

Audited Financial Statements of

School District No. 41 (Burnaby)

And Independent Auditors' Report thereon

June 30, 2022

School District No. 41 (Burnaby)

June 30, 2022

Table of Contents

Management Report	1
Independent Auditors' Report	2 - 4
Statement of Financial Position - Statement 1	5
Statement of Operations - Statement 2	6
Statement of Changes in Net Debt - Statement 4	7
Statement of Cash Flows - Statement 5	8
Notes to the Financial Statements	9 - 26
Schedule of Changes in Accumulated Surplus (Deficit) by Fund - Schedule 1 (Unaudited)	27
Schedule of Operating Operations - Schedule 2 (Unaudited)	28
Schedule 2A - Schedule of Operating Revenue by Source (Unaudited)	29
Schedule 2B - Schedule of Operating Expense by Object (Unaudited)	30
Schedule 2C - Operating Expense by Function, Program and Object (Unaudited)	31 - 32
Schedule of Special Purpose Operations - Schedule 3 (Unaudited)	33
Schedule 3A - Changes in Special Purpose Funds and Expense by Object (Unaudited)	34 - 36
Schedule of Capital Operations - Schedule 4 (Unaudited)	37
Schedule 4A - Tangible Capital Assets (Unaudited)	38
Schedule 4B - Tangible Capital Assets - Work in Progress (Unaudited)	39
Schedule 4C - Deferred Capital Revenue (Unaudited)	40
Schedule 4D - Changes in Unspent Deferred Capital Revenue (Unaudited)	41

School District No. 41 (Burnaby)

MANAGEMENT REPORT

Version: 5659-4913-2931

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 41 (Burnaby) 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. 41 (Burnaby) (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 quarterly 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. 41 (Burnaby) 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. 41 (Burnaby)

Original Signed	September 27, 2022
Signature of the Chairperson of the Board of Education	Date Signed
Original Signed	September 27, 2022
Signature of the Superintendent	Date Signed
Original Signed	September 27, 2022
Signature of the Secretary Treasurer	Date Signed



KPMG LLP
PO Box 10426 777 Dunsmuir Street
Vancouver BC V7Y 1K3
Canada
Telephone (604) 691-3000
Fax (604) 691-3031

INDEPENDENT AUDITORS' REPORT

To the Board of Education of School District No. 41 (Burnaby),
To the Minister of Education and Child Care, Province of British Columbia

Opinion

We have audited the financial statements of School District No. 41 (Burnaby) (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.

Other Matter – Comparative Information

The financial statements for the year ended June 30, 2021 were audited by another auditor who expressed an unmodified opinion on those financial statements on September 29, 2021.



Other Information

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

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

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 other information, other than the financial statements and the auditors' report thereon, included in the Financial Statement Discussion and Analysis document and Unaudited Schedules 1-4 attached to the audited financial statements as at the date of this auditors' report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditors' report.

We have nothing to report in this regard.

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

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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



We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG LLP

Chartered Professional Accountants

Vancouver, Canada
September 28, 2022

School District No. 41 (Burnaby)

Statement 1

Statement of Financial Position

As at June 30, 2022

	2022 Actual	2021 Actual
	\$	\$
Financial Assets		
Cash and Cash Equivalents	97,891,160	86,020,293
Accounts Receivable		
Due from Province - Ministry of Education and Child Care	16,647,791	7,605,392
Due from Province - Other	493,355	34,578
Other (Note 3)	5,101,473	4,473,188
Portfolio Investments (Note 4)	2,185,209	2,182,960
Total Financial Assets	122,318,988	100,316,411
Liabilities		
Accounts Payable and Accrued Liabilities		
Other (Note 5)	39,205,494	32,081,747
Unearned Revenue (Note 6)	18,308,777	16,643,688
Deferred Revenue (Note 7)	9,216,203	8,725,303
Deferred Capital Revenue (Note 8)	375,124,625	321,140,861
Employee Future Benefits (Note 9)	10,104,762	9,725,546
Capital Lease Obligations (Note 10)	3,329,014	4,839,924
Total Liabilities	455,288,875	393,157,069
Net Debt	(332,969,887)	(292,840,658)
Non-Financial Assets		
Tangible Capital Assets (Note 11)	443,579,859	385,417,921
Restricted Assets (Endowments) (Note 13)	25,000	25,000
Prepaid Expenses	2,613,863	2,579,853
Total Non-Financial Assets	446,218,722	388,022,774
Accumulated Surplus (Deficit)	113,248,835	95,182,116

Contractual Obligations (Note 16)

Contractual Rights (Note 17)

Contingent Liabilities (Note 18)

Approved by the Board

Original Signed

September 27, 2022

Signature of the Chairperson of the Board of Education

Date Signed

Original Signed

September 27, 2022

Signature of the Superintendent

Date Signed

Original Signed

September 27, 2022

Signature of the Secretary Treasurer

Date Signed

School District No. 41 (Burnaby)

Statement of Operations
Year Ended June 30, 2022

	2022 Budget (Note 19) \$	2022 Actual \$	2021 Actual \$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	267,543,611	268,413,467	268,040,470
Other	181,687	335,614	167,995
Federal Grants	3,751,864	3,436,204	3,383,590
Tuition	20,959,949	21,573,116	16,574,438
Other Revenue	11,514,275	7,024,303	5,786,672
Rentals and Leases	591,836	620,564	496,834
Investment Income	388,366	457,820	586,382
Gain (Loss) on Disposal of Tangible Capital Assets		23,886,528	
Amortization of Deferred Capital Revenue	8,834,621	9,052,818	7,549,669
Total Revenue	<u>313,766,209</u>	<u>334,800,434</u>	<u>302,586,050</u>
Expenses			
Instruction	273,745,792	265,890,763	259,687,860
District Administration	7,578,364	7,964,623	7,495,226
Operations and Maintenance	39,585,188	40,808,210	39,078,491
Transportation and Housing	1,647,090	1,915,896	1,781,405
Debt Services		154,223	13,315
Total Expense	<u>322,556,434</u>	<u>316,733,715</u>	<u>308,056,297</u>
Surplus (Deficit) for the year	<u>(8,790,225)</u>	<u>18,066,719</u>	<u>(5,470,247)</u>
Accumulated Surplus (Deficit) from Operations, beginning of year		95,182,116	100,652,363
Accumulated Surplus (Deficit) from Operations, end of year		<u><u>113,248,835</u></u>	<u>95,182,116</u>

School District No. 41 (Burnaby)

Statement of Changes in Net Debt

Year Ended June 30, 2022

	2022 Budget (Note 19) \$	2022 Actual \$	2021 Actual \$
Surplus (Deficit) for the year	(8,790,225)	18,066,719	(5,470,247)
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets		(71,072,162)	(71,563,823)
Amortization of Tangible Capital Assets		12,831,548	10,889,235
Net carrying value of Tangible Capital Assets disposed of		78,676	
Total Effect of change in Tangible Capital Assets	-	(58,161,938)	(60,674,588)
Acquisition of Prepaid Expenses		(131,376)	(2,579,853)
Use of Prepaid Expenses		97,366	1,657,823
Total Effect of change in Other Non-Financial Assets	-	(34,010)	(922,030)
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	<u>(8,790,225)</u>	(40,129,229)	(67,066,865)
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Debt		(40,129,229)	(67,066,865)
Net Debt, beginning of year		(292,840,658)	(225,773,793)
Net Debt, end of year		(332,969,887)	(292,840,658)

