is as follows:

	Increase (Decrease)
Tangible Capital Assets	\$ (861,082)
Deferred Capital Revenue	(673,156)
Accumulated Surplus (Deficit)	(187,926)
Amortization of Deferred Capital Revenue	46,669
Operations & Maintenance Expense – Asset amortization	81,254
Accumulated Surplus – beginning of the year July 1, 2020	(153,341)

**NOTE 23 RISK MANAGEMENT**

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

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

a) Credit risk:

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

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

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

**SCHOOL DISTRICT NO. 28**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2022**

---

**NOTE 23    RISK MANAGEMENT** *(Continued)*

b) Market risk:

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

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

c) Liquidity risk:

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

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

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



**School District No. 28 (Quesnel)**

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 22)
	\$	\$	\$	\$	\$
<b>Accumulated Surplus (Deficit), beginning of year</b>	2,254,519	122,000	6,731,779	9,108,298	8,860,472
Prior Period Adjustments					(153,341)
<b>Accumulated Surplus (Deficit), beginning of year, as restated</b>	<b>2,254,519</b>	<b>122,000</b>	<b>6,731,779</b>	<b>9,108,298</b>	<b>8,707,131</b>
<b>Changes for the year</b>					
Surplus (Deficit) for the year	(26,265)		(374,616)	(400,881)	401,167
Interfund Transfers	(155,701)		155,701	-	-
Tangible Capital Assets Purchased	(50,000)		50,000	-	-
Tangible Capital Assets - Work in Progress	29,384		(29,384)	-	-
Other	(202,582)		(198,299)	(400,881)	401,167
<b>Net Changes for the year</b>	<b>(202,582)</b>	<b>-</b>	<b>(198,299)</b>	<b>(400,881)</b>	<b>401,167</b>
<b>Accumulated Surplus (Deficit), end of year - Statement 2</b>	<b>2,051,937</b>	<b>122,000</b>	<b>6,533,480</b>	<b>8,707,417</b>	<b>9,108,298</b>

**School District No. 28 (Quesnel)**

Schedule of Operating Operations

Year Ended June 30, 2022

	2022 Budget	2022 Actual	2021 Actual (Restated - Note 22)
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education and Child Care	36,107,386	36,303,762	36,011,496
Other Revenue	20,000	43,543	41,847
Rentals and Leases	190,460	190,677	169,576
Investment Income	25,000	36,035	41,577
<b>Total Revenue</b>	<u>36,342,846</u>	<u>36,574,017</u>	<u>36,264,496</u>
<b>Expenses</b>			
Instruction	29,014,583	28,816,783	28,303,523
District Administration	1,824,894	1,842,147	1,779,347
Operations and Maintenance	4,009,801	3,880,150	3,813,965
Transportation and Housing	2,008,539	2,061,202	1,938,263
<b>Total Expense</b>	<u>36,857,817</u>	<u>36,600,282</u>	<u>35,835,098</u>
<b>Operating Surplus (Deficit) for the year</b>	<u>(514,971)</u>	<u>(26,265)</u>	<u>429,398</u>
<b>Budgeted Appropriation (Retirement) of Surplus (Deficit)</b>	<u>584,971</u>		
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased	(20,000)	(155,701)	(189,721)
Tangible Capital Assets - Work in Progress	(50,000)	(50,000)	(50,000)
Other		29,384	
<b>Total Net Transfers</b>	<u>(70,000)</u>	<u>(176,317)</u>	<u>(239,721)</u>
<b>Total Operating Surplus (Deficit), for the year</b>	<u>-</u>	<u>(202,582)</u>	<u>189,677</u>
<b>Operating Surplus (Deficit), beginning of year</b>		2,254,519	2,064,842
<b>Operating Surplus (Deficit), end of year</b>		<u>2,051,937</u>	<u>2,254,519</u>
<b>Operating Surplus (Deficit), end of year</b>			
Internally Restricted		472,361	573,055
Unrestricted		1,579,576	1,681,464
<b>Total Operating Surplus (Deficit), end of year</b>		<u>2,051,937</u>	<u>2,254,519</u>

