

Audited Financial Statements of

**School District No. 34 (Abbotsford)**

And Independent Auditors' Report thereon

June 30, 2023

# School District No. 34 (Abbotsford)

June 30, 2023

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## Management Report

### Management's Responsibility for the Financial Statements

The accompanying financial statements of School District No. 34 (Abbotsford) 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. 34 (Abbotsford) (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, 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. 34 (Abbotsford) 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. 34 (Abbotsford):

_____ Signature of the Chairperson of the Board of Education	_____ September 26, 2023 Date Signed
_____ Signature of the Superintendent	_____ September 26, 2023 Date Signed
_____ Signature of the Secretary-Treasurer	_____ September 26, 2023 Date Signed



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## INDEPENDENT AUDITOR'S REPORT

To the Board of Education of School District No. 34 (Abbotsford), and

To the Minister of Education and Child Care, Province of British Columbia

### Opinion

We have audited the financial statements of School District No. 34 (Abbotsford) (the Entity), which comprise:

- the statement of financial position as at June 30, 2023
  - 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, 2023 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 "Auditor's Responsibilities for the Audit of the Financial Statements" section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of Matter – Financial Reporting Framework

We draw attention to note 2(a) to the financial statements which describes the applicable financial reporting framework and the significant differences between the financial reporting framework and Canadian public sector accounting standards.

Our opinion is not modified in respect of this matter.

### Emphasis of Matter – Comparative Information

We draw attention to Note 22 to the financial statements which explains that certain comparative information presented for the year ended June 30, 2022 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, 2023, we also audited the adjustments that were applied to restate certain comparative information presented for the year ended June 30, 2022. In our opinion, such adjustments are appropriate and have been properly applied.

### **Other Information**

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

- Information included in Unaudited Schedules 1-4 attached to the audited financial statements
- Information, other than the financial statements and the auditor's report thereon, included in management's 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 information included in the Unaudited Schedules 1-4 attached to the audited financial statements and Management's Financial Statement Discussion and Analysis as at the date of this auditor's 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 auditor's 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.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of 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 auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the 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

Abbotsford, Canada

October 11, 2023

# School District No. 34 (Abbotsford)

## Statement of Financial Position

As at June 30, 2023

	2023 Actual	2022 Actual (Restated - Note 22)
	\$	\$
<b>Financial Assets</b>		
Cash and Cash Equivalents	43,704,449	43,402,421
Accounts Receivable		
Due from Province - Ministry of Education and Child Care	4,052,920	5,503,200
Due from Province - Other	-	152,465
Other (Note 3)	1,644,451	2,482,544
<b>Total Financial Assets</b>	<b>49,401,820</b>	<b>51,540,630</b>
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities		
Other (Note 4)	7,863,345	9,454,933
Unearned Revenue (Note 5)	4,377,584	4,872,892
Deferred Revenue (Note 6)	2,768,531	2,822,231
Deferred Capital Revenue (Note 7)	182,213,792	171,556,114
Employee Future Benefits (Note 8)	9,981,927	9,821,982
Asset Retirement Obligation (Note 9)	25,040,849	25,040,849
Other Liabilities (Note 10)	9,763,129	10,075,274
<b>Total Liabilities</b>	<b>242,009,157</b>	<b>233,644,275</b>
<b>Net Debt</b>	<b>(192,607,337)</b>	<b>(182,103,645)</b>
<b>Non-Financial Assets</b>		
Tangible Capital Assets (Note 12)	235,860,862	224,011,478
Prepaid Expenses	2,241,977	2,193,188
<b>Total Non-Financial Assets</b>	<b>238,102,839</b>	<b>226,204,666</b>
<b>Accumulated Surplus (Deficit) (Note 17)</b>	<b>45,495,502</b>	<b>44,101,021</b>
<b>Accumulated Surplus (Deficit) is comprised of:</b>		
Accumulated Surplus (Deficit) from Operations	45,495,502	44,101,021
Accumulated Remeasurement Gains (Losses)	-	-
	<b>45,495,502</b>	<b>44,101,021</b>

Contractual Obligations (Note 21)

Approved by the Board

\_\_\_\_\_  
Signature of the Chairperson of the Board of Education Date Signed

\_\_\_\_\_  
Signature of the Superintendent Date Signed

\_\_\_\_\_  
Signature of the Secretary Treasurer Date Signed

# School District No. 34 (Abbotsford)

Statement of Operations  
Year Ended June 30, 2023

	2023 Budget (Note 15) \$	2023 Actual \$	2022 Actual (Restated - Note 22) \$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education and Child Care	219,415,120	227,282,576	213,297,884
Other	605,398	638,077	768,406
Federal Grants		10,461	21,881
Tuition	5,305,790	5,424,639	4,338,679
Other Revenue	9,068,414	9,822,301	7,337,143
Rentals and Leases	310,000	486,602	330,574
Investment Income	768,000	945,640	393,552
Amortization of Deferred Capital Revenue	7,750,000	10,263,142	7,696,148
<b>Total Revenue</b>	<u>243,222,722</u>	<u>254,873,438</u>	<u>234,184,267</u>
<b>Expenses</b>			
Instruction	200,640,664	204,415,795	192,766,960
District Administration	6,781,178	7,947,966	6,727,881
Operations and Maintenance	32,134,757	34,581,507	31,059,928
Transportation and Housing	4,441,004	5,033,689	4,593,247
Flood Loss Costs		1,500,000	
<b>Total Expense</b>	<u>243,997,603</u>	<u>253,478,957</u>	<u>235,148,016</u>
<b>Surplus (Deficit) for the year</b>	<u>(774,881)</u>	<u>1,394,481</u>	<u>(963,749)</u>
<b>Accumulated Surplus (Deficit) from Operations, beginning of year</b>		44,101,021	45,064,770
<b>Accumulated Surplus (Deficit) from Operations, end of year</b>		<u>45,495,502</u>	<u>44,101,021</u>



# School District No. 34 (Abbotsford)

## Statement of Changes in Net Debt

Year Ended June 30, 2023

	2023 Budget (Note 15) \$	2023 Actual \$	2022 Actual (Restated - Note 22) \$
<b>Surplus (Deficit) for the year</b>	<u>(774,881)</u>	<u>1,394,481</u>	<u>(963,749)</u>
<b>Effect of change in Tangible Capital Assets</b>			
Acquisition of Tangible Capital Assets		(24,528,601)	(23,634,818)
Amortization of Tangible Capital Assets		12,679,217	10,001,730
<b>Total Effect of change in Tangible Capital Assets</b>	<u>-</u>	<u>(11,849,384)</u>	<u>(13,633,088)</u>
Acquisition of Prepaid Expenses		(1,930,498)	(2,193,188)
Use of Prepaid Expenses		1,881,709	771,403
Asset Retirement Obligation			(24,938,350)
<b>Total Effect of change in Other Non-Financial Assets</b>	<u>-</u>	<u>(48,789)</u>	<u>(26,360,135)</u>
<b>(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)</b>	<u>(774,881)</u>	<u>(10,503,692)</u>	<u>(40,956,972)</u>
<b>Net Remeasurement Gains (Losses)</b>			
<b>(Increase) Decrease in Net Debt</b>		<u>(10,503,692)</u>	<u>(40,956,972)</u>
<b>Net Debt, beginning of year</b>		<u>(182,103,645)</u>	<u>(141,146,673)</u>
<b>Net Debt, end of year</b>		<u>(192,607,337)</u>	<u>(182,103,645)</u>

# School District No. 34 (Abbotsford)

Statement of Cash Flows  
Year Ended June 30, 2023

	2023 Actual	2022 Actual (Restated - Note 22)
	\$	\$
<b>Operating Transactions</b>		
Surplus (Deficit) for the year	1,394,481	(963,749)
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	2,440,849	(6,857,486)
Prepaid Expenses	(48,790)	(1,421,785)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	(1,591,588)	(6,376,488)
Unearned Revenue	(495,308)	1,129,803
Deferred Revenue	(53,700)	(35,780)
Employee Future Benefits	159,945	178,779
Other Liabilities	(312,155)	681,744
Amortization of Tangible Capital Assets	12,679,217	10,001,730
Amortization of Deferred Capital Revenue	(10,263,142)	(7,696,148)
Recognition of Deferred Capital Revenue Spent on Sites	(1,548,411)	(1,275,753)
AFG COA spent on non-capital	-	(1,061,618)
Flood Loss Reimbursement	(1,500,000)	-
<b>Total Operating Transactions</b>	<b>861,398</b>	<b>(13,696,751)</b>
<b>Capital Transactions</b>		
Tangible Capital Assets Purchased	(13,026,000)	(7,646,865)
Tangible Capital Assets -WIP Purchased	(11,502,601)	(15,987,953)
<b>Total Capital Transactions</b>	<b>(24,528,601)</b>	<b>(23,634,818)</b>
<b>Financing Transactions</b>		
Capital Revenue Received	23,969,231	20,241,907
<b>Total Financing Transactions</b>	<b>23,969,231</b>	<b>20,241,907</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>302,028</b>	<b>(17,089,662)</b>
<b>Cash and Cash Equivalents, beginning of year</b>	<b>43,402,421</b>	<b>60,492,083</b>
<b>Cash and Cash Equivalents, end of year</b>	<b>43,704,449</b>	<b>43,402,421</b>
<b>Cash and Cash Equivalents, end of year, is made up of:</b>		
Cash	43,704,449	43,402,421
	<b>43,704,449</b>	<b>43,402,421</b>