School District No. 41 (Burnaby)

Statement 5

Statement of Cash Flows

Year Ended June 30, 2022

	2022 Actual	2021 Actual
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	18,066,719	(5,470,247)
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(10,129,461)	(6,062,755)
Prepaid Expenses	(34,010)	(922,030)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	7,123,747	5,639,651
Unearned Revenue	1,665,089	(1,872,902)
Deferred Revenue	490,900	(1,244,753)
Employee Future Benefits	379,216	513,475
Loss (Gain) on Disposal of Tangible Capital Assets	(23,886,528)	
Amortization of Tangible Capital Assets	12,831,548	10,889,235
Amortization of Deferred Capital Revenue	(9,052,818)	(7,549,669)
Total Operating Transactions	<u>(2,545,598)</u>	<u>(6,079,995)</u>
Capital Transactions		
Tangible Capital Assets Purchased	(1,281,700)	(7,725,176)
Tangible Capital Assets -WIP Purchased	(69,790,462)	(58,106,744)
District Portion of Proceeds on Disposal	23,965,000	
Total Capital Transactions	<u>(47,107,162)</u>	<u>(65,831,920)</u>
Financing Transactions		
Loan Payments	(1,510,707)	(1,112,348)
Capital Revenue Received	63,036,582	48,401,083
Total Financing Transactions	<u>61,525,875</u>	<u>47,288,735</u>
Investing Transactions		
Investments in Portfolio Investments	(2,248)	22,489
Total Investing Transactions	<u>(2,248)</u>	<u>22,489</u>
Net Increase (Decrease) in Cash and Cash Equivalents	11,870,867	(24,600,691)
Cash and Cash Equivalents, beginning of year	86,020,293	110,620,984
Cash and Cash Equivalents, end of year	97,891,160	86,020,293
Cash and Cash Equivalents, end of year, is made up of:		
Cash	37,511,773	27,247,084
Cash Equivalents	60,379,387	58,773,209
	<u>97,891,160</u>	<u>86,020,293</u>

**SCHOOL DISTRICT NO. 41 (BURNABY)
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. 41 (Burnaby)" and operates as "School District No. 41 (Burnaby)." 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 ("MECC"). School District No. 41 (Burnaby) 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* supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board. The Budget Transparency and Accountability Act requires that the financial statements be prepared in accordance with the set of standards and guidelines that comprise generally accepted accounting principles for senior governments in Canada, or if the Treasury Board makes a regulation, the set of standards and guidelines that comprise generally accepted accounting principles for senior governments in Canada as modified by the alternate standard or guideline or part thereof adopted in the regulation.

Regulation 257/2010 requires all taxpayer supported organizations in the Schools, Universities, Colleges and Hospitals sectors to adopt Canadian public sector accounting standards without any PS4200 elections effective their first fiscal year commencing after January 1, 2012.

Regulation 198/2011 requires that restricted contributions received or receivable for acquiring or developing a depreciable tangible capital asset or contributions in the form of a depreciable tangible capital asset are to be deferred and recognized in revenue at the same rate that amortization of the related tangible capital asset is recorded.

For British Columbia taxpayer supported organizations, these contributions include government transfers and externally restricted contributions.

The accounting policy requirements under Regulation 198/2011 are significantly different from the requirements of Canadian public sector accounting standards which 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.

As a result, revenue recognized in the statement of operations and certain related deferred capital revenue would be recorded differently under Canadian Public Sector Accounting Standards.

b) Cash and Cash Equivalents

Cash and cash equivalents include cash and 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.

**SCHOOL DISTRICT NO. 41 (BURNABY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

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

c) Accounts Receivable

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

d) Portfolio Investments

The School District has investments in guaranteed investment certificates (GIC's) and term deposits, that have a maturity of greater than three months at the time of acquisition. GIC's and term deposits are reported at amortized cost.

Impairment is defined as a loss in value of a portfolio investment that is other than a temporary decline and is included in the Statement of Operations.

e) Unearned Revenue

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

f) 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 transferor and eligibility criteria have been met unless the transfer contains a stipulation that creates a liability in which case the transfer is recognized as revenue over the period that the liability is extinguished.

g) Employee Future Benefits

The School District provides certain post-employment benefits including vested and non-vested benefits for 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 ("EARSLS") 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.

**SCHOOL DISTRICT NO. 41 (BURNABY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

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

g) Employee Future Benefits (continued)

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

h) Liability for Contaminated Sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when a site is not in productive use and all the following criteria are met:

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

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

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. It is management's responsibility to determine the appropriate useful lives for tangible capital assets.

**SCHOOL DISTRICT NO. 41 (BURNABY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

i) Tangible Capital Assets (continued)

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

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

Prepaid expenses consist mainly of prepaid fees that are paid for near the end of the current fiscal year. Prepaid expenses are 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 Note 14 – Interfund Transfers and Note 21 – Internally restricted surplus – Operating fund).

m) Revenue Recognition

Revenues are recorded on an accrual basis in the period in which the transactions or events occurred that gave rise to the revenues, the amounts are considered to be collectible and can be reasonably estimated.

Contributions received or where eligibility criteria have been met are recognized as revenue except where the contribution meets the criteria for deferral as described below. Eligibility criteria are the criteria that the School District has to meet in order to receive the contributions including authorization by the transferring government.

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

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

**SCHOOL DISTRICT NO. 41 (BURNABY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

m) Revenue Recognition (continued)

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

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

Revenue related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned or service performed.

Investment income is reported in the period earned. When required by the funding party or related Act, investment income earned on deferred revenue is added to the deferred revenue balance.

n) Expenditures

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

Categories of Salaries

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

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, portfolio investments, accounts payable and other accrued liabilities.

**SCHOOL DISTRICT NO. 41 (BURNABY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

o) Financial Instruments (continued)

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.

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. There are no measurement gains or losses during the periods presented. As a result, the School District does not have a statement of remeasurement gains or losses. 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 requires management to make estimates and assumptions that impact reported amounts of assets and liabilities at the date of the financial statements and revenues and expenses during the reporting periods. Areas requiring the use of management estimates relate to the potential impairment of assets, liabilities for contaminated sites, rates for amortization and employee future benefits. Actual results could differ from those estimates.

q) Future Changes in Accounting Policies

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

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

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

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

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

**SCHOOL DISTRICT NO. 41 (BURNABY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

q) Future Changes in Accounting Policies (continued)

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.

NOTE 3 ACCOUNTS RECEIVABLE – OTHER

	2022	2021
Due from Federal Government	\$ -	\$ -
Other	5,101,473	4,473,188
	\$ 5,101,473	\$ 4,473,188

NOTE 4 PORTFOLIO INVESTMENTS

	2022	2021
GIC’s and Term Deposits	\$ 2,185,209	\$ 2,182,960

\$1,920,209 matures in FY2023 with annual yield between 0.2% and 4.05%. \$265,000 matures in FY2024 with annual yield between 1.10% and 4.05%.