# School District No. 28 (Quesnel)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source  
Year Ended June 30, 2022

	2022 Budget	2022 Actual	2021 Actual (Restated - Note 22)
	\$	\$	\$
<b>Provincial Grants - Ministry of Education and Child Care</b>			
Operating Grant, Ministry of Education and Child Care	35,442,358	35,584,958	34,344,585
Other Ministry of Education and Child Care Grants			
Pay Equity	379,632	379,632	379,632
Funding for Graduated Adults	1,000	1,571	2,111
Student Transportation Fund	274,209	274,209	274,209
Support Staff Benefits Grant	-	53,274	52,434
Teachers' Labour Settlement Funding			878,407
Early Career Mentorship Funding			70,000
FSA Scorer Grant	8,187	8,187	8,187
Early Learning Framework	2,000	1,931	1,931
<b>Total Provincial Grants - Ministry of Education and Child Care</b>	<b>36,107,386</b>	<b>36,303,762</b>	<b>36,011,496</b>
<b>Other Revenues</b>			
Miscellaneous	5,000	8,470	27,795
Other	15,000	35,073	14,052
Sale of Assets	20,000	43,543	41,847
<b>Total Other Revenue</b>			
	190,460	190,677	169,576
<b>Rentals and Leases</b>			
	25,000	36,035	41,577
<b>Investment Income</b>			
	36,342,846	36,574,017	36,264,496
<b>Total Operating Revenue</b>			

# School District No. 28 (Quesnel)

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

Schedule 2B (Unaudited)

	2022 Budget	2022 Actual	2021 Actual (Restated - Note 22)
	\$	\$	\$
<b>Salaries</b>			
Teachers	15,041,282	15,108,225	15,053,025
Principals and Vice Principals	2,833,997	2,647,811	2,752,689
Educational Assistants	2,690,176	2,669,655	2,662,491
Support Staff	4,219,510	4,182,228	4,133,282
Other Professionals	1,042,741	1,041,319	989,745
Substitutes	1,373,260	1,510,905	1,408,695
<b>Total Salaries</b>	<b>27,200,966</b>	<b>27,160,143</b>	<b>26,999,927</b>
<b>Employee Benefits</b>	<b>5,841,331</b>	<b>6,078,955</b>	<b>5,699,308</b>
<b>Total Salaries and Benefits</b>	<b>33,042,297</b>	<b>33,239,098</b>	<b>32,699,235</b>
<b>Services and Supplies</b>			
Services	373,270	336,485	350,525
Student Transportation	10,000	11,763	8,145
Professional Development and Travel	301,190	322,775	208,240
Dues and Fees	58,950	60,094	81,552
Insurance	92,800	83,030	91,690
Supplies	2,172,460	1,714,278	1,627,316
Utilities	806,850	832,759	768,395
<b>Total Services and Supplies</b>	<b>3,815,520</b>	<b>3,361,184</b>	<b>3,135,863</b>
<b>Total Operating Expense</b>	<b>36,857,817</b>	<b>36,600,282</b>	<b>35,835,098</b>

**School District No. 28 (Quesnel)**  
 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	10,917,716	217,139		595,191		918,168	12,648,214
1.03 Career Programs	42,277			32,298		351	74,926
1.07 Library Services	531,315	139,440		64,131			734,886
1.08 Counselling	852,912						852,912
1.10 Special Education	2,302,170	199,097	2,151,158	101,664		293,085	5,047,174
1.30 English Language Learning	89,556					539	90,095
1.31 Indigenous Education	372,279	119,601	518,497	25,212		36,997	1,072,586
1.41 School Administration		1,644,852		250,537			1,895,389
1.64 Other						5,400	5,400
<b>Total Function 1</b>	<b>15,108,225</b>	<b>2,320,129</b>	<b>2,669,655</b>	<b>1,069,033</b>	<b>-</b>	<b>1,254,540</b>	<b>22,421,582</b>
<b>4 District Administration</b>							
4.11 Educational Administration		179,303		62,751	257,659		499,713
4.40 School District Governance		148,379		106,477	94,962		94,962
4.41 Business Administration		327,682		169,228	518,487		773,343
<b>Total Function 4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>169,228</b>	<b>871,108</b>	<b>-</b>	<b>1,368,018</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration				38,792	87,302		126,094
5.50 Maintenance Operations				1,710,134		177,024	1,887,158
5.52 Maintenance of Grounds				138,903		6,941	145,844
5.56 Utilities							-
<b>Total Function 5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,887,829</b>	<b>87,302</b>	<b>183,965</b>	<b>2,159,096</b>
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration				51,548	82,909		134,457
7.70 Student Transportation				1,004,590		72,400	1,076,990
7.73 Housing							-
<b>Total Function 7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,056,138</b>	<b>82,909</b>	<b>72,400</b>	<b>1,211,447</b>
<b>9 Debt Services</b>							
<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>15,108,225</b>	<b>2,647,811</b>	<b>2,669,655</b>	<b>4,182,228</b>	<b>1,041,319</b>	<b>1,510,905</b>	<b>27,160,143</b>