**SCHOOL DISTRICT NO. 34 (ABBOTSFORD)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

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**NOTE 1 AUTHORITY AND PURPOSE**

The School District, established on April 12, 1946, operates under authority of the School Act of British Columbia as a corporation under the name of "The Board of Education of School District No. 34 (Abbotsford)", and operates as "School District No. 34 (Abbotsford)." 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 School District and is principally funded by the Province of British Columbia through the Ministry of Education and Child Care. The School District is exempt from federal and provincial corporate income taxes.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the School District are prepared by management in accordance with the basis of accounting described below. Significant accounting policies of the School District are as follows:

a) **Basis of Accounting**

These financial statements have been prepared in accordance with Section 23.1 of the *Budget Transparency and Accountability Act of the Province of British Columbia*. This Section requires that the financial statements be prepared in accordance with Canadian public sector accounting standards except regarding the accounting for government transfers as set out in Notes 2(f) and 2(j). In November 2011, Treasury Board provided a directive through Restricted Contributions Regulation 198/2011 providing direction for the reporting of restricted contributions whether they are received or receivable by the School District before or after this regulation was in effect. As noted in notes 2(f) and 2(j), Section 23.1 of the *Budget Transparency and Accountability Act* and its related regulations require the School District to recognize government transfers for the acquisition of capital assets into revenue on the same basis as the related amortization expense. As these transfers do not contain stipulations that create a liability, Canadian public sector accounting standards would require these grants to be fully recognized into revenue.

b) **Financial Instruments**

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

Financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable, accrued liabilities and other liabilities. All financial assets and liabilities are recorded at cost or amortized cost and the associated transaction costs are added to the carrying value of these investments upon initial recognition. Transaction costs are incremental costs directly attributable to the acquisition or issue of a financial asset or a financial liability. 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.

**SCHOOL DISTRICT NO. 34 (ABBOTSFORD)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

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

b) *Financial Instruments (Continued)*

For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense. Unless otherwise noted, it is management's opinion that the School District is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying value, unless otherwise noted.

All financial assets measured at amortized cost 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.

c) *Cash and Cash Equivalents*

Cash and cash equivalents include cash in the bank and funds held with the Province in the Central Deposit Program that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value. Cash equivalents are generally highly liquid, with 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.

d) *Accounts Receivable*

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

e) *Unearned Revenue*

Unearned revenue includes tuition fees received for courses to be delivered in future periods, and other fees for services to be delivered in a future period. Revenue will be recognized in that future period when the services 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(j). Funding received for the acquisition of depreciable tangible capital assets is recorded as deferred capital revenue and amortized over the life of the asset acquired as revenue in the Statement of Operations. This accounting treatment is not consistent with the requirements of Canadian public sector accounting standards which require that government transfers be recognized as revenue when approved by the transferor and eligibility criteria have been met, unless the transfer contains a stipulation that creates a liability, in which case the transfer is recognized as revenue over the period that the liability is extinguished.

**SCHOOL DISTRICT NO. 34 (ABBOTSFORD)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

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

g) **Employee Future Benefits**

i) **Post-employment benefits**

The School District provides certain post-employment benefits including vested and non-vested benefits for certain employees pursuant to 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, 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 estimated cost of borrowing. The cumulative unrecognized actuarial gains and losses are amortized over the expected average remaining service lifetime (EARS�) of active employees covered under the plan. The most recent valuation of the obligation was performed as at March 31, 2022 and projected to March 31, 2025. The next valuation will be performed as at March 31, 2025 for use starting 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.

ii) **Pension Plans**

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) **Tangible Capital Assets**

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 tangible 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.

**SCHOOL DISTRICT NO. 34 (ABBOTSFORD)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

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

**h) Tangible Capital Assets (continued)**

Buildings that are demolished or destroyed are written-off. Works of art, historic assets and other intangible assets are not recorded as assets in these financial statements.

The cost, less residual value, of tangible capital assets (excluding sites), is amortized on a straight-line basis over the estimated useful life of the asset. It is management's responsibility to determine the appropriate useful lives for tangible capital assets. These useful lives are reviewed on a regular basis or if significant events initiate the need to revise. Estimated useful lives are as follows:

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

**i) Prepaid Expenses**

Employee benefits, memberships and dues, software licenses, subscriptions, equipment lease and other payments paid in advance are included as prepaid expense. Prepaid expenses are stated at acquisition cost and are expensed over the periods expected to benefit from it.

**SCHOOL DISTRICT NO. 34 (ABBOTSFORD)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

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

j) Revenue Recognition

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

Contributions received 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 asset acquisitions other than sites are recorded as deferred capital revenue and amortized as revenue 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. All other revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues.

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

Investment income is reported in the period earned. When required by the funding party or related legislation, investment income earned on deferred revenue is included in the deferred revenue balance until spent.

**SCHOOL DISTRICT NO. 34 (ABBOTSFORD)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

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

**l) Expenses**

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

Categories of Salaries

- Principals, Vice-Principals, and Directors of Instruction employed under an administrative officer contract are categorized as Principals and Vice-Principals.
- Superintendents, 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, expenses 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.



**SCHOOL DISTRICT NO. 34 (ABBOTSFORD)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

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

m) **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 the following criteria are met:

- An environmental standard exists;
- Contamination exceeds the environmental standard;
- The School District is directly responsible or accepts responsibility for the contamination;
- 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.

n) **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. Actual results could differ from those estimates.

o) **Future Changes in Accounting Policies**

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

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

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

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

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

**SCHOOL DISTRICT NO. 34 (ABBOTSFORD)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

**NOTE 3      ACCOUNTS RECEIVABLE – OTHER**

	<b>June 30, 2023</b>	<b>June 30, 2022</b>
Due from the Government of Canada	\$179,960	\$470,977
Due from students and Parent Advisory Councils	182,328	241,798
Due from the City of Abbotsford	Nil	39,327
Other receivables	1,282,163	1,730,442
<b>Total Accounts Receivable – Other</b>	<b>\$1,644,451</b>	<b>\$2,482,544</b>

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

	<b>June 30, 2023</b>	<b>June 30, 2022</b>
Trade payables	\$5,207,303	\$6,983,161
Salaries and benefits payable	1,531,546	1,249,776
Accrued vacation payable	1,124,496	1,221,996
<b>Total Accounts Payable and Accrued Liabilities - Other</b>	<b>\$7,863,345</b>	<b>\$9,454,933</b>

**NOTE 5      UNEARNED REVENUE**

	<b>June 30, 2023</b>	<b>June 30, 2022</b>
Balance, beginning of year	\$4,872,892	\$3,743,089
Tuition fees received	5,145,851	4,846,362
Rental fees received	1,557,129	26,530
Tuition fees recognized as revenue	(5,375,159)	(3,702,688)
Rental fees recognized as revenue	(1,823,129)	(40,401)
<b>Total Unearned Revenue</b>	<b>\$4,377,584</b>	<b>\$4,872,892</b>

**NOTE 6      DEFERRED REVENUE**

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

	<b>June 30, 2023</b>	<b>June 30, 2022</b>
Balance, beginning of year	\$2,822,231	\$2,858,011
Provincial grants received	21,604,288	18,534,893
Other grants and income received	5,952,364	4,469,382
Revenue recognized	(27,592,721)	(22,931,413)
Recoveries	(17,631)	(108,642)
<b>Total Deferred Revenue</b>	<b>\$2,768,531</b>	<b>\$2,822,231</b>

**SCHOOL DISTRICT NO. 34 (ABBOTSFORD)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

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**NOTE 7 DEFERRED CAPITAL REVENUE**

