

Audited Financial Statements of

**School District No. 40 (New Westminster)**

And Independent Auditors' Report thereon

June 30, 2023

# School District No. 40 (New Westminster)

June 30, 2023

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# School District No. 40 (New Westminster)

## MANAGEMENT REPORT

Version: 5882-5137-3154

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

The accompanying financial statements of School District No. 40 (New Westminster) 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. 40 (New Westminster) (called the "Board") is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Board. The Board reviews internal financial statements on a monthly basis and externally audited financial statements yearly.

The external auditors, KPMG LLP, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of School District No. 40 (New Westminster) 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. 40 (New Westminster)

Original signed by Maya Russell	2023-09-27
Signature of the Chairperson of the Board of Education	Date Signed
Original signed by Karim Hachlaf	2023-09-27
Signature of the Superintendent	Date Signed
Original signed by Bettina Ketcham	2023-09-27
Signature of the Secretary Treasurer	Date Signed



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## INDEPENDENT AUDITOR'S REPORT

To the Board of Education of School District No. 40 (New Westminster), and  
To the Minister of Education and Child Care, Province of British Columbia

### **Opinion**

We have audited the financial statements of School District No. 40 (New Westminster), (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 "**Auditors' Responsibilities for the Audit of the Financial Statements**" section of our auditors' report.

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

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

### **Emphasis of Matter – Financial Reporting Framework**

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

Our opinion is not modified in respect of this matter.

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

We draw attention to Note 20 to the financial statements which explains that certain comparative information presented for the year ended June 30, 2022 has been restated. Note 20 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, other than the financial statements and auditors' report thereon, included in the Financial Statement Discussion and Analysis document
- Unaudited Schedules 1-4 attached to the audited financial statements

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

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

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

We have nothing to report in this regard.

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

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

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

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

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

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

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

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

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



We are 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

Victoria, Canada  
September 27, 2023

# School District No. 40 (New Westminster)

## Statement of Financial Position

As at June 30, 2023

	2023 Actual	2022 Actual (Restated - Note 20)
	\$	\$
<b>Financial Assets</b>		
Cash and Cash Equivalents	15,727,377	14,367,675
Accounts Receivable		
Due from Province - Ministry of Education and Child Care (Note 3)	2,082,732	2,061,688
Due from Province - Other		193,884
Other	353,341	676,043
<b>Total Financial Assets</b>	<b>18,163,450</b>	<b>17,299,290</b>
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities		
Other (Note 4)	7,566,446	7,370,686
Unearned Revenue (Note 5)	2,322,116	2,511,549
Deferred Revenue (Note 6)	1,376,442	1,226,659
Deferred Capital Revenue (Note 7)	196,076,926	190,108,106
Employee Future Benefits (Note 8)	3,633,109	3,654,273
Asset Retirement Obligation	452,726	452,726
<b>Total Liabilities</b>	<b>211,427,765</b>	<b>205,323,999</b>
<b>Net Debt</b>	<b>(193,264,315)</b>	<b>(188,024,709)</b>
<b>Non-Financial Assets</b>		
Tangible Capital Assets (Note 9)	224,943,768	219,641,433
Prepaid Expenses	656,266	305,002
<b>Total Non-Financial Assets</b>	<b>225,600,034</b>	<b>219,946,435</b>
<b>Accumulated Surplus (Deficit) (Note 16)</b>	<b>32,335,719</b>	<b>31,921,726</b>
<b>Accumulated Surplus (Deficit) is comprised of:</b>		
Accumulated Surplus (Deficit) from Operations	32,335,719	31,921,726
Accumulated Remeasurement Gains (Losses)		
	<b>32,335,719</b>	<b>31,921,726</b>

Contractual Obligations (Note 14)

Contingent Liabilities (Note 19)

Approved by the Board

Original signed by Maya Russell	2023-09-27
Signature of the Chairperson of the Board of Education	Date Signed
Original signed by Karim Hachlaf	2023-09-27
Signature of the Superintendent	Date Signed
Original signed by Bettina Ketcham	2023-09-27
Signature of the Secretary Treasurer	Date Signed

# School District No. 40 (New Westminster)

Statement of Operations  
Year Ended June 30, 2023

	2023 Budget (Note 13) \$	2023 Actual \$	2022 Actual (Restated - Note 20) \$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education and Child Care	85,228,400	<b>85,442,326</b>	78,541,850
Other	214,847	<b>294,228</b>	222,524
Municipal Grants Spent on Sites			3,727,421
Tuition	2,874,450	<b>2,896,288</b>	2,226,685
Other Revenue	1,382,836	<b>2,658,636</b>	1,643,596
Rentals and Leases	589,667	<b>590,542</b>	319,768
Investment Income	415,000	<b>495,510</b>	172,257
Amortization of Deferred Capital Revenue	6,062,090	<b>6,055,650</b>	5,523,182
<b>Total Revenue</b>	<u>96,767,290</u>	<u><b>98,433,180</b></u>	<u>92,377,283</u>
<b>Expenses (Note 15)</b>			
Instruction	77,788,481	<b>78,853,766</b>	71,674,763
District Administration	3,992,338	<b>4,213,397</b>	3,965,782
Operations and Maintenance	15,025,549	<b>14,685,938</b>	13,984,828
Transportation and Housing	260,594	<b>266,086</b>	266,377
<b>Total Expense</b>	<u>97,066,962</u>	<u><b>98,019,187</b></u>	<u>89,891,750</u>
<b>Surplus (Deficit) for the year</b>	<u>(299,672)</u>	<u><b>413,993</b></u>	<u>2,485,533</u>
<b>Accumulated Surplus (Deficit) from Operations, beginning of year</b>		<b>31,921,726</b>	29,436,193
<b>Accumulated Surplus (Deficit) from Operations, end of year</b>		<u><b>32,335,719</b></u>	<u>31,921,726</u>