**School District No. 28 (Quesnel)**  
 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	2021 Actual
	\$	\$	\$	\$	\$	\$	\$
<b>1 Instruction</b>							
1.02 Regular Instruction	12,648,214	2,853,964	15,502,178	998,893	16,501,071	16,338,723	16,381,683
1.03 Career Programs	74,926	16,317	91,243	878	92,121	89,930	201,374
1.07 Library Services	734,886	168,536	903,422	30,230	933,652	942,611	928,645
1.08 Counselling	852,912	185,011	1,037,923	34,538	1,072,461	1,098,376	1,105,102
1.10 Special Education	5,047,174	1,138,025	6,185,199	134,989	6,320,188	6,253,469	5,953,596
1.30 English Language Learning	90,095	19,327	109,422	258	109,680	112,441	108,559
1.31 Indigenous Education	1,072,586	234,804	1,307,390	94,878	1,402,268	1,681,363	1,159,887
1.41 School Administration	1,895,389	425,653	2,321,042	46,127	2,367,169	2,477,700	2,434,056
1.64 Other	5,400	819	6,219	11,954	18,173	19,970	30,621
<b>Total Function 1</b>	<b>22,421,582</b>	<b>5,042,456</b>	<b>27,464,038</b>	<b>1,352,745</b>	<b>28,816,783</b>	<b>29,014,583</b>	<b>28,303,523</b>
<b>4 District Administration</b>							
4.11 Educational Administration	499,713	104,024	603,737	22,553	626,290	611,523	621,788
4.40 School District Governance	94,962	3,437	98,399	70,057	168,456	155,390	138,862
4.41 Business Administration	773,343	163,687	937,030	110,371	1,047,401	1,057,981	1,018,697
<b>Total Function 4</b>	<b>1,368,018</b>	<b>271,148</b>	<b>1,639,166</b>	<b>202,981</b>	<b>1,842,147</b>	<b>1,824,894</b>	<b>1,779,347</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration	126,094	30,266	156,360	53,681	210,041	211,936	205,984
5.50 Maintenance Operations	1,887,158	410,862	2,298,020	346,494	2,644,514	2,794,287	2,608,069
5.52 Maintenance of Grounds	145,844	31,106	176,950	15,886	192,836	196,728	231,517
5.56 Utilities	-	-	-	832,759	832,759	806,850	768,395
<b>Total Function 5</b>	<b>2,159,096</b>	<b>472,234</b>	<b>2,631,330</b>	<b>1,248,820</b>	<b>3,880,150</b>	<b>4,009,801</b>	<b>3,813,965</b>
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration	134,457	29,416	163,873	-	163,873	153,403	140,683
7.70 Student Transportation	1,076,990	263,701	1,340,691	553,091	1,893,782	1,851,636	1,795,145
7.73 Housing	-	-	-	3,547	3,547	3,500	2,435
<b>Total Function 7</b>	<b>1,211,447</b>	<b>293,117</b>	<b>1,504,564</b>	<b>556,638</b>	<b>2,061,202</b>	<b>2,008,539</b>	<b>1,938,263</b>
<b>9 Debt Services</b>							
<b>Total Function 9</b>							
<b>Total Functions 1 - 9</b>	<b>27,160,143</b>	<b>6,078,955</b>	<b>33,239,098</b>	<b>3,361,184</b>	<b>36,600,282</b>	<b>36,857,817</b>	<b>35,835,098</b>

# School District No. 28 (Quesnel)

Schedule of Special Purpose Operations  
Year Ended June 30, 2022

Schedule 3 (Unaudited)