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

	<b>June 30, 2023</b>	<b>June 30, 2022</b>
<b><u>Deferred capital revenue subject to amortization</u></b>		
Balance, beginning of year	\$144,232,311	\$148,098,369
Transfers from deferred revenue – capital additions	9,249,009	3,830,090
Amortization of deferred capital revenue	(10,263,142)	(7,696,148)
<b>Balance, end of year</b>	<b>\$143,218,178</b>	<b>144,232,311</b>
<b><u>Deferred capital revenue – work in progress</u></b>		
Work in progress, beginning of year	\$21,339,098	\$6,609,050
Transfer in from deferred revenue – work in progress	11,502,601	14,730,048
Transfer to spent deferred capital		-
<b>Balance, end of year</b>	<b>\$32,841,699</b>	<b>\$21,339,098</b>
<b><u>Deferred capital revenue – unspent portion</u></b>		
Unspent deferred capital, beginning of year	\$5,984,705	\$6,640,307
Provincial grants – Ministry of Education and Child Care	23,230,515	19,084,719
Provincial grants – other		746,286
Other	209,599	360,464
Investment income	529,118	50,438
Transfer to deferred capital revenue	(9,249,009)	(3,830,090)
Transfer to deferred capital revenue – work in progress	(11,502,601)	(14,730,048)
Site purchases	(1,548,411)	(1,275,753)
AFG – COA spent on non-capital items		(1,061,618)
Flood loss claim	(1,500,000)	
<b>Balance, end of year</b>	<b>\$6,153,916</b>	<b>\$5,984,705</b>
<b>Total Deferred Capital Revenue</b>	<b>\$182,213,793</b>	<b>\$171,556,114</b>

**SCHOOL DISTRICT NO. 34 (ABBOTSFORD)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

**NOTE 8 EMPLOYEE FUTURE BENEFITS**

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

	<b>June 30, 2023</b>	<b>June 30, 2022</b>
<b>Reconciliation of Accrued Benefit Obligation</b>		
Accrued benefit obligation – April 1	\$8,546,191	\$8,693,622
Service cost	602,560	682,836
Interest cost	283,362	225,571
Benefit payments	(414,514)	(537,659)
Actuarial (gain)/loss	(833,128)	(518,179)
Accrued benefit obligation – March 31	\$8,184,471	\$8,546,191

**Reconciliation of Funded Status at End of Fiscal Year**

Accrued benefit obligation – March 31	\$8,184,471	\$8,546,191
Funded status – deficit	(8,184,471)	(8,546,191)
Employer contributions after measurement date	280,640	322,492
Benefits expense after measurement date	(224,633)	(221,481)
Unamortized net actuarial gain	(1,853,463)	(1,376,802)
<b>Accrued Benefit Liability – June 30</b>	<b>\$(9,981,927)</b>	<b>\$(9,821,982)</b>

**Reconciliation of Change in Accrued Benefit Liability**

Accrued benefit liability – July 1	\$9,821,982	\$9,643,202
Net expense for fiscal year	778,239	835,864
Employer contributions	(618,294)	(657,074)
Accrued benefit liability – June 30	\$9,981,927	\$9,821,982

**Components of Net Benefit Expense**

Service cost	\$593,304	\$662,766
Interest cost	295,770	240,019
Amortization of net actuarial loss	(110,835)	(66,921)
Net benefit expense	\$778,239	\$835,864

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

	<b>June 30, 2023</b>	<b>June 30, 2022</b>
Discount rate – April 1	3.25%	2.50%
Discount rate – March 31	4.00%	3.25%
Long term salary growth – April 1	2.5% + seniority	2.5% + seniority
Long term salary growth – March 31	2.5% + seniority	2.5% + seniority
EARSL – March 31	11.8 years	11.8 years

**SCHOOL DISTRICT NO. 34 (ABBOTSFORD)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

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**NOTE 9 ASSET RETIREMENT OBLIGATION**

Legal liabilities exist for the removal and disposal of asbestos and other hazardous materials within some district owned buildings that will undergo major renovations or demolition in the future. A reasonable estimate of the fair value of the obligation has been recognized using the modified retroactive approach as at July 1, 2022 (see Note 22 – Prior Period Adjustment – Change in Accounting Policy). The obligation has been measured at current costs as the timing of future cash flows cannot be reasonably determined. These costs have been capitalized as part of the assets’ carrying value and are amortized over the assets’ estimated useful lives.

Asset Retirement Obligation, July 1,2022 (see Note 22)	\$25,040,849
Settlements during the year	Nil
<b>Total Asset Retirement Obligation</b>	<b><u>\$25,040,849</u></b>

**NOTE 10 OTHER LIABILITIES**

	<b>June 30, 2023</b>	<b>June 30, 2022</b>
Teachers’ summer pay	\$7,218,830	\$7,313,251
International homestay and medical fees	1,640,808	1,809,126
Other	903,491	952,897
<b>Total Other Liabilities</b>	<b><u>\$9,763,129</u></b>	<b><u>\$10,075,274</u></b>

**NOTE 11 DEBT**

The school district has an approved line of credit of \$3,736,130 with interest at the bank’s prime rate. As of June 30, 2023 the School District had nil borrowings (2022 – Nil) under this facility.

**SCHOOL DISTRICT NO. 34 (ABBOTSFORD)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

**NOTE 12 TANGIBLE CAPITAL ASSETS**

**June 30, 2023**

<b>Cost:</b>	<b>Balance at July 1, 2022</b>	<b>Additions</b>	<b>Disposals</b>	<b>Balance at June 30, 2023</b>
Sites	\$39,624,147	\$2,181,245	-	\$ 41,805,392
Buildings	364,643,847	8,595,899	-	373,239,746
Buildings – work in progress	23,127,940	11,502,601	-	34,630,541
Furniture & equipment	6,461,651	1,882,361	(1,129,068)	7,214,944
Furniture & equipment – w.i.p.	100,734	-	-	100,734
Vehicles	5,816,168	251,655	(527,196)	5,540,627
Computer software	247,844	101,452	-	349,296
Computer hardware	5,728,841	13,388	(2,195,552)	3,546,677
<b>Total</b>	<b>\$445,751,172</b>	<b>\$24,528,601</b>	<b>\$(3,851,816)</b>	<b>\$466,427,957</b>

<b>Accumulated Amortization:</b>	<b>Balance at July 1, 2022</b>	<b>Amortization</b>	<b>Disposals</b>	<b>Balance at June 30, 2023</b>
Buildings	\$211,972,043	\$10,440,281	-	\$222,412,324
Furniture & equipment	3,519,732	683,830	(1,129,068)	3,074,494
Vehicles	3,368,415	567,840	(527,196)	3,409,059
Computer software	36,215	59,714	-	95,929
Computer hardware	2,843,289	927,552	(2,195,552)	1,575,289
<b>Total</b>	<b>\$221,739,694</b>	<b>\$12,679,217</b>	<b>\$(3,851,816)</b>	<b>\$230,567,095</b>

**June 30, 2022**

<b>Cost:</b>	<b>Balance at July 1, 2021</b>	<b>Additions</b>	<b>Disposals</b>	<b>Prior Period Adjustment</b>	<b>Balance at June 30, 2022</b>
Sites	\$38,237,027	\$1,387,120	-	-	\$39,624,147
Buildings	335,692,529	3,910,469	-	25,040,849	364,643,847
Buildings – work in progress	7,240,721	15,887,219	-	-	23,127,940
Furniture & equipment	6,393,417	526,286	(458,052)	-	6,461,651
Furniture & equipment – w.i.p.	-	100,734	-	-	100,734
Vehicles	5,626,874	270,486	(81,192)	-	5,816,168
Computer software	167,028	204,538	(123,722)	-	247,844
Computer hardware	5,343,916	1,347,965	(963,040)	-	5,728,841
<b>Total</b>	<b>\$398,701,512</b>	<b>\$23,634,817</b>	<b>\$(1,626,006)</b>	<b>\$25,040,849</b>	<b>\$445,751,172</b>

<b>Accumulated Amortization:</b>	<b>Balance at July 1, 2021</b>	<b>Amortization</b>	<b>Disposals</b>	<b>Prior Period Adjustment</b>	<b>Balance at June 30, 2022</b>
Buildings	\$ 179,471,761	\$ 7,561,932	-	\$24,938,350	\$ 211,972,043
Furniture & equipment	3,335,031	642,753	(458,052)	-	3,519,732
Vehicles	2,877,456	572,151	(81,192)	-	3,368,415
Computer software	118,449	41,488	(123,722)	-	36,215
Computer hardware	2,699,054	1,107,275	(963,040)	-	2,843,289
<b>Total</b>	<b>\$188,501,751</b>	<b>\$9,925,599</b>	<b>\$(1,626,006)</b>	<b>\$24,938,350</b>	<b>\$221,739,694</b>

**SCHOOL DISTRICT NO. 34 (ABBOTSFORD)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

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**NOTE 12 TANGIBLE CAPITAL ASSETS (Continued)**

<b>Net Book Value:</b>	<b>June 30, 2023</b>	<b>June 30, 2022 (Restated – Note 22)</b>
Sites	\$41,805,392	\$39,624,146
Buildings	150,827,422	152,671,805
Buildings – work in progress	34,630,541	23,127,940
Furniture & equipment	4,140,450	2,941,919
Furniture & equipment – work in progress	100,734	100,734
Vehicles	2,131,568	2,447,753
Computer software	253,367	211,629
Computer hardware	1,971,388	2,885,552
<b>Total</b>	<b>\$235,860,862</b>	<b>\$224,011,478</b>

**NOTE 13 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, 2022, the Teachers’ Pension Plan has about 51,000 active members and approximately 41,000 retired members. As of December 31, 2022, the Municipal Pension Plan has about 240,000 active members, including approximately 30,000 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, 2021, indicated a \$3,761 million funding surplus for basic pension benefits on a going concern basis.