NOTE 5 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2022	2021
Trade Payables	\$ 16,298,338	\$ 9,798,309
Salaries and Benefits Payable	20,653,892	20,391,650
Accrued Vacation Pay	2,253,264	1,891,788
	\$ 39,205,494	\$ 32,081,747

**SCHOOL DISTRICT NO. 41 (BURNABY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

NOTE 6 UNEARNED REVENUE

	<u>2022</u>	<u>2021</u>
Balance, beginning of year	\$ 16,643,688	\$ 18,516,590
Changes for the year:		
Increase:		
Tuition fees received	18,027,713	14,132,644
Decrease:		
Tuition fee revenue recognized	(16,362,624)	(16,005,546)
Net changes for the year	\$ 1,665,089	(1,872,902)
Balance, end of year	\$ 18,308,777	\$ 16,643,688

NOTE 7 DEFERRED REVENUE

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

	<u>2022</u>	<u>2021</u>
Balance, beginning of year	\$ 8,725,303	\$ 9,970,056
Changes for the year:		
Increase:		
Provincial grants - MECC	\$ 30,490,666	\$ 35,109,616
Provincial Grants - Other	105,436	52,360
Federal grants	3,436,204	3,383,590
Other revenue	6,319,311	4,455,714
Investment income	375	811
	40,351,992	43,002,091
Decrease:		
Transfers to revenue	\$ (38,190,436)	\$ (43,218,861)
Recovery	(1,670,656)	(1,027,983)
	\$ (39,861,092)	\$ (44,246,844)
Net Changes for the year	490,900	(1,244,753)
Balance, end of year	\$ 9,216,203	\$ 8,725,303

SCHOOL DISTRICT NO. 41 (BURNABY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 8 DEFERRED CAPITAL REVENUE

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

	<u>2022</u>	<u>2021</u>
Deferred Capital Revenue, beginning of year	\$ 321,140,861	\$ 280,289,447
Increases:		
Provincial Grants - MECC	59,519,877	35,142,050
Other Provincial Capital	349,433	4,340,914
Local Government Fees / Grants	2,600,095	1,707,589
Investment Income	293,847	418,480
Other Capital	273,330	6,792,050
Transfers from unspent Deferred Capital Revenue - Capital Additions	17,178,381	4,731,565
	80,214,963	53,132,648
Decreases:		
Transfers to Deferred Capital Revenue - Capital Additions	17,178,381	4,731,565
Amortization of Deferred Capital Revenue	9,052,818	7,549,669
	26,231,199	12,281,234
Net Change for the year	53,983,764	40,851,414
Deferred Capital Revenue, end of year	\$ 375,124,625	\$ 321,140,861

NOTE 9 EMPLOYEE FUTURE BENEFITS

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

SCHOOL DISTRICT NO. 41 (BURNABY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 9 EMPLOYEE FUTURE BENEFITS *(continued)*

	<u>2022</u>	<u>2021</u>
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation - April 1	\$ 9,715,829	\$ 9,754,189
Service Cost	712,445	717,220
Interest Cost	250,819	226,859
Benefit Payments	(699,170)	(538,432)
Increase (Decrease) in obligation due to Plan Amendment	19,144	-
Actuarial (Gain) Loss	303,587	(444,007)
Accrued Benefit Obligation - March 31	<u>\$ 10,302,654</u>	<u>\$ 9,715,829</u>
 Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation - March 31	\$ 10,302,654	\$ 9,715,829
Funded Status - Deficit	(10,302,654)	(9,715,829)
Employer Contributions After Measurement Date	195,271	169,283
Benefit Expense After Measurement Date	(259,679)	(240,816)
Unamortized Net Actuarial Loss	262,299	61,816
Accrued Benefit Asset (Liability) - June 30	<u>\$ (10,104,762)</u>	<u>\$ (9,725,546)</u>
 Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability (Asset) - July 1	\$ 9,725,546	\$ 9,212,071
Net Expense for Fiscal Year	1,104,375	1,090,927
Employer Contributions	(725,159)	(577,452)
Accrued Benefit Liability (Asset) - June 30	<u>\$ 10,104,762</u>	<u>\$ 9,725,546</u>
 Components of Net Benefit Expense		
Service Cost	\$ 710,480	\$ 716,026
Interest Cost	271,647	232,849
Immediate Recognition of Plan Amendment	19,144	-
Amortization of Net Actuarial (Gain)/Loss	103,104	142,052
Net Benefit Expense	<u>\$ 1,104,375</u>	<u>\$ 1,090,927</u>

**SCHOOL DISTRICT NO. 41 (BURNABY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

NOTE 9 EMPLOYEE FUTURE BENEFITS (continued)

The impact of changes in assumptions between the March 31, 2022 measurement date and the June 30, 2022 reporting date have been considered and are not considered to be material. The significant actuarial assumptions adopted for measuring the School District's accrued benefit obligations are:

Assumptions	2022	2021
Discount Rate - April 1	2.50%	2.25%
Discount Rate - March 31	3.25%	2.50%
Long Term Salary Growth - April 1	2.50%+seniority	2.50%+seniority
Long Term Salary Growth - March 31	2.50%+seniority	2.50% +seniority
EARSL (years) - March 31	11.3	11.4

NOTE 10 CAPITAL LEASE OBLIGATIONS

The School District leases assets under capital leases. All leases will expire by fiscal year 2025. The capital leases provide for a transfer of ownership of the assets to the School District through a bargain purchase option. The School District has certain other leasing agreements with third parties; assets under these other agreements and respective liabilities are not material.

Repayments are due as follows:

	2022	2021
2022	\$ -	\$ 1,564,115
2023	1,458,780	1,564,115
2024	1,458,780	1,564,115
2025	525,593	562,387
Total minimum lease payments	3,443,153	5,254,732
Interest portion	(114,139)	(414,808)
Total	\$ 3,329,014	\$ 4,839,924

NOTE 11 TANGIBLE CAPITAL ASSETS

	Net Book Value 2022	Net book value 2021
Sites	\$ 48,620,595	\$ 48,699,271
Buildings	278,862,568	278,862,568
Furniture and equipment	3,785,606	3,785,606
Vehicles	994,988	994,988
Computer software	122,671	122,671
Computer hardware	6,400,328	6,400,328
Work in progress:		
Buildings	104,503,597	79,159,680
Furniture and equipment	289,506	640,232
Total	\$ 443,579,859	\$ 418,665,344

SCHOOL DISTRICT NO. 41 (BURNABY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 11 TANGIBLE CAPITAL ASSETS (continued)

June 30, 2022

Costs:	June 30, 2021 Balance	Additions	Disposals	Transfers (WIP)	June 30, 2022 Balance
Sites	\$ 48,699,271	\$ -	\$ (78,676)	\$ -	\$ 48,620,595
Buildings	413,187,752	248,411	(58,783)	43,249,219	456,626,599
Furniture & Equipment	5,288,545	578,450	(1,162,654)	1,548,052	6,252,393
Vehicles	1,805,364	81,477	(167,295)	-	1,719,546
Computer Software	496,920	-	(73,619)	-	423,301
Computer Hardware	10,036,396	373,362	(473,784)	-	9,935,974
	<u>\$ 479,514,248</u>	<u>\$ 1,281,700</u>	<u>\$ (2,014,811)</u>	<u>\$ 44,797,271</u>	<u>\$ 523,578,408</u>
Work in progress - Buildings	79,159,680	68,593,136	-	(43,249,219)	104,503,597
Work in progress - Furniture & Equipment	640,232	1,197,326	-	(1,548,052)	289,506
	<u>\$ 559,314,160</u>	<u>\$ 71,072,162</u>	<u>\$ (2,014,811)</u>	<u>\$ -</u>	<u>\$ 628,371,511</u>