	2022 Budget	2022 Actual	2021 Actual (Restated - Note 22)
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education and Child Care	3,404,023	3,488,637	4,532,328
Other	312,949		21,534
Other Revenue	324,000	479,980	439,239
Investment Income	1,000	3,483	4,178
<b>Total Revenue</b>	<u>4,041,972</u>	<u>3,972,100</u>	<u>4,997,279</u>
<b>Expenses</b>			
Instruction	3,866,654	3,715,980	4,448,984
Operations and Maintenance	175,318	175,319	179,096
Transportation and Housing		80,801	58,450
<b>Total Expense</b>	<u>4,041,972</u>	<u>3,972,100</u>	<u>4,686,530</u>
<b>Special Purpose Surplus (Deficit) for the year</b>	<u>-</u>	<u>-</u>	<u>310,749</u>
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased			(310,749)
<b>Total Net Transfers</b>	<u>-</u>	<u>-</u>	<u>(310,749)</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>		<u>122,000</u>	122,000
<b>Special Purpose Surplus (Deficit), end of year</b>		<u>122,000</u>	<u>122,000</u>
<b>Special Purpose Surplus (Deficit), end of year</b>		<u>122,000</u>	122,000
Endowment Contributions		<u>122,000</u>	<u>122,000</u>
<b>Total Special Purpose Surplus (Deficit), end of year</b>		<u>122,000</u>	<u>122,000</u>

**School District No. 28 (Quesnel)**

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

	Annual Facility Grant	Learning Improvement Fund	Scholarships and Bursaries	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK	Classroom Enhancement Fund - Overhead
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Deferred Revenue, beginning of year</b>									
<b>Add:</b> Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	175,319	122,271	144,161	206,908	128,000	29,400	88,333	498,881	214,445
Other Investment Income			29,201	329,697					
			3,483						
<b>Less:</b> Allocated to Revenue	175,319	122,271	32,684	329,697	128,000	29,400	88,333	498,881	214,445
<b>Deferred Revenue, end of year</b>	-	-	35,550	304,689	128,000	37,099	84,026	498,881	214,445
			141,295	231,916			11,852		
<b>Revenues</b>	175,319	122,271	32,067	304,689	128,000	37,099	84,026	498,881	214,445
Provincial Grants - Ministry of Education and Child Care			32,067						
Other Revenue			3,483						
Investment Income	175,319	122,271	35,550	304,689	128,000	37,099	84,026	498,881	214,445
<b>Expenses</b>									
Salaries						20,250	36,235		
Teachers									
Educational Assistants		102,562			94,741	1,364			50,475
Support Staff	14,556				4,522	695			80,250
Substitutes									
Employee Benefits	14,556	102,562			99,263	22,309	36,235	326,555	130,725
Services and Supplies	3,414	19,709			20,962	3,580	6,835	68,840	35,494
	157,349		35,550	304,689	7,775	11,210	40,956	103,486	48,226
	175,319	122,271	35,550	304,689	128,000	37,099	84,026	498,881	214,445
<b>Net Revenue (Expense) before Interfund Transfers</b>	-	-	-	-	-	-	-	-	-
<b>Interfund Transfers</b>	-	-	-	-	-	-	-	-	-
<b>Net Revenue (Expense)</b>	-	-	-	-	-	-	-	-	-



**School District No. 28 (Quesnel)**

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

	Classroom Enhancement Fund - Staffing	First Nation Student Transportation	Mental Health in Schools	Changing Results for Young Children & Safety Grant	Safe Return to School / Restart: Health & Safety Grant	Federal Safe Return to Class / Ventilation Fund	Other Partnerships	BC Skills for Jobs	TOTAL
	\$	\$	\$	\$	\$	\$	\$	\$	
<b>Deferred Revenue, beginning of year</b>		193,978		8,546			190,063	5,074	763,974
<b>Add:</b> Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	1,899,440	10,309	129,932	6,000	84,978	86,761	176,782		3,474,069
Other Investment Income									535,680
Less: Allocated to Revenue	1,899,440	10,309	129,932	6,000	84,978	86,761	176,782		4,013,232
<b>Deferred Revenue, end of year</b>	-	80,801	65,611	11,005	84,978	86,761	142,542	682	3,972,100
		<b>123,486</b>	<b>64,321</b>	<b>3,541</b>			<b>224,303</b>	<b>4,392</b>	<b>805,106</b>
<b>Revenues</b>									
Provincial Grants - Ministry of Education and Child Care	1,899,440	80,801	65,611	11,005	84,978	86,761	142,542	682	3,488,637
Other Revenue									479,980
Investment Income									3,483
<b>Expenses</b>									
Salaries	1,551,783								1,623,533
Teachers									102,562
Educational Assistants									615,505
Support Staff		39,201	26,871	845	49,141		11,756		87,862
Substitutes				2,395					
Employee Benefits	1,551,783	39,201	26,871	3,240	49,141		27,021		2,429,462
Services and Supplies	347,657	7,492	3,163	585	7,660		4,260		529,651
		34,108	35,577	7,180	28,177	86,761	111,261	682	1,012,987
	1,899,440	80,801	65,611	11,005	84,978	86,761	142,542	682	3,972,100
<b>Net Revenue (Expense) before Interfund Transfers</b>	-	-	-	-	-	-	-	-	-
<b>Interfund Transfers</b>	-	-	-	-	-	-	-	-	-
<b>Net Revenue (Expense)</b>	-	-	-	-	-	-	-	-	-