The school district paid \$16,131,403 for employer contributions to the plans for the year ended June 30, 2023 (2022: \$15,250,157).

The next valuation for the Teachers’ Pension Plan will be as at December 31, 2023. The next valuation for the Municipal Pension Plan will be as at December 31, 2024, with results available in 2025.

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

**SCHOOL DISTRICT NO. 34 (ABBOTSFORD)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

**NOTE 14 RELATED PARTY TRANSACTIONS**

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

**NOTE 15 BUDGET FIGURES**

Budget figures included in the financial statements were approved by the Board through the adoption of the amended annual budget on February 14, 2023. As the 2022/23 Amended Annual Budget is used for comparative purposes a reconciliation between the 2022/23 Annual and the 2022/23 Amended Annual Budgets is provided.

	<b>Annual Budget</b>	<b>Amended Annual Budget</b>	<b>Change</b>
<b>Statement 2</b>			
Revenues			
Provincial Grants			
Ministry of Education and Child Care	\$212,098,891	\$219,415,120	\$7,316,229
Other	491,618	605,398	113,780
Tuition	5,108,450	5,305,790	197,340
Other revenue	8,806,142	9,068,414	262,272
Rentals and leases	310,000	310,000	-
Investment income	327,500	768,000	(440,500)
Amortization of deferred capital revenue	7,947,655	7,750,000	(197,655)
<b>Total Revenue</b>	<b>235,090,256</b>	<b>243,222,722</b>	<b>8,132,466</b>
Expenses			
Instruction	193,245,524	200,640,664	7,395,140
District administration	6,733,463	6,781,178	47,715
Operations and maintenance	33,507,400	32,134,757	(1,372,643)
Transportation and housing	4,399,969	4,441,004	41,035
<b>Total Expense</b>	<b>237,886,356</b>	<b>243,997,603</b>	<b>6,111,247</b>
<b>Deficit for the year</b>	<b>(2,796,100)</b>	<b>(774,881)</b>	<b>2,021,219</b>
<b>Budgeted allocation of surplus</b>	<b>1,318,045</b>	<b>918,370</b>	<b>(399,675)</b>
<b>Budgeted Surplus (Deficit) for the year</b>	<b>\$(1,478,055)</b>	<b>\$143,489</b>	<b>\$1,621,544</b>
<b>Statement 4</b>			
<b>Deficit for the year</b>	<b>\$ (2,796,100)</b>	<b>(\$774,881)</b>	<b>\$ 2,021,219</b>
<b>Effect of change in tangible capital assets</b>			
Acquisition of tangible capital assets	(11,560,529)	(20,016,489)	(8,455,960)
Amortization of tangible capital assets	10,192,910	10,050,000	(142,910)
<b>Total effect of change in tangible capital assets</b>	<b>(1,367,619)</b>	<b>(9,966,489)</b>	<b>(8,598,870)</b>
<b>Decrease in Net Financial Debt</b>	<b>\$(4,163,719)</b>	<b>\$(10,741,370)</b>	<b>\$(6,577,651)</b>



**SCHOOL DISTRICT NO. 34 (ABBOTSFORD)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

**NOTE 16 CONTINGENCIES**

In the normal course of business, lawsuits and claims have been brought against the School District. The School District defends against these lawsuits and claims. Management has made provisions for any unexpected liabilities and believes that the ultimate results of any pending legal proceeding will not have a material effect on the financial position of the School District.

**NOTE 17 ACCUMULATED SURPLUS**

The operating fund accounts for the School District's operating grants and other operating revenues. Legislation requires that the School District present a balanced budget for the operating fund, whereby budgeted expenditures do not exceed the total of budgeted revenue plus any surplus in the operating fund carried forward from the previous year. The operating fund also contains a contingency reserve for unanticipated future operating expenditures.

	<b>June 30, 2023</b>	<b>June 30, 2022</b>
<b>Operating Fund Accumulated Surplus</b>		
Restricted due to the nature of constraints on funds:		
ACE-IT programs	\$233,415	\$116,160
Skill Exploration programs	112,490	62,544
Restricted for future operations:		
School budget balances	1,140,551	1,353,466
StrongStart programs	-	156,857
Around school program	2,927	32,207
Restricted for anticipated future expenditures:		
Strategic plan initiatives	339,107	339,107
Information technology infrastructure	600,000	600,000
Abbotsford Arts Centre	100,851	125,984
Support for equity initiatives	243,224	273,224
Other	-	82,515
	2,772,565	3,142,064
Unrestricted operating surplus	4,283,174	4,216,218
<b>Total Operating Fund Accumulated Surplus</b>	<b>\$7,055,739</b>	<b>\$7,358,282</b>
 <b>Capital Fund Accumulated Surplus</b>		
Internally restricted by the Board for:		
Centralized program service centre	2,308,259	2,327,176
Completion of new school	265,411	736,531
Auguston Elementary addition project	250,000	-
Stenerson Elementary addition project	250,000	-
School equipment	600,000	135,000
District vehicles	-	129,514
Building renovations	-	9,331
Total internally restricted accumulated surplus	3,673,670	3,337,552
Invested in capital assets	34,766,093	33,405,187
<b>Total Capital Fund Accumulated Surplus</b>	<b>\$38,439,763</b>	<b>\$36,742,739</b>
<b>Total Accumulated Surplus</b>	<b>\$45,495,502</b>	<b>\$44,101,021</b>

**SCHOOL DISTRICT NO. 34 (ABBOTSFORD)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

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**NOTE 18 EXPENSE BY OBJECT – ALL FUNDS**

	<b>June 30, 2023</b>	<b>June 30, 2022</b>
Salaries and benefits	\$205,131,584	\$194,763,291
Services and supplies	34,168,156	29,321,377
Amortization	12,679,217	11,063,348
Flood loss expenses	1,500,000	Nil
	<b>\$253,478,957</b>	<b>\$235,148,016</b>

**NOTE 19 ECONOMIC DEPENDENCE**

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

**NOTE 20 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. There have been no changes to risk exposure from 2022 related to credit, market, or liquidity risks.

**a) Credit risk:**

Credit risk is the risk of financial loss 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 borrower. This risk is mitigated as most amounts receivable are due from the Province or local government and are considered low risk.

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 the Central Deposit Program with the Province and in recognized British Columbia institutions. The School District invests in various financial instruments including equity funds, bond funds certificates and term deposits to reduce the concentration of credit risk.

**b) Market risk:**

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

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

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The School District is exposed to interest rate risk through its investments. It is management’s opinion that the School District is not exposed to significant interest rate risk as they invest solely in the Province’s Central Deposit Program, guaranteed investment certificates, equity funds and term deposits that have a maturity date of no more than 1 year.

**SCHOOL DISTRICT NO. 34 (ABBOTSFORD)**  
**NOTES TO FINANCIAL STATEMENTS**  
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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.

**NOTE 21 CONTRACTUAL OBLIGATIONS**

The School District has entered into a number of multiple-year contracts for 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.