Accumulated Amortization	June 30, 2021 Balance	Additions	Disposals	June 30, 2022 Balance
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	167,833,817	9,988,997	(58,783)	177,764,031
Furniture & Equipment	3,052,394	577,047	(1,162,654)	2,466,787
Vehicles	715,608	176,245	(167,295)	724,558
Computer Software	282,227	92,022	(73,619)	300,630
Computer Hardware	2,012,193	1,997,237	(473,784)	3,535,646
Total	<u>\$ 173,896,239</u>	<u>\$ 12,831,548</u>	<u>\$ (1,936,135)</u>	<u>\$ 184,791,652</u>

**SCHOOL DISTRICT NO. 41 (BURNABY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

NOTE 11 TANGIBLE CAPITAL ASSETS (continued)

June 30, 2021

Costs:	June 30, 2020 Balance	Additions	Disposals	Transfers (WIP)	June 30, 2021 Balance
Sites	\$ 48,699,271	\$ -	\$ -	\$ -	\$ 48,699,271
Buildings	407,387,232	5,800,520	-	-	413,187,752
Furniture & Equipment	6,124,879	-	(836,334)	-	5,288,545
Vehicles	1,537,660	378,805	(111,101)	-	1,805,364
Computer Software	505,894	26,645	(35,619)	-	496,920
Computer Hardware	3,090,315	7,251,109	(305,028)	-	10,036,396
	<u>\$ 467,345,251</u>	<u>13,457,079</u>	<u>\$ (1,288,082)</u>	<u>-</u>	<u>\$ 479,514,248</u>
Work in progress - Buildings	21,685,349	57,474,331	-	-	79,159,680
Work in progress - Furniture & Equipment	7,819	632,413	-	-	640,232
	<u>\$ 489,038,419</u>	<u>\$ 71,563,823</u>	<u>\$ (1,288,082)</u>	<u>-</u>	<u>\$ 559,314,160</u>

Accumulated Amortization	June 30, 2020 Balance	Additions	Disposals	June 30, 2021 Balance
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	158,594,509	9,239,308	-	167,833,817
Furniture & Equipment	3,229,420	659,308	(836,334)	3,052,394
Vehicles	660,198	166,511	(111,101)	715,608
Computer Software	255,674	62,172	(35,619)	282,227
Computer Hardware	1,555,285	761,936	(305,028)	2,012,193
Total	<u>\$ 164,295,086</u>	<u>\$ 10,889,235</u>	<u>\$ (1,288,082)</u>	<u>\$ 173,896,239</u>

Buildings – work in progress having a value of \$ 104,503,597 (2021: \$ 79,159,680) have not been amortized. Amortization of these assets will commence when the asset is put into service.

NOTE 12 EMPLOYEE PENSION PLANS

The School District and its employees contribute to the Teachers' Pension Plan and Municipal Pension Plan (jointly trusted 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.

**SCHOOL DISTRICT NO. 41 (BURNABY)
 NOTES TO FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2022**

NOTE 12 EMPLOYEE PENSION PLANS (continued)

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 \$ 22,960,241 for employer contributions to the plans for the year ended June 30, 2022 (2021: \$22,493,621).

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

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

NOTE 13 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
BCSD Scholarship Fund	\$ 10,000	\$ -	\$ 10,000
BCSD Research Fund	15,000	-	15,000
Total	\$ 25,000	\$ -	\$ 25,000

NOTE 14 INTERFUND TRANSFERS

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

- \$2,252,000 transferred from the Operating Fund to the Capital Fund for capital asset purchases from Local Capital
- \$185,949 transferred from the Operating Fund to the Capital Fund for capital asset purchases

NOTE 15 RELATED PARTY TRANSACTIONS

The School District is related through common ownership to all Province of British Columbia ministries, agencies, school districts, health authorities, colleges, universities, and crown corporations. Transactions with these entities, unless disclosed separately, are considered to be in the normal course of operations and are recorded at the exchange amount.

**SCHOOL DISTRICT NO. 41 (BURNABY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

NOTE 16 CONTRACTUAL OBLIGATIONS

The School District has entered into a number of multiple-year contracts for the delivery of services and 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. There are no contractual obligations after 2026/27.

Contractual Obligations	2023	2024	2025	2026	2027
Technology	\$ 1,458,780	\$ 1,458,780	\$ 525,593	\$ -	\$ -
Transportation *	120,000	-	-	-	-
Garbage Collection Services	205,000	205,000	205,000	205,000	205,000
Capital Project - Burnaby North	42,025,080	-	-	-	-
Capital Project - Portables	239,093	-	-	-	-
Capital Project - Childcare	199,137	-	-	-	-
Capital Project - Parkcrest	41,981	-	-	-	-
Capital Project - Seaforth	254,728	-	-	-	-
Capital Project - Stride	1,253,725	-	-	-	-
Total	\$ 45,797,524	\$ 1,663,780	\$ 730,593	\$ 205,000	\$ 205,000

NOTE 17 CONTRACTUAL RIGHTS

Contractual rights are rights to economic resources arising from contracts or agreements that will result in revenues and assets in the future. The School District's contractual rights arise because of contracts entered into for operation of childcare centres on School District's sites. The following table summarizes the contractual rights of the School District for future assets:

Contractual rights	2023	2024	2025	2026	2027	Thereafter
	\$ 492,341	\$ 209,007	\$ 209,007	\$ 63,500	\$ -	\$ -

NOTE 18 CONTINGENT LIABILITIES

The School District is contingently liable as a guarantor of letters of credit provided by the Royal Bank of Canada to the City of Burnaby. The School District's maximum potential liability under the guarantee is \$2,423,708 (2021 - \$ 2,444,708).

**SCHOOL DISTRICT NO. 41 (BURNABY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

NOTE 19 BUDGET FIGURES

Budget figures included in the financial statements were approved by the Board through the adoption of an amended annual budget on February 22, 2022. Changes between the original annual budget (approved by the Board on May 25, 2021) and the amended annual budget are listed below:

	2022 Preliminary Budget	2022 Amended Budget	Change
Total Revenue	\$ 303,153,168	\$ 313,766,209	\$ 10,613,041
Total Expense	310,389,685	322,556,434	(12,166,749)
Deficit for the year	(7,236,517)	(8,790,225)	(1,553,708)
Budgeted Allocation of Surplus	6,843,830	7,962,238	1,118,408
Budgeted Surplus (Deficit) for the year	<u>\$ (392,687)</u>	<u>\$ (827,987)</u>	<u>\$ (435,300)</u>
Deficit for the year	\$ (7,236,517)	\$ (8,790,225)	\$ (1,553,708)
Total Effect of change in Tangible Capital Assets	<u>(11,615,400)</u>	<u>(11,120,100)</u>	495,300
Increase in Net Financial Assets (Debt)	<u>\$ (18,851,917)</u>	<u>\$ (19,910,325)</u>	<u>\$ (1,058,408)</u>

Significant changes between the original and amended budget were:

- Total Revenues - Budgeted revenues were amended based on actual student enrolment and increased International student tuition fees revenue.
- Expenses - Budgeted expenses were amended based on revised projections/cost estimates and addition of Board approved use of internally restricted funds from 2021.