# School District No. 28 (Quesnel)

Schedule 4 (Unaudited)

Schedule of Capital Operations  
Year Ended June 30, 2022

	2022 Budget	2022 Actual			2021 Actual (Restated - Note 22)
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
<b>Revenues</b>					
Amortization of Deferred Capital Revenue	1,389,210	1,391,663		1,391,663	1,302,342
<b>Total Revenue</b>	<u>1,389,210</u>	<u>1,391,663</u>	<u>-</u>	<u>1,391,663</u>	<u>1,302,342</u>
<b>Expenses</b>					
Amortization of Tangible Capital Assets					
Operations and Maintenance	1,385,503	1,388,508		1,388,508	1,328,295
Transportation and Housing	370,993	377,771		377,771	313,027
<b>Total Expense</b>	<u>1,756,496</u>	<u>1,766,279</u>	<u>-</u>	<u>1,766,279</u>	<u>1,641,322</u>
<b>Capital Surplus (Deficit) for the year</b>	<u>(367,286)</u>	<u>(374,616)</u>	<u>-</u>	<u>(374,616)</u>	<u>(338,980)</u>
<b>Net Transfers (to) from other funds</b>					
Tangible Capital Assets Purchased	20,000	155,701		155,701	500,470
Tangible Capital Assets - Work in Progress	50,000	50,000		50,000	50,000
AFG Capitalized in prior year		(29,384)		(29,384)	
<b>Total Net Transfers</b>	<u>70,000</u>	<u>176,317</u>	<u>-</u>	<u>176,317</u>	<u>550,470</u>
<b>Total Capital Surplus (Deficit) for the year</b>	<u>(297,286)</u>	<u>(198,299)</u>	<u>-</u>	<u>(198,299)</u>	<u>211,490</u>
<b>Capital Surplus (Deficit), beginning of year</b>		6,731,779		6,731,779	6,673,630
Prior Period Adjustments					(153,341)
Half Year Amortization Rule		6,731,779	-	6,731,779	6,520,289
<b>Capital Surplus (Deficit), beginning of year, as restated</b>		<u>6,731,779</u>	<u>-</u>	<u>6,731,779</u>	<u>6,520,289</u>
<b>Capital Surplus (Deficit), end of year</b>		<u>6,533,480</u>	<u>-</u>	<u>6,533,480</u>	<u>6,731,779</u>

**School District No. 28 (Quesnel)**

Tangible Capital Assets  
Year Ended June 30, 2022

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	2,842,620	60,614,698	1,567,985	3,556,389	540,253	26,246	69,148,191
<b>Changes for the Year</b>							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw	1,744,633		191,122	535,344	27,469		2,498,568
Operating Fund	1,744,633		191,122	686,505	32,009	-	2,654,269
Decrease:							
Deemed Disposals	-	-	132,684	228,262	-	-	360,946
Cost, end of year	2,842,620	62,359,331	1,626,423	4,014,632	572,262	26,246	71,441,514
Work in Progress, end of year	36,983,401	457,161			500,677		37,941,239
Cost and Work in Progress, end of year	2,842,620	99,342,732	2,083,584	4,014,632	572,262	526,923	109,382,753
<b>Accumulated Amortization, beginning of year</b>							
Prior Period Adjustments	35,347,886		598,125	1,026,495	91,331	10,498	37,074,335
Half Year Amortization Rule	548,219		78,397	177,817	54,025	2,624	861,082
Accumulated Amortization, beginning of year, as restated	35,896,105		676,522	1,204,312	145,356	13,122	37,935,417
<b>Changes for the Year</b>							
Increase: Amortization for the Year	1,112,287		159,720	377,771	111,252	5,249	1,766,279
Decrease:							
Deemed Disposals	-	-	132,684	228,262	-	-	360,946
Accumulated Amortization, end of year	37,008,392		703,558	1,353,821	256,608	18,371	39,340,750
<b>Tangible Capital Assets - Net</b>	<b>2,842,620</b>	<b>62,334,340</b>	<b>1,380,026</b>	<b>2,660,811</b>	<b>315,654</b>	<b>508,552</b>	<b>70,042,003</b>