	<b>June 30, 2024</b>	<b>Thereafter</b>
Unitech Construction Management Ltd.	\$13,200,000	\$4,100,000
Macquarie Equipment Finance Ltd.	782,000	395,000
Fraser Valley Child Development Centre	183,000	Nil
RFS Canada Inc.	151,000	143,000
<b>Total contractual obligations</b>	<b>\$14,316,000</b>	<b>\$4,638,000</b>

**SCHOOL DISTRICT NO. 34 (ABBOTSFORD)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

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**NOTE 22 PRIOR PERIOD ADJUSTMENT – CHANGE IN ACCOUNTING POLICY**

On July 1, 2022 the School District adopted Canadian public sector accounting standard PS 3280 Asset Retirement Obligations. This new standard addresses the recognition, measurement, presentation and disclosure of legal obligations associated with the retirement of certain tangible capital assets such as asbestos removal in buildings that will undergo major renovation or demolition in the future (see Note 9). This standard was adopted using the modified retroactive approach.

On July 1, 2022 the School District recognized an asset retirement obligation relating to several owned buildings that contain asbestos and other hazardous materials. The liability has been measured at current cost as the timing and amounts of future cash flows cannot be estimated. The associated costs have been reported as an increase to the carrying value of the associated tangible capital assets. Accumulated amortization has been recorded from the later of the date of acquisition of the related asset or April 1, 1988 (effective date of the Hazardous Waste Regulation (April 1, 1988) – Part 6 – Management of Specific Hazardous Wastes).

The impact of the prior period adjustment on the June 30, 2022 comparative amounts is as follows:

	<u>Increase (Decrease)</u>
Asset Retirement Obligation (liability)	\$25,040,849
Tangible Capital Assets - cost	25,040,849
Tangible Capital Assets – accumulated amortization	24,938,350
Operations and Maintenance Expense – asset amortization (2022)	76,131
Accumulated Surplus – Invested in Capital Assets	(24,862,219)

# School District No. 34 (Abbotsford)

Schedule 1 (Unaudited)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund  
Year Ended June 30, 2023

	Operating Fund	Special Purpose Fund	Capital Fund	2023 Actual	2022 Actual (Restated - Note 22)
	\$	\$	\$	\$	\$
<b>Accumulated Surplus (Deficit), beginning of year</b>	7,358,282		36,742,739	<b>44,101,021</b>	69,926,989
Prior Period Adjustments					(24,862,219)
<b>Accumulated Surplus (Deficit), beginning of year, as restated</b>	<b>7,358,282</b>	-	<b>36,742,739</b>	<b>44,101,021</b>	45,064,770
<b>Changes for the year</b>					
Surplus (Deficit) for the year	1,016,344	950,732	(572,595)	<b>1,394,481</b>	(963,749)
Interfund Transfers					
Tangible Capital Assets Purchased	(218,887)	(950,732)	1,169,619	-	
Local Capital	(1,100,000)		1,100,000	-	
<b>Net Changes for the year</b>	<b>(302,543)</b>	-	<b>1,697,024</b>	<b>1,394,481</b>	<b>(963,749)</b>
<b>Accumulated Surplus (Deficit), end of year - Statement 2</b>	<b>7,055,739</b>	-	<b>38,439,763</b>	<b>45,495,502</b>	44,101,021

# School District No. 34 (Abbotsford)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2023

	2023 Budget (Note 15) \$	2023 Actual \$	2022 Actual (Restated - Note 22) \$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education and Child Care	195,342,692	<b>202,766,883</b>	192,669,040
Other	300,000	<b>348,808</b>	418,542
Federal Grants		<b>10,461</b>	21,881
Tuition	5,305,790	<b>5,424,639</b>	4,338,679
Other Revenue	2,979,208	<b>3,986,141</b>	3,047,067
Rentals and Leases	310,000	<b>486,602</b>	330,574
Investment Income	528,000	<b>650,561</b>	344,863
<b>Total Revenue</b>	<b>204,765,690</b>	<b>213,674,095</b>	201,170,646
<b>Expenses</b>			
Instruction	174,095,236	<b>177,856,468</b>	171,252,453
District Administration	6,781,178	<b>7,947,966</b>	6,727,881
Operations and Maintenance	19,749,088	<b>22,411,228</b>	19,425,710
Transportation and Housing	3,805,801	<b>4,442,089</b>	4,009,671
<b>Total Expense</b>	<b>204,431,303</b>	<b>212,657,751</b>	201,415,715
<b>Operating Surplus (Deficit) for the year</b>	<b>334,387</b>	<b>1,016,344</b>	(245,069)
<b>Budgeted Appropriation (Retirement) of Surplus (Deficit)</b>	<b>918,370</b>		
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased	(752,757)	<b>(218,887)</b>	(306,039)
Local Capital	(500,000)	<b>(1,100,000)</b>	
<b>Total Net Transfers</b>	<b>(1,252,757)</b>	<b>(1,318,887)</b>	(306,039)
<b>Total Operating Surplus (Deficit), for the year</b>	<b>-</b>	<b>(302,543)</b>	(551,108)
<b>Operating Surplus (Deficit), beginning of year</b>		<b>7,358,282</b>	7,909,390
<b>Operating Surplus (Deficit), end of year</b>		<b>7,055,739</b>	7,358,282
<b>Operating Surplus (Deficit), end of year</b>			
Unrestricted		<b>7,055,739</b>	7,358,282
<b>Total Operating Surplus (Deficit), end of year</b>		<b>7,055,739</b>	7,358,282

# School District No. 34 (Abbotsford)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2023

	2023 Budget (Note 15)	2023 Actual	2022 Actual (Restated - Note 22)
	\$	\$	\$
<b>Provincial Grants - Ministry of Education and Child Care</b>			
Operating Grant, Ministry of Education and Child Care	195,332,714	<b>195,306,478</b>	192,421,170
ISC/LEA Recovery	(622,257)	<b>(615,680)</b>	(622,257)
Other Ministry of Education and Child Care Grants			
Pay Equity	118,014	<b>118,014</b>	118,014
Funding for Graduated Adults	165,000	<b>124,178</b>	165,047
Student Transportation Fund	313,969	<b>313,969</b>	313,969
FSA Scorer Grant	19,990	<b>19,990</b>	17,740
Early Learning Framework (ELF) Implementation	2,880	<b>2,880</b>	4,915
Labour Settlement Funding	-	<b>7,392,112</b>	
Extreme Weather Grant			250,442
Premier's Award	5,000	<b>5,000</b>	-
Equity Scan Implementation	7,382	<b>7,382</b>	-
Other	-	<b>92,560</b>	-
<b>Total Provincial Grants - Ministry of Education and Child Care</b>	<b>195,342,692</b>	<b>202,766,883</b>	192,669,040
<b>Provincial Grants - Other</b>	<b>300,000</b>	<b>348,808</b>	418,542
<b>Federal Grants</b>	<b>-</b>	<b>10,461</b>	21,881
<b>Tuition</b>			
Summer School Fees	23,990	<b>24,880</b>	32,350
International and Out of Province Students	5,281,800	<b>5,399,759</b>	4,306,329
<b>Total Tuition</b>	<b>5,305,790</b>	<b>5,424,639</b>	4,338,679
<b>Other Revenues</b>			
Funding from First Nations	622,257	<b>615,681</b>	622,257
Miscellaneous			
Academy Fees	1,729,291	<b>1,823,129</b>	1,563,801
Busing Fees	450,000	<b>478,377</b>	403,123
Donations	-	<b>-</b>	131,105
Other Miscellaneous Revenue and Rebates	177,660	<b>1,068,954</b>	326,781
<b>Total Other Revenue</b>	<b>2,979,208</b>	<b>3,986,141</b>	3,047,067
<b>Rentals and Leases</b>	<b>310,000</b>	<b>486,602</b>	330,574
<b>Investment Income</b>	<b>528,000</b>	<b>650,561</b>	344,863
<b>Total Operating Revenue</b>	<b>204,765,690</b>	<b>213,674,095</b>	201,170,646