More information on the financial results can be found in the District’s 2021-2022 Financial Statement Discussion & Analysis (FSD & A).

NOTE 20 EXPENSE BY OBJECT

	2022	2021
Salaries and benefits	\$ 274,360,161	\$ 268,347,333
Services and supplies	29,374,948	28,801,014
Interest	154,223	13,315
Amortization	12,831,548	10,889,235
Total	<u>\$ 316,720,880</u>	<u>\$ 308,050,897</u>

**SCHOOL DISTRICT NO. 41 (BURNABY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

NOTE 21 INTERNALLY RESTRICTED SURPLUS – OPERATING FUND

	<u>2022</u>	<u>2021</u>
Internally restricted operating surplus		
Ensuing year operating budget commitment	\$ 4,942,616	\$ 6,843,830
International Education Program Reserve	2,125,000	2,125,000
School fund balances, learning resources, program development	753,791	743,723
Other School District committed expenses	<u>1,908,646</u>	<u>2,468,540</u>
Subtotal Internally Restricted	\$ 9,730,053	\$ 12,181,093
Unrestricted Operating Surplus	<u>1,199,617</u>	<u>4,048,378</u>
Total Available for Future Operations	<u>\$ 10,929,670</u>	<u>\$ 16,229,471</u>

NOTE 22 ECONOMIC DEPENDENCE

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

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 banking institutions. Cash equivalents consist of term deposits held with the Provincial Central Deposit Program.

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.

**SCHOOL DISTRICT NO. 41 (BURNABY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

NOTE 23 RISK MANAGEMENT *(continued)*

b) Market risk (continued):

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The School District is exposed to interest rate risk through its investments. It is management's opinion that the School District is not exposed to significant interest rate risk as they invest solely in term deposits held with the Provincial Central Deposit Program that have a maturity date of no more than 3 years.

(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. 41 (Burnaby)

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

	Operating Fund	Special Purpose Fund	Capital Fund	2022 Actual	2021 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	16,229,471	25,000	78,927,645	95,182,116	100,652,363
Changes for the year					
Surplus (Deficit) for the year	(2,861,852)	867,706	20,060,865	18,066,719	(5,470,247)
Interfund Transfers					
Tangible Capital Assets Purchased	(185,949)	(867,706)	1,053,655	-	
Local Capital	(2,252,000)		2,252,000	-	
Net Changes for the year	(5,299,801)	-	23,366,520	18,066,719	(5,470,247)
Accumulated Surplus (Deficit), end of year - Statement 2	10,929,670	25,000	102,294,165	113,248,835	95,182,116

School District No. 41 (Burnaby)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2022

	2022 Budget (Note 19) \$	2022 Actual \$	2021 Actual \$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	239,188,582	239,762,295	232,870,833
Other	126,500	283,800	116,400
Tuition	20,959,949	21,573,116	16,574,438
Other Revenue	711,547	973,432	1,172,633
Rentals and Leases	484,544	513,274	389,129
Investment Income	273,366	457,445	586,382
Total Revenue	<u>261,744,488</u>	<u>263,563,362</u>	<u>251,709,815</u>
Expenses			
Instruction	233,399,431	232,245,950	221,466,438
District Administration	6,956,261	7,369,833	6,973,105
Operations and Maintenance	26,222,256	25,723,709	24,525,061
Transportation and Housing	876,778	1,085,722	970,282
Total Expense	<u>267,454,726</u>	<u>266,425,214</u>	<u>253,934,886</u>
Operating Surplus (Deficit) for the year	<u>(5,710,238)</u>	<u>(2,861,852)</u>	<u>(2,225,071)</u>
Budgeted Appropriation (Retirement) of Surplus (Deficit)	<u>7,962,238</u>		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased		(185,949)	(104,142)
Tangible Capital Assets - Work in Progress			-
Local Capital	(2,252,000)	(2,252,000)	(1,609,362)
Other			(1,125,663)
Total Net Transfers	<u>(2,252,000)</u>	<u>(2,437,949)</u>	<u>(2,839,167)</u>
Total Operating Surplus (Deficit), for the year	<u>-</u>	<u>(5,299,801)</u>	<u>(5,064,238)</u>
Operating Surplus (Deficit), beginning of year		16,229,471	21,293,709
Operating Surplus (Deficit), end of year		<u>10,929,670</u>	<u>16,229,471</u>
Operating Surplus (Deficit), end of year			
Internally Restricted		9,730,053	12,181,093
Unrestricted		1,199,617	4,048,378
Total Operating Surplus (Deficit), end of year		<u>10,929,670</u>	<u>16,229,471</u>

School District No. 41 (Burnaby)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2022

	2022 Budget (Note 19)	2022 Actual	2021 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education and Child Care			
Operating Grant, Ministry of Education and Child Care	236,678,950	237,661,956	222,644,552
Other Ministry of Education and Child Care Grants			
Pay Equity	1,441,995	1,441,995	1,441,995
Funding for Graduated Adults	682,176	227,922	682,176
Student Transportation Fund	24,841	24,841	24,841
Support Staff Benefits Grant	327,925	332,886	327,925
Teachers' Labour Settlement Funding			7,146,649
Early Career Mentorship Funding			570,000
FSA Scorer Grant	27,292	27,292	27,292
Early Learning Framework (ELF) Implementation	5,403	5,403	5,403
Extreme Weather		40,000	
Total Provincial Grants - Ministry of Education and Child Care	239,188,582	239,762,295	232,870,833
Provincial Grants - Other	126,500	283,800	116,400
Tuition			
Summer School Fees	334,135	334,135	224,385
Continuing Education	2,084,544	2,185,836	2,227,324
International and Out of Province Students	18,541,270	19,053,145	14,122,729
Total Tuition	20,959,949	21,573,116	16,574,438
Other Revenues			
Miscellaneous			
City of Burnaby - Crossing Guards	205,000	205,000	205,000
Other Program fees	153,092	55,760	118,051
Sundry	353,455	712,672	849,582
Total Other Revenue	711,547	973,432	1,172,633
Rentals and Leases	484,544	513,274	389,129
Investment Income	273,366	457,445	586,382
Total Operating Revenue	261,744,488	263,563,362	251,709,815

School District No. 41 (Burnaby)

Schedule 2B (Unaudited)

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

	2022 Budget (Note 19)	2022 Actual	2021 Actual
	\$	\$	\$
Salaries			
Teachers	129,987,282	130,514,749	126,235,709
Principals and Vice Principals	10,737,659	10,656,645	10,424,367
Educational Assistants	21,506,145	21,923,065	20,243,084
Support Staff	20,541,513	21,118,537	20,916,728
Other Professionals	5,368,583	5,535,182	5,575,464
Substitutes	11,186,465	11,212,953	8,420,368
Total Salaries	199,327,647	200,961,131	191,815,720
Employee Benefits	44,355,194	45,292,248	42,069,565
Total Salaries and Benefits	243,682,841	246,253,379	233,885,285
Services and Supplies			
Services	8,739,785	7,472,085	7,265,391
Student Transportation	691,831	812,589	733,771
Professional Development and Travel	1,045,443	454,981	626,657
Rentals and Leases	155,059	180,248	108,918
Dues and Fees	74,427	96,205	108,344
Insurance	614,858	586,787	542,507
Supplies	9,121,327	7,075,271	7,559,158
Utilities	3,329,155	3,493,669	3,104,855
Total Services and Supplies	23,771,885	20,171,835	20,049,601
Total Operating Expense	267,454,726	266,425,214	253,934,886