# School District No. 28 (Quesnel)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress  
Year Ended June 30, 2022

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
Work in Progress, beginning of year	13,657,761				13,657,761
<b>Changes for the Year</b>					
Increase:					
Deferred Capital Revenue - Bylaw	23,275,640	457,161		500,677	24,233,478
Operating Fund	50,000				50,000
	23,325,640	457,161	-	500,677	24,283,478
<b>Net Changes for the Year</b>	23,325,640	457,161	-	500,677	24,283,478
<b>Work in Progress, end of year</b>	<b>36,983,401</b>	<b>457,161</b>	<b>-</b>	<b>500,677</b>	<b>37,941,239</b>

# School District No. 28 (Quesnel)

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>	24,537,412	716,740		25,254,152
Prior Period Adjustments				
Half Year Amortization Rule	(663,322)	(9,834)		(673,156)
<b>Deferred Capital Revenue, beginning of year, as restated</b>	<u>23,874,090</u>	<u>706,906</u>	<u>-</u>	<u>24,580,996</u>
<b>Changes for the Year</b>				
Increase:				
Transferred from Deferred Revenue - Capital Additions	2,498,568			2,498,568
AFG Capitalized in Prior Year	29,384			29,384
	<u>2,527,952</u>	<u>-</u>	<u>-</u>	<u>2,527,952</u>
Decrease:				
Amortization of Deferred Capital Revenue	1,366,593	25,070		1,391,663
	<u>1,366,593</u>	<u>25,070</u>	<u>-</u>	<u>1,391,663</u>
<b>Net Changes for the Year</b>	<u>1,161,359</u>	<u>(25,070)</u>	<u>-</u>	<u>1,136,289</u>
<b>Deferred Capital Revenue, end of year</b>	<u>25,035,449</u>	<u>681,836</u>	<u>-</u>	<u>25,717,285</u>
<b>Work in Progress, beginning of year</b>	13,557,761			13,557,761
<b>Changes for the Year</b>				
Increase				
Transferred from Deferred Revenue - Work in Progress	24,233,478			24,233,478
	<u>24,233,478</u>	<u>-</u>	<u>-</u>	<u>24,233,478</u>
<b>Net Changes for the Year</b>	<u>24,233,478</u>	<u>-</u>	<u>-</u>	<u>24,233,478</u>
<b>Work in Progress, end of year</b>	<u>37,791,239</u>	<u>-</u>	<u>-</u>	<u>37,791,239</u>
<b>Total Deferred Capital Revenue, end of year</b>	<u>62,826,688</u>	<u>681,836</u>	<u>-</u>	<u>63,508,524</u>

**School District No. 28 (Quesnel)**  
 Changes in Unspent Deferred Capital Revenue  
 Year Ended June 30, 2022

	Bylaw Capital	MECC Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	50,000	2,092	-	-	-	52,092
<b>Changes for the Year</b>						
Increase:						
Provincial Grants - Ministry of Education and Child Care Investment Income	26,761,430	36	-	-	-	26,761,430
	26,761,430	36	-	-	-	26,761,466
Decrease:						
Transferred to DCR - Capital Additions	2,498,568	-	-	-	-	2,498,568
Transferred to DCR - Work in Progress	24,233,478	-	-	-	-	24,233,478
AFG Capitalized in prior year	29,384	-	-	-	-	29,384
	26,761,430	-	-	-	-	26,761,430
<b>Net Changes for the Year</b>	-	36	-	-	-	36
<b>Balance, end of year</b>	<b>50,000</b>	<b>2,128</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>52,128</b>