# School District No. 34 (Abbotsford)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2023

	2023 Budget (Note 15)	2023 Actual	2022 Actual (Restated - Note 22)
	\$	\$	\$
<b>Salaries</b>			
Teachers	89,224,292	<b>91,198,213</b>	88,244,754
Principals and Vice Principals	11,889,460	<b>12,137,672</b>	11,441,603
Educational Assistants	17,807,066	<b>19,193,210</b>	17,157,183
Support Staff	16,027,738	<b>16,705,287</b>	15,149,361
Other Professionals	5,084,740	<b>5,375,443</b>	4,953,202
Substitutes	6,194,354	<b>6,512,201</b>	6,311,794
<b>Total Salaries</b>	<b>146,227,650</b>	<b>151,122,026</b>	<b>143,257,897</b>
<b>Employee Benefits</b>	<b>37,054,955</b>	<b>37,463,656</b>	<b>35,969,344</b>
<b>Total Salaries and Benefits</b>	<b>183,282,605</b>	<b>188,585,682</b>	<b>179,227,241</b>
<b>Services and Supplies</b>			
Services	4,743,224	<b>6,560,279</b>	5,909,434
Student Transportation	156,550	<b>221,046</b>	166,205
Professional Development and Travel	1,542,786	<b>2,217,820</b>	1,647,966
Rentals and Leases	773,150	<b>946,887</b>	905,456
Dues and Fees	997,814	<b>746,056</b>	517,353
Insurance	395,995	<b>463,573</b>	373,422
Supplies	10,114,179	<b>10,172,896</b>	9,839,434
Utilities	2,425,000	<b>2,743,512</b>	2,829,204
<b>Total Services and Supplies</b>	<b>21,148,698</b>	<b>24,072,069</b>	<b>22,188,474</b>
<b>Total Operating Expense</b>	<b>204,431,303</b>	<b>212,657,751</b>	<b>201,415,715</b>



# School District No. 34 (Abbotsford)

## Operating Expense by Function, Program and Object

Year Ended June 30, 2023

	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	67,535,502	931,436	188,551	557,960	-	5,760,289	74,973,738
1.03 Career Programs	357,053	150,791	241,322	34,470	-	2,094	785,730
1.07 Library Services	2,244,626	-	432,545	5,168	-	-	2,682,339
1.08 Counselling	2,825,759	-	-	-	-	-	2,825,759
1.10 Special Education	11,707,413	463,164	16,397,118	166,346	-	37,689	28,771,730
1.30 English Language Learning	4,594,387	133,550	71,782	-	-	1,050	4,800,769
1.31 Indigenous Education	728,400	275,446	1,540,713	53,647	-	21,406	2,619,612
1.41 School Administration	663,725	10,132,785	-	3,630,080	30,993	8,234	14,465,817
1.60 Summer School	333,977	50,500	42,902	9,383	-	-	436,762
1.62 International and Out of Province Students	15,284	-	278,277	125,555	375,556	-	794,672
<b>Total Function 1</b>	<b>91,006,126</b>	<b>12,137,672</b>	<b>19,193,210</b>	<b>4,582,609</b>	<b>406,549</b>	<b>5,830,762</b>	<b>133,156,928</b>
<b>4 District Administration</b>							
4.11 Educational Administration				318	895,091	607	896,016
4.40 School District Governance					221,899		221,899
4.41 Business Administration	192,087			1,085,163	2,263,847	27,488	3,568,585
<b>Total Function 4</b>	<b>192,087</b>	<b>-</b>	<b>-</b>	<b>1,085,481</b>	<b>3,380,837</b>	<b>28,095</b>	<b>4,686,500</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration				193,185	526,424		719,609
5.50 Maintenance Operations				7,751,576	949,214	629,696	9,330,486
5.52 Maintenance of Grounds				783,448			783,448
5.56 Utilities							-
<b>Total Function 5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,728,209</b>	<b>1,475,638</b>	<b>629,696</b>	<b>10,833,543</b>
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration				211,511	112,419		323,930
7.70 Student Transportation				2,097,477		23,648	2,121,125
<b>Total Function 7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,308,988</b>	<b>112,419</b>	<b>23,648</b>	<b>2,445,055</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>91,198,213</b>	<b>12,137,672</b>	<b>19,193,210</b>	<b>16,705,287</b>	<b>5,375,443</b>	<b>6,512,201</b>	<b>151,122,026</b>

# School District No. 34 (Abbotsford)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2023

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2023 Actual	2023 Budget (Note 15)	2022 Actual (Restated - Note 22)
	\$	\$	\$	\$	\$	\$	\$
<b>1 Instruction</b>							
1.02 Regular Instruction	74,973,738	18,676,708	93,650,446	7,017,768	100,668,214	98,962,096	106,014,700
1.03 Career Programs	785,730	196,614	982,344	461,231	1,443,575	1,641,922	1,339,548
1.07 Library Services	2,682,339	683,360	3,365,699	403,887	3,769,586	3,878,917	3,521,536
1.08 Counselling	2,825,759	648,019	3,473,778	14,238	3,488,016	3,565,880	3,205,496
1.10 Special Education	28,771,730	7,636,019	36,407,749	1,173,911	37,581,660	35,940,117	30,996,750
1.30 English Language Learning	4,800,769	1,178,313	5,979,082	106,893	6,085,975	5,501,869	4,387,648
1.31 Indigenous Education	2,619,612	655,721	3,275,333	444,151	3,719,484	3,672,020	3,423,273
1.41 School Administration	14,465,817	3,433,807	17,899,624	728,505	18,628,129	18,364,081	16,398,464
1.60 Summer School	436,762	85,733	522,495	6,762	529,257	549,218	479,259
1.62 International and Out of Province Students	794,672	217,738	1,012,410	930,162	1,942,572	2,019,116	1,485,779
<b>Total Function 1</b>	<b>133,156,928</b>	<b>33,412,032</b>	<b>166,568,960</b>	<b>11,287,508</b>	<b>177,856,468</b>	174,095,236	171,252,453
<b>4 District Administration</b>							
4.11 Educational Administration	896,016	230,924	1,126,940	709,567	1,836,507	1,581,285	1,858,918
4.40 School District Governance	221,899	28,691	250,590	253,605	504,195	361,143	398,290
4.41 Business Administration	3,568,585	519,350	4,087,935	1,519,329	5,607,264	4,838,750	4,470,673
<b>Total Function 4</b>	<b>4,686,500</b>	<b>778,965</b>	<b>5,465,465</b>	<b>2,482,501</b>	<b>7,947,966</b>	6,781,178	6,727,881
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration	719,609	143,773	863,382	538,624	1,402,006	1,265,180	1,314,339
5.50 Maintenance Operations	9,330,486	2,296,632	11,627,118	4,843,762	16,470,880	14,747,598	13,625,456
5.52 Maintenance of Grounds	783,448	197,605	981,053	813,777	1,794,830	1,311,310	1,656,711
5.56 Utilities	-	-	-	2,743,512	2,743,512	2,425,000	2,829,204
<b>Total Function 5</b>	<b>10,833,543</b>	<b>2,638,010</b>	<b>13,471,553</b>	<b>8,939,675</b>	<b>22,411,228</b>	19,749,088	19,425,710
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration	323,930	77,221	401,151	81,173	482,324	389,975	440,787
7.70 Student Transportation	2,121,125	557,428	2,678,553	1,281,212	3,959,765	3,415,826	3,568,884
<b>Total Function 7</b>	<b>2,445,055</b>	<b>634,649</b>	<b>3,079,704</b>	<b>1,362,385</b>	<b>4,442,089</b>	3,805,801	4,009,671
<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>151,122,026</b>	<b>37,463,656</b>	<b>188,585,682</b>	<b>24,072,069</b>	<b>212,657,751</b>	204,431,303	201,415,715

# School District No. 34 (Abbotsford)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2023

	2023 Budget (Note 15) \$	2023 Actual \$	2022 Actual (Restated - Note 22) \$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education and Child Care	21,215,661	<b>21,467,292</b>	18,291,473
Other	305,398	<b>289,269</b>	349,864
Other Revenue	6,089,206	<b>5,836,160</b>	4,290,076
<b>Total Revenue</b>	<u>27,610,265</u>	<u><b>27,592,721</b></u>	<u>22,931,413</u>
<b>Expenses</b>			
Instruction	26,545,428	<b>26,559,327</b>	21,514,507
Operations and Maintenance	58,902	<b>58,902</b>	1,143,021
Transportation and Housing	55,203	<b>23,760</b>	11,425
<b>Total Expense</b>	<u>26,659,533</u>	<u><b>26,641,989</b></u>	<u>22,668,953</u>
<b>Special Purpose Surplus (Deficit) for the year</b>	<u>950,732</u>	<u><b>950,732</b></u>	<u>262,460</u>
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased	(950,732)	<b>(950,732)</b>	(262,460)
<b>Total Net Transfers</b>	<u>(950,732)</u>	<u><b>(950,732)</b></u>	<u>(262,460)</u>
<b>Total Special Purpose Surplus (Deficit) for the year</b>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
<b>Special Purpose Surplus (Deficit), beginning of year</b>			
<b>Special Purpose Surplus (Deficit), end of year</b>		<u><u>-</u></u>	<u><u>-</u></u>

**School District No. 34 (Abbotsford)**

Changes in Special Purpose Funds and Expense by Object  
Year Ended June 30, 2023