School District No. 41 (Burnaby)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2022

	Teachers Salaries	Principals and Vice Principals Salaries	Educational Assistants Salaries	Support Staff Salaries	Other Professionals Salaries	Substitutes Salaries	Total Salaries
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	96,212,492	179,309	608,952	1,800,404	241,695	6,361,991	105,404,843
1.03 Career Programs	815,455			161,245		54,440	1,031,140
1.07 Library Services	2,840,260	15,312	172,575	113,094			3,141,241
1.08 Counselling	4,191,214						4,191,214
1.10 Special Education	10,884,949	283,077	20,622,130			2,565,466	34,355,622
1.30 English Language Learning	7,500,238	49,761					7,549,999
1.31 Indigenous Education	870,796	148,347	184,363			57,655	1,261,161
1.41 School Administration	634,785	9,030,492		4,812,801			14,478,078
1.60 Summer School	1,308,928	220,742				614,349	2,144,019
1.61 Continuing Education	1,363,907	258,492		285,651	211,382	41,762	2,161,194
1.62 International and Out of Province Students	3,891,725	56,871	335,045	235,961	477,287	257,668	5,254,557
Total Function 1	130,514,749	10,242,403	21,923,065	7,409,156	930,364	9,953,331	180,973,068
4 District Administration							
4.11 Educational Administration		414,242		308,072	1,602,494		2,324,808
4.40 School District Governance				60,923	357,560		418,483
4.41 Business Administration				941,246	1,488,334		2,429,580
Total Function 4	-	414,242	-	1,310,241	3,448,388	-	5,172,871
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				298,589	1,156,430	3,029	1,458,048
5.50 Maintenance Operations				11,090,177		1,256,593	12,346,770
5.52 Maintenance of Grounds				788,911			788,911
5.56 Utilities							-
Total Function 5	-	-	-	12,177,677	1,156,430	1,259,622	14,593,729
7 Transportation and Housing							
7.70 Student Transportation				221,463			221,463
Total Function 7	-	-	-	221,463	-	-	221,463
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	130,514,749	10,656,645	21,923,065	21,118,537	5,535,182	11,212,953	200,961,131

School District No. 41 (Burnaby)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2022

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2022 Actual	2022 Budget (Note 19)	2021 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	105,404,843	22,997,713	128,402,556	5,942,284	134,344,840	135,991,085	129,362,319
1.03 Career Programs	1,031,140	240,578	1,271,718	28,480	1,300,198	1,310,741	1,415,656
1.07 Library Services	3,141,241	732,893	3,874,134	283,713	4,157,847	4,507,770	4,385,566
1.08 Counselling	4,191,214	977,865	5,169,079		5,169,079	5,289,804	4,799,299
1.10 Special Education	34,355,622	8,015,617	42,371,239	504,169	42,875,408	41,742,672	39,636,821
1.30 English Language Learning	7,549,999	1,761,514	9,311,513	2,880	9,314,393	9,829,022	9,160,616
1.31 Indigenous Education	1,261,161	294,245	1,555,406	62,926	1,618,332	1,653,774	1,669,324
1.41 School Administration	14,478,078	3,377,926	17,856,004	3,316	17,859,320	17,270,187	17,360,365
1.60 Summer School	2,144,019	500,228	2,644,247	94,477	2,738,724	2,348,413	1,951,012
1.61 Continuing Education	2,161,194	504,235	2,665,429	1,100,057	3,765,486	3,323,523	3,898,784
1.62 International and Out of Province Students	5,254,557	1,225,957	6,480,514	2,621,809	9,102,323	10,132,440	7,826,676
Total Function 1	180,973,068	40,628,771	221,601,839	10,644,111	232,245,950	233,399,431	221,466,438
4 District Administration							
4.11 Educational Administration	2,324,808	542,408	2,867,216	55,603	2,922,819	2,820,167	2,792,147
4.40 School District Governance	418,483	97,638	516,121	129,255	645,376	625,774	631,414
4.41 Business Administration	2,429,580	566,853	2,996,433	805,205	3,801,638	3,510,320	3,549,544
Total Function 4	5,172,871	1,206,899	6,379,770	990,063	7,369,833	6,956,261	6,973,105
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	1,458,048	340,182	1,798,230	851,246	2,649,476	2,556,994	2,474,105
5.50 Maintenance Operations	12,346,770	2,880,663	15,227,433	2,794,883	18,022,316	18,050,649	17,371,862
5.52 Maintenance of Grounds	788,911	184,063	972,974	585,274	1,558,248	1,485,058	1,595,839
5.56 Utilities	-	-	-	3,493,669	3,493,669	4,129,555	3,083,255
Total Function 5	14,593,729	3,404,908	17,998,637	7,725,072	25,723,709	26,222,256	24,525,061
7 Transportation and Housing							
7.70 Student Transportation	221,463	51,670	273,133	812,589	1,085,722	876,778	970,282
Total Function 7	221,463	51,670	273,133	812,589	1,085,722	876,778	970,282
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	200,961,131	45,292,248	246,253,379	20,171,835	266,425,214	267,454,726	253,934,886

School District No. 41 (Burnaby)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2022

	2022 Budget (Note 19) \$	2022 Actual \$	2021 Actual \$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	28,355,029	28,651,172	35,169,637
Other	55,187	51,814	51,595
Federal Grants	3,751,864	3,436,204	3,383,590
Other Revenue	10,802,728	6,050,871	4,614,039
Investment Income	5,000	375	
Total Revenue	42,969,808	38,190,436	43,218,861
Expenses			
Instruction	40,346,361	33,644,813	38,221,422
District Administration	622,103	594,790	522,121
Operations and Maintenance	930,932	2,252,953	3,664,195
Transportation and Housing	770,312	830,174	811,123
Total Expense	42,669,708	37,322,730	43,218,861
Special Purpose Surplus (Deficit) for the year	300,100	867,706	-
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(300,100)	(867,706)	
Total Net Transfers	(300,100)	(867,706)	-
Total Special Purpose Surplus (Deficit) for the year	-	-	-
Special Purpose Surplus (Deficit), beginning of year		25,000	25,000
Special Purpose Surplus (Deficit), end of year		25,000	25,000
Special Purpose Surplus (Deficit), end of year			
Endowment Contributions		25,000	25,000
Total Special Purpose Surplus (Deficit), end of year		25,000	25,000

School District No. 41 (Burnaby)

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

	Annual Facility Grant	Learning Improvement Fund	Special Education Equipment	Scholarships and Bursaries	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK	Classroom Enhancement Fund - Overhead	Classroom Enhancement Fund - Staffing	Classroom Enhancement Fund - Remedies	First Nation Student Transportation
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	-	-	-	529,999	5,415,990	-	37,267	27,854	104,175	-	-	-	-
Add: Restricted Grants													
Provincial Grants - Ministry of Education and Child Care	911,296	800,400				384,000	100,450	306,032	2,450,104	2,428,607	11,631,258	179,898	1,620
Provincial Grants - Other													
Federal Grants													
Other			-	24,181	4,481,575	-	15,000						
Investment Income													
	911,296	800,400	-	24,181	4,481,575	384,000	115,450	306,032	2,450,104	2,428,607	11,631,258	179,898	1,620
Less: Allocated to Revenue	911,296	800,400	-	-	4,236,402	384,000	97,080	281,221	2,554,279	2,428,607	11,631,258	179,898	-
Recovered													
District Entered													
Deferred Revenue, end of year	-	-	-	554,180	5,661,163	-	55,637	52,665	-	-	-	-	1,620
Revenues													
Provincial Grants - Ministry of Education and Child Care	911,296	800,400				384,000	97,080	281,221	2,450,104	2,428,607	11,631,258	179,898	-
Provincial Grants - Other													
Federal Grants													
Other Revenue			-	4,236,402	-				104,175				
Investment Income													
	911,296	800,400	-	-	4,236,402	384,000	97,080	281,221	2,554,279	2,428,607	11,631,258	179,898	-
Expenses													
Salaries													
Teachers						1,438		97,781	463,352		9,612,610		
Principals and Vice Principals													
Educational Assistants		625,922				348,648	22,135		333,544	1,019,033			
Support Staff						1,134			394,665	373,557			
Other Professionals									78,042				
Substitutes							4,515	6,135		447,048		163,038	
	-	625,922	-	-	-	351,220	26,650	103,916	1,269,603	1,839,638	9,612,610	163,038	-
Employee Benefits		173,035					7,899	22,568	411,193	588,969	2,018,648	16,860	
Services and Supplies	911,296	1,443		-	4,236,402	32,780	62,531	154,737	873,483				
District Entered						-							
	911,296	800,400	-	-	4,236,402	384,000	97,080	281,221	2,554,279	2,428,607	11,631,258	179,898	-
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund Transfers													
Tangible Capital Assets Purchased	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-	-	-	-	-

School District No. 41 (Burnaby)

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

	Mental Health in Schools	Changing Results for Young Children	Safe Return to School / Restart: Health & Safety Grant	Federal Safe Return to Class / Ventilation Fund	BC Provincial School for the Deaf	PRP Fraser Park Maples	Youth at Risk	CYF Projects	Settlement Services	Community Services	Out of School Time Program	IRCC SWIS	IRCC LINC
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	11,868	10,959	-	-	1,403,575	297,717	1,261	23,760	567,307	140,926	121,196	-	-
Add: Restricted Grants													
Provincial Grants - Ministry of Education and Child Care	48,000	11,403	621,673	452,920	7,506,539	2,656,466							
Provincial Grants - Other							53,621				51,815		
Federal Grants												1,378,247	1,978,661
Other							112,638	5,617	7,626	-	57,455		
Investment Income					375								
	48,000	11,403	621,673	452,920	7,506,914	2,656,466	166,259	5,617	7,626	-	109,270	1,378,247	1,978,661
Less: Allocated to Revenue	48,000	10,314	621,673	452,920	5,993,716	2,290,790	71,035	29,226	7,626	-	109,272	1,378,247	1,978,661
Recovered					1,059,245	541,407							
District Entered					70,004	-							
Deferred Revenue, end of year	11,868	12,048	-	-	1,787,524	121,986	96,485	151	567,307	140,926	121,194	-	-
Revenues													
Provincial Grants - Ministry of Education and Child Care	48,000	10,314	621,673	452,920	5,993,341	2,290,790	70,270						
Provincial Grants - Other											51,814		
Federal Grants												1,378,247	1,978,661
Other Revenue							765	29,226	7,626	-	57,458		
Investment Income					375								
	48,000	10,314	621,673	452,920	5,993,716	2,290,790	71,035	29,226	7,626	-	109,272	1,378,247	1,978,661
Expenses													
Salaries													
Teachers	48,000				1,568,209	1,625,545					4,740		1,066,372
Principals and Vice Principals					402,110	149,563							14,575
Educational Assistants		1,261			1,334,392	413	41,357	3,224		-	5,009	68,974	
Support Staff			285,023		141,409	25,651					3,000	789,040	27,424
Other Professionals					198,415						16,342	146,902	
Substitutes		5,264				1,034							49,190
	48,000	6,525	285,023	-	3,644,535	1,802,206	41,357	3,224	-	-	29,091	1,004,916	1,157,561
Employee Benefits	-	1,240	71,534		884,221	372,928	25,637				1,526	255,504	249,752
Services and Supplies		2,549	139,587		1,208,741	115,656	4,041	26,002	7,626		78,655	102,309	553,828
District Entered													
	48,000	10,314	496,144	-	5,737,497	2,290,790	71,035	29,226	7,626	-	109,272	1,362,729	1,961,141
Net Revenue (Expense) before Interfund Transfers	-	-	125,529	452,920	256,219	-	-	-	-	-	-	15,518	17,520
Interfund Transfers													
Tangible Capital Assets Purchased			(125,529)	(452,920)	(256,219)							(15,518)	(17,520)
	-	-	(125,529)	(452,920)	(256,219)	-	-	-	-	-	-	(15,518)	(17,520)
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-	-	-	-	-

School District No. 41 (Burnaby)

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

	IRCC Wraparound	Endowment Earnings	Community Link Other	TOTAL
	\$	\$	\$	\$
Deferred Revenue, beginning of year	-	31,449	-	8,725,303
Add: Restricted Grants				
Provincial Grants - Ministry of Education and Child Care				30,490,666
Provincial Grants - Other				105,436
Federal Grants	79,296			3,436,204
Other			1,615,219	6,319,311
Investment Income				375
	79,296	-	1,615,219	40,351,992
Less: Allocated to Revenue	79,296	-	1,615,219	38,190,436
Recovered				1,600,652
District Entered				70,004
Deferred Revenue, end of year	-	31,449	-	9,216,203
Revenues				
Provincial Grants - Ministry of Education and Child Care				28,651,172
Provincial Grants - Other				51,814
Federal Grants	79,296			3,436,204
Other Revenue			1,615,219	6,050,871
Investment Income				375
	79,296	-	1,615,219	38,190,436
Expenses				
Salaries				
Teachers			283,990	14,772,037
Principals and Vice Principals				566,248
Educational Assistants	14,533		204,431	4,022,876
Support Staff			241,891	2,282,794
Other Professionals			47,832	487,533
Substitutes				676,224
	14,533	-	778,144	22,807,712
Employee Benefits	2,041		104,175	5,207,730
Services and Supplies	62,722		732,900	9,307,288
District Entered				-
	79,296	-	1,615,219	37,322,730
Net Revenue (Expense) before Interfund Transfers	-	-	-	867,706
Interfund Transfers				
Tangible Capital Assets Purchased				(867,706)
	-	-	-	(867,706)
Net Revenue (Expense)	-	-	-	-

School District No. 41 (Burnaby)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2022