	Annual Facility Grant	Learning Improvement Fund	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK	Classroom Enhancement Fund - Overhead	Classroom Enhancement Fund - Staffing
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Deferred Revenue, beginning of year</b>									
District Entered	-	-	2,049,750		31,211	42,693			
<b>Deferred Revenue, beginning of year, as restated</b>	-	-	2,049,750	-	31,211	42,693	-	-	-
<b>Add:</b> Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	692,103	682,742		352,000	75,950	278,915	1,271,041	451,098	13,802,285
Provincial Grants - Other									
Other			5,776,677						
	692,103	682,742	5,776,677	352,000	75,950	278,915	1,271,041	451,098	13,802,285
<b>Less:</b> Allocated to Revenue	692,103	682,742	5,678,036	352,000	80,464	242,031	1,271,041	451,098	13,802,285
Recovered									
<b>Deferred Revenue, end of year</b>	-	-	<b>2,148,391</b>	-	<b>26,697</b>	<b>79,577</b>	-	-	-
<b>Revenues</b>									
Provincial Grants - Ministry of Education and Child Care	692,103	682,742		352,000	80,464	242,031	1,271,041	451,098	13,802,285
Provincial Grants - Other									
Other Revenue			5,678,036			-			
	692,103	682,742	5,678,036	352,000	80,464	242,031	1,271,041	451,098	13,802,285
<b>Expenses</b>									
Salaries									
Teachers						42,085			10,627,759
Principals and Vice Principals								156,218	
Educational Assistants		532,957		263,708	14,677		748,691		
Support Staff							24,419	157,917	
Other Professionals								79,916	
Substitutes					2,870	17,366			
	-	532,957	-	263,708	17,547	59,451	773,110	394,051	10,627,759
Employee Benefits		149,785		75,998	964	8,814	(148,131)	57,047	3,174,526
Services and Supplies	58,902		5,678,036	12,294	61,953	173,766	646,062		
	58,902	682,742	5,678,036	352,000	80,464	242,031	1,271,041	451,098	13,802,285
<b>Net Revenue (Expense) before Interfund Transfers</b>	633,201	-	-	-	-	-	-	-	-
<b>Interfund Transfers</b>									
Tangible Capital Assets Purchased	(633,201)								
	(633,201)	-	-	-	-	-	-	-	-
<b>Net Revenue (Expense)</b>	-	-	-	-	-	-	-	-	-

**School District No. 34 (Abbotsford)**

Changes in Special Purpose Funds and Expense by Object  
Year Ended June 30, 2023

	Classroom Enhancement Fund - Remedies	First Nation Student Transportation	Mental Health in Schools	Changing Results for Young Children	Federal Safe Return to Class / Ventilation Fund	Seamless Day Kindergarten	Early Childhood Education Dual Credit Program	Student & Family Affordability	JUST B4
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Deferred Revenue, beginning of year</b>									
District Entered	9,336	12,046	90,882	3,442	317,531		55,310		11,168
<b>Deferred Revenue, beginning of year, as restated</b>	9,336	12,046	90,882	3,442	317,531	-	55,310	-	11,168
<b>Add:</b> Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	1,135,675	43,157	48,000	11,250		55,400	20,000	1,924,762	50,000
Provincial Grants - Other						6,418			12,905
Other									
	1,135,675	43,157	48,000	11,250	-	61,818	20,000	1,924,762	62,905
<b>Less:</b> Allocated to Revenue	1,135,675	23,760	85,949	7,205	317,531	61,818	32,551	1,840,451	55,059
Recovered	9,336								
<b>Deferred Revenue, end of year</b>	-	<b>31,443</b>	<b>52,933</b>	<b>7,487</b>	-	-	<b>42,759</b>	<b>84,311</b>	<b>19,014</b>
<b>Revenues</b>									
Provincial Grants - Ministry of Education and Child Care	1,135,675	23,760	85,949	7,205	317,531	55,400	32,551	1,840,451	50,000
Provincial Grants - Other						6,418			5,059
Other Revenue									
	1,135,675	23,760	85,949	7,205	317,531	61,818	32,551	1,840,451	55,059
<b>Expenses</b>									
Salaries									
Teachers									
Principals and Vice Principals									
Educational Assistants									
Support Staff									
Other Professionals									
Substitutes	2,165						5,894		
	2,165	-	-	-	-	48,482	5,894	-	41,191
Employee Benefits	90					13,336			11,719
Services and Supplies	1,133,420	23,760	85,949	7,205			26,657	1,840,451	2,149
	1,135,675	23,760	85,949	7,205	-	61,818	32,551	1,840,451	55,059
<b>Net Revenue (Expense) before Interfund Transfers</b>	-	-	-	-	317,531	-	-	-	-
<b>Interfund Transfers</b>									
Tangible Capital Assets Purchased					(317,531)				
	-	-	-	-	(317,531)	-	-	-	-
<b>Net Revenue (Expense)</b>	-	-	-	-	-	-	-	-	-

# School District No. 34 (Abbotsford)

Changes in Special Purpose Funds and Expense by Object  
Year Ended June 30, 2023

	SEY2KT (Early Years to Kindergarten)	ECL (Early Care & Learning)	PRP Adolescent Treatment	Immigrant Parents as Learning Supports	Early Years Outreach	Literacy Matters	Community Support	Back to School	TOTAL
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Deferred Revenue, beginning of year</b>									-
District Entered			9,295	13,332	13,861	43,889	118,485		2,822,231
<b>Deferred Revenue, beginning of year, as restated</b>	-	-	9,295	13,332	13,861	43,889	118,485	-	2,822,231
<b>Add:</b> Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	19,000	175,000	220,650						21,309,028
Provincial Grants - Other					275,937				295,260
Other				9,525		42,660	73,196	50,306	5,952,364
	19,000	175,000	220,650	9,525	275,937	42,660	73,196	50,306	27,556,652
<b>Less:</b> Allocated to Revenue									
Recovered	-	127,513	217,493	7,812	277,792	38,293	100,614	11,405	27,592,721
			8,295						17,631
<b>Deferred Revenue, end of year</b>	<b>19,000</b>	<b>47,487</b>	<b>4,157</b>	<b>15,045</b>	<b>12,006</b>	<b>48,256</b>	<b>91,067</b>	<b>38,901</b>	<b>2,768,531</b>
<b>Revenues</b>									
Provincial Grants - Ministry of Education and Child Care		127,513	217,493						21,467,292
Provincial Grants - Other					277,792				289,269
Other Revenue				7,812		38,293	100,614	11,405	5,836,160
	-	127,513	217,493	7,812	277,792	38,293	100,614	11,405	27,592,721
<b>Expenses</b>									
Salaries									
Teachers			95,155						10,764,999
Principals and Vice Principals			16,189						172,407
Educational Assistants			33,447				7,758		1,601,238
Support Staff		9,626			104,346				385,981
Other Professionals		91,577							171,493
Substitutes								205	28,500
	-	101,203	144,791	-	104,346	-	7,758	205	13,124,618
Employee Benefits		26,310	19,598		28,567		2,661		3,421,284
Services and Supplies			53,104	7,812	144,879	38,293	90,195	11,200	10,096,087
	-	127,513	217,493	7,812	277,792	38,293	100,614	11,405	26,641,989
<b>Net Revenue (Expense) before Interfund Transfers</b>	-	-	-	-	-	-	-	-	950,732
<b>Interfund Transfers</b>									
Tangible Capital Assets Purchased									(950,732)
	-	-	-	-	-	-	-	-	(950,732)
<b>Net Revenue (Expense)</b>	-	-	-	-	-	-	-	-	-

# School District No. 34 (Abbotsford)

Schedule 4 (Unaudited)