	2022	2022 Actual			2021
	Budget (Note 19)	Invested in Tangible Capital Assets	Local Capital	Fund Balance	Actual
	\$	\$	\$	\$	\$
Revenues					
Rentals and Leases	107,292		107,290	107,290	107,705
Investment Income	110,000			-	-
Gain (Loss) on Disposal of Tangible Capital Assets		23,886,528		23,886,528	-
Amortization of Deferred Capital Revenue	8,834,621	9,052,818		9,052,818	7,549,669
Total Revenue	9,051,913	32,939,346	107,290	33,046,636	7,657,374
Expenses					
Amortization of Tangible Capital Assets					
Operations and Maintenance	12,432,000	12,831,548		12,831,548	10,889,235
Debt Services					
Capital Lease Interest			154,223	154,223	13,315
Total Expense	12,432,000	12,831,548	154,223	12,985,771	10,902,550
Capital Surplus (Deficit) for the year	(3,380,087)	20,107,798	(46,933)	20,060,865	(3,245,176)
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	300,100	1,053,655		1,053,655	104,142
Tangible Capital Assets - Work in Progress				-	-
Local Capital	2,252,000		2,252,000	2,252,000	1,609,362
Capital Lease Payment				-	1,125,663
Total Net Transfers	2,552,100	1,053,655	2,252,000	3,305,655	2,839,167
Other Adjustments to Fund Balances					
District Portion of Proceeds on Disposal		(24,000,000)	24,000,000	-	
Tangible Capital Assets Purchased from Local Capital		228,045	(228,045)	-	
Tangible Capital Assets WIP Purchased from Local Capital		10,783,281	(10,783,281)	-	
Principal Payment					
Capital Lease		1,472,011	(1,472,011)	-	
Total Other Adjustments to Fund Balances		(11,516,663)	11,516,663	-	
Total Capital Surplus (Deficit) for the year	(827,987)	9,644,790	13,721,730	23,366,520	(406,009)
Capital Surplus (Deficit), beginning of year		91,706,220	(12,778,575)	78,927,645	79,333,654
Capital Surplus (Deficit), end of year		101,351,010	943,155	102,294,165	78,927,645

School District No. 41 (Burnaby)

Schedule 4A (Unaudited)

Tangible Capital Assets
Year Ended June 30, 2022

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	48,699,271	413,187,752	5,288,545	1,805,364	496,920	10,036,396	479,514,248
Changes for the Year							
Increase:							
Purchases from:							
Operating Fund		8,730				177,219	185,949
Special Purpose Funds		239,681	578,450			49,575	867,706
Local Capital				81,477		146,568	228,045
Transferred from Work in Progress		43,249,219	1,548,052				44,797,271
	-	43,497,630	2,126,502	81,477	-	373,362	46,078,971
Decrease:							
Disposed of	78,676	58,783					137,459
Deemed Disposals			1,162,654	167,295	73,619	473,784	1,877,352
	78,676	58,783	1,162,654	167,295	73,619	473,784	2,014,811
Cost, end of year	48,620,595	456,626,599	6,252,393	1,719,546	423,301	9,935,974	523,578,408
Work in Progress, end of year		104,503,597	289,506				104,793,103
Cost and Work in Progress, end of year	48,620,595	561,130,196	6,541,899	1,719,546	423,301	9,935,974	628,371,511
Accumulated Amortization, beginning of year		167,833,817	3,052,394	715,608	282,227	2,012,193	173,896,239
Changes for the Year							
Increase: Amortization for the Year		9,988,997	577,047	176,245	92,022	1,997,237	12,831,548
Decrease:							
Disposed of		58,783					58,783
Deemed Disposals			1,162,654	167,295	73,619	473,784	1,877,352
		58,783	1,162,654	167,295	73,619	473,784	1,936,135
Accumulated Amortization, end of year		177,764,031	2,466,787	724,558	300,630	3,535,646	184,791,652
Tangible Capital Assets - Net	48,620,595	383,366,165	4,075,112	994,988	122,671	6,400,328	443,579,859

School District No. 41 (Burnaby)

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	79,159,680	640,232			79,799,912
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	58,592,099	198,143			58,790,242
Deferred Capital Revenue - Other	172,261	44,678			216,939
Local Capital	9,828,776	954,505			10,783,281
	<u>68,593,136</u>	<u>1,197,326</u>	-	-	<u>69,790,462</u>
Decrease:					
Transferred to Tangible Capital Assets	43,249,219	1,548,052			44,797,271
	<u>43,249,219</u>	<u>1,548,052</u>	-	-	<u>44,797,271</u>
Net Changes for the Year	<u>25,343,917</u>	<u>(350,726)</u>	-	-	<u>24,993,191</u>
Work in Progress, end of year	<u>104,503,597</u>	<u>289,506</u>	-	-	<u>104,793,103</u>

School District No. 41 (Burnaby)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2022

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	219,264,164	4,388,483	5,739,707	229,392,354
Changes for the Year				
Increase:				
Transferred from Work in Progress	4,991,271	7,112,302	5,074,808	17,178,381
	<u>4,991,271</u>	<u>7,112,302</u>	<u>5,074,808</u>	<u>17,178,381</u>
Decrease:				
Amortization of Deferred Capital Revenue	8,548,536	269,032	235,250	9,052,818
	<u>8,548,536</u>	<u>269,032</u>	<u>235,250</u>	<u>9,052,818</u>
Net Changes for the Year	<u>(3,557,265)</u>	<u>6,843,270</u>	<u>4,839,558</u>	<u>8,125,563</u>
Deferred Capital Revenue, end of year	<u>215,706,899</u>	<u>11,231,753</u>	<u>10,579,265</u>	<u>237,517,917</u>
Work in Progress, beginning of year	41,537,129	13,144,938	5,574,808	60,256,875
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	58,790,242	7,797	209,142	59,007,181
	<u>58,790,242</u>	<u>7,797</u>	<u>209,142</u>	<u>59,007,181</u>
Decrease				
Transferred to Deferred Capital Revenue	4,991,271	7,112,302	5,074,808	17,178,381
	<u>4,991,271</u>	<u>7,112,302</u>	<u>5,074,808</u>	<u>17,178,381</u>
Net Changes for the Year	<u>53,798,971</u>	<u>(7,104,505)</u>	<u>(4,865,666)</u>	<u>41,828,800</u>
Work in Progress, end of year	<u>95,336,100</u>	<u>6,040,433</u>	<u>709,142</u>	<u>102,085,675</u>
Total Deferred Capital Revenue, end of year	<u>311,042,999</u>	<u>17,272,186</u>	<u>11,288,407</u>	<u>339,603,592</u>

School District No. 41 (Burnaby)

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	\$ 643,182	\$ 1,222,145	\$ -	\$ 28,409,063	\$ 1,217,242	\$ 31,491,632
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education and Child Care	59,519,877		349,433			59,869,310
Other				2,600,095	273,330	2,873,425
Investment Income		11,610		282,237		293,847
	59,519,877	11,610	349,433	2,882,332	273,330	63,036,582
Decrease:						
Transferred to DCR - Work in Progress	58,790,242		7,797		209,142	59,007,181
	58,790,242	-	7,797	-	209,142	59,007,181
Net Changes for the Year	729,635	11,610	341,636	2,882,332	64,188	4,029,401
Balance, end of year	1,372,817	1,233,755	341,636	31,291,395	1,281,430	35,521,033