## Schedule of Capital Operations

Year Ended June 30, 2023

	2023	2023 Actual			2022
	Budget (Note 15)	Invested in Tangible Capital Assets	Local Capital	Fund Balance	Actual (Restated - Note 22)
	\$	\$	\$	\$	\$
<b>Revenues</b>					
Provincial Grants					
Ministry of Education and Child Care	2,856,767	3,048,401		3,048,401	2,337,371
Investment Income	240,000		295,079	295,079	48,689
Amortization of Deferred Capital Revenue	7,750,000	10,263,142		10,263,142	7,696,148
<b>Total Revenue</b>	<u>10,846,767</u>	<u>13,311,543</u>	<u>295,079</u>	<u>13,606,622</u>	<u>10,082,208</u>
<b>Expenses</b>					
Operations and Maintenance	2,856,767			-	1,061,618
Amortization of Tangible Capital Assets					
Operations and Maintenance	9,470,000	12,111,377		12,111,377	9,429,579
Transportation and Housing	580,000	567,840		567,840	572,151
Flood Loss Costs		1,500,000		1,500,000	
<b>Total Expense</b>	<u>12,906,767</u>	<u>14,179,217</u>	<u>-</u>	<u>14,179,217</u>	<u>11,063,348</u>
<b>Capital Surplus (Deficit) for the year</b>	<u>(2,060,000)</u>	<u>(867,674)</u>	<u>295,079</u>	<u>(572,595)</u>	<u>(981,140)</u>
<b>Net Transfers (to) from other funds</b>					
Tangible Capital Assets Purchased	1,703,489	1,169,619		1,169,619	568,499
Local Capital	500,000		1,100,000	1,100,000	
<b>Total Net Transfers</b>	<u>2,203,489</u>	<u>1,169,619</u>	<u>1,100,000</u>	<u>2,269,619</u>	<u>568,499</u>
<b>Other Adjustments to Fund Balances</b>					
Tangible Capital Assets Purchased from Local Capital		1,058,961	(1,058,961)	-	
<b>Total Other Adjustments to Fund Balances</b>		<u>1,058,961</u>	<u>(1,058,961)</u>	<u>-</u>	
<b>Total Capital Surplus (Deficit) for the year</b>	<u>143,489</u>	<u>1,360,906</u>	<u>336,118</u>	<u>1,697,024</u>	<u>(412,641)</u>
<b>Capital Surplus (Deficit), beginning of year</b>		<u>33,405,187</u>	<u>3,337,552</u>	<u>36,742,739</u>	<u>62,017,599</u>
Prior Period Adjustments					
To Recognize Asset Retirement Obligation					(24,862,219)
<b>Capital Surplus (Deficit), beginning of year, as restated</b>		<u>33,405,187</u>	<u>3,337,552</u>	<u>36,742,739</u>	<u>37,155,380</u>
<b>Capital Surplus (Deficit), end of year</b>		<u>34,766,093</u>	<u>3,673,670</u>	<u>38,439,763</u>	<u>36,742,739</u>

# School District No. 34 (Abbotsford)

Tangible Capital Assets  
Year Ended June 30, 2023

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
<b>Cost, beginning of year</b>	39,624,147	339,602,998	6,461,651	5,816,168	247,844	5,728,841	<b>397,481,649</b>
Prior Period Adjustments							
To Recognize Asset Retirement Obligation		25,040,849					<b>25,040,849</b>
<b>Cost, beginning of year, as restated</b>	39,624,147	364,643,847	6,461,651	5,816,168	247,844	5,728,841	<b>422,522,498</b>
<b>Changes for the Year</b>							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw	1,548,411	7,242,040	1,437,462				<b>10,227,913</b>
Deferred Capital Revenue - Other		562,661	6,846				<b>569,507</b>
Operating Fund			120,522		84,977	13,388	<b>218,887</b>
Special Purpose Funds	632,834	367	317,531				<b>950,732</b>
Local Capital		790,831		251,655	16,475		<b>1,058,961</b>
	2,181,245	8,595,899	1,882,361	251,655	101,452	13,388	<b>13,026,000</b>
Decrease:							
Deemed Disposals			1,129,068	527,196		2,195,552	<b>3,851,816</b>
	-	-	1,129,068	527,196	-	2,195,552	<b>3,851,816</b>
<b>Cost, end of year</b>	41,805,392	373,239,746	7,214,944	5,540,627	349,296	3,546,677	<b>431,696,682</b>
<b>Work in Progress, end of year</b>		34,630,541	100,734				<b>34,731,275</b>
<b>Cost and Work in Progress, end of year</b>	41,805,392	407,870,287	7,315,678	5,540,627	349,296	3,546,677	<b>466,427,957</b>
<b>Accumulated Amortization, beginning of year</b>		187,033,693	3,519,732	3,368,415	36,215	2,843,289	<b>196,801,344</b>
Prior Period Adjustments							
To Recognize Asset Retirement Obligation		24,938,350					<b>24,938,350</b>
<b>Accumulated Amortization, beginning of year, as restated</b>		211,972,043	3,519,732	3,368,415	36,215	2,843,289	<b>221,739,694</b>
<b>Changes for the Year</b>							
Increase: Amortization for the Year		10,440,281	683,830	567,840	59,714	927,552	<b>12,679,217</b>
Decrease:							
Deemed Disposals			1,129,068	527,196		2,195,552	<b>3,851,816</b>
			-	1,129,068	-	2,195,552	<b>3,851,816</b>
<b>Accumulated Amortization, end of year</b>		222,412,324	3,074,494	3,409,059	95,929	1,575,289	<b>230,567,095</b>
<b>Tangible Capital Assets - Net</b>	<b>41,805,392</b>	<b>185,457,963</b>	<b>4,241,184</b>	<b>2,131,568</b>	<b>253,367</b>	<b>1,971,388</b>	<b>235,860,862</b>



**School District No. 34 (Abbotsford)**

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2023

	<b>Buildings</b>	<b>Furniture and Equipment</b>	<b>Computer Software</b>	<b>Computer Hardware</b>	<b>Total</b>
	\$	\$	\$	\$	\$
<b>Work in Progress, beginning of year</b>	23,127,940	100,734			23,228,674
<b>Changes for the Year</b>					
Increase:					
Deferred Capital Revenue - Bylaw	11,502,601				11,502,601
	11,502,601	-	-	-	11,502,601
<b>Net Changes for the Year</b>	11,502,601	-	-	-	11,502,601
<b>Work in Progress, end of year</b>	<b>34,630,541</b>	<b>100,734</b>	-	-	<b>34,731,275</b>

**School District No. 34 (Abbotsford)**

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2023

	<b>Bylaw Capital</b>	<b>Other Provincial</b>	<b>Other Capital</b>	<b>Total Capital</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Deferred Capital Revenue, beginning of year</b>	138,562,768	2,525,167	3,144,376	<b>144,232,311</b>
<b>Changes for the Year</b>				
Increase:				
Transferred from Deferred Revenue - Capital Additions	8,679,502	562,661	6,846	<b>9,249,009</b>
	8,679,502	562,661	6,846	<b>9,249,009</b>
Decrease:				
Amortization of Deferred Capital Revenue	10,005,164	109,823	148,155	<b>10,263,142</b>
	10,005,164	109,823	148,155	<b>10,263,142</b>
<b>Net Changes for the Year</b>	(1,325,662)	452,838	(141,309)	<b>(1,014,133)</b>
<b>Deferred Capital Revenue, end of year</b>	137,237,106	2,978,005	3,003,067	<b>143,218,178</b>
<b>Work in Progress, beginning of year</b>	19,473,825	1,865,273		<b>21,339,098</b>
<b>Changes for the Year</b>				
Increase				
Transferred from Deferred Revenue - Work in Progress	11,502,601			<b>11,502,601</b>
	11,502,601	-	-	<b>11,502,601</b>
<b>Net Changes for the Year</b>	11,502,601	-	-	<b>11,502,601</b>
<b>Work in Progress, end of year</b>	30,976,426	1,865,273	-	<b>32,841,699</b>
<b>Total Deferred Capital Revenue, end of year</b>	<b>168,213,532</b>	<b>4,843,278</b>	<b>3,003,067</b>	<b>176,059,877</b>

# School District No. 34 (Abbotsford)

Schedule 4D (Unaudited)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2023

	Bylaw Capital	MECC Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
<b>Balance, beginning of year</b>	\$	\$	\$	\$	\$	\$
		102,520	821,377	5,045,635	15,173	<b>5,984,705</b>
<b>Changes for the Year</b>						
Increase:						
Provincial Grants - Ministry of Education and Child Care	23,230,514					<b>23,230,514</b>
Other				179,058	30,541	<b>209,599</b>
Investment Income		9,064	72,619	446,094	1,341	<b>529,118</b>
	23,230,514	9,064	72,619	625,152	31,882	<b>23,969,231</b>
Decrease:						
Transferred to DCR - Capital Additions	8,679,502		562,661		6,846	<b>9,249,009</b>
Transferred to DCR - Work in Progress	11,502,601					<b>11,502,601</b>
Transferred to Revenue - Site Purchases	1,548,411					<b>1,548,411</b>
Flood Loss Claim	1,500,000					<b>1,500,000</b>
	23,230,514	-	562,661	-	6,846	<b>23,800,021</b>
<b>Net Changes for the Year</b>	-	9,064	(490,042)	625,152	25,036	<b>169,210</b>
<b>Balance, end of year</b>	-	<b>111,584</b>	<b>331,335</b>	<b>5,670,787</b>	<b>40,209</b>	<b>6,153,915</b>