# School District No. 40 (New Westminster)

Statement of Changes in Net Debt  
Year Ended June 30, 2023

	2023 Budget (Note 13) \$	2023 Actual \$	2022 Actual (Restated - Note 20) \$
<b>Surplus (Deficit) for the year</b>	(299,672)	<b>413,993</b>	2,485,533
<b>Effect of change in Tangible Capital Assets</b>			
Acquisition of Tangible Capital Assets	(14,640,316)	<b>(12,434,451)</b>	(24,693,852)
Amortization of Tangible Capital Assets	7,165,609	<b>7,132,116</b>	6,626,254
<b>Total Effect of change in Tangible Capital Assets</b>	<u>(7,474,707)</u>	<u><b>(5,302,335)</b></u>	<u>(18,067,598)</u>
Acquisition of Prepaid Expenses	(300,000)	<b>(656,266)</b>	(305,002)
Use of Prepaid Expenses	300,000	<b>305,002</b>	163,299
<b>Total Effect of change in Other Non-Financial Assets</b>	<u>-</u>	<u><b>(351,264)</b></u>	<u>(141,703)</u>
<b>(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)</b>	<u>(7,774,379)</u>	<u><b>(5,239,606)</b></u>	<u>(15,723,768)</u>
<b>Net Remeasurement Gains (Losses)</b>			
<b>(Increase) Decrease in Net Debt</b>		<b>(5,239,606)</b>	(15,723,768)
<b>Net Debt, beginning of year</b>		<b>(188,024,709)</b>	(172,300,941)
<b>Net Debt, end of year</b>		<u><b>(193,264,315)</b></u>	<u>(188,024,709)</u>

# School District No. 40 (New Westminster)

Statement of Cash Flows  
Year Ended June 30, 2023

	2023 Actual	2022 Actual
		(Restated - Note 20)
	\$	\$
<b>Operating Transactions</b>		
Surplus (Deficit) for the year	413,993	2,485,533
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	495,542	(1,956,976)
Prepaid Expenses	(351,264)	(141,703)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	195,760	(926,942)
Unearned Revenue	(189,433)	983,728
Deferred Revenue	149,783	(73,425)
Employee Future Benefits	(21,164)	85,814
Amortization of Tangible Capital Assets	7,132,116	6,626,254
Amortization of Deferred Capital Revenue	(6,055,650)	(5,523,182)
Recognition of Deferred Capital Revenue Spent on Sites		(3,727,421)
<b>Total Operating Transactions</b>	<b>1,769,683</b>	<b>(2,168,320)</b>
<b>Capital Transactions</b>		
Tangible Capital Assets Purchased	(7,937,383)	(9,400,473)
Tangible Capital Assets -WIP Purchased	(4,497,068)	(15,293,379)
<b>Total Capital Transactions</b>	<b>(12,434,451)</b>	<b>(24,693,852)</b>
<b>Financing Transactions</b>		
Capital Revenue Received	12,024,470	16,118,919
<b>Total Financing Transactions</b>	<b>12,024,470</b>	<b>16,118,919</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>1,359,702</b>	<b>(10,743,253)</b>
<b>Cash and Cash Equivalents, beginning of year</b>	<b>14,367,675</b>	<b>25,110,928</b>
<b>Cash and Cash Equivalents, end of year</b>	<b>15,727,377</b>	<b>14,367,675</b>
<b>Cash and Cash Equivalents, end of year, is made up of:</b>		
Cash	15,727,377	14,367,675
	<b>15,727,377</b>	<b>14,367,675</b>
Supplementary Cash Flow Information (Note 21)		

**SCHOOL DISTRICT NO. 40 (NEW WESTMINSTER)**  
**NOTES TO THE 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. 40 (New Westminster)”, and operates as “School District No. 40 (New Westminster)”. 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” or the “Ministry”). The School District is a registered charity under the Income Tax Act and is exempt from federal and provincial corporate income taxes.

**NOTE 2            SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**a)    Basis of Accounting**

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

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

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

**b)    Cash and Cash Equivalents**

Cash and cash equivalents include deposits in the Provincial Ministry of Finance Central Deposit Program that are readily convertible to known amounts of cash and that are subject to insignificant risk of change in value. These cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investing.

**c)    Accounts Receivable**

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

**d)    Unearned Revenue**

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

**SCHOOL DISTRICT NO. 40 (NEW WESTMINSTER)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

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

**e) Deferred Revenue and Deferred Capital Revenue**

Deferred revenue includes contributions received with stipulations that meet the description of restricted contributions in the Restricted Contributions Regulation 198/2011 issued by Treasury Board. When restrictions are met, deferred revenue is recognized as revenue in the fiscal year in a manner consistent with the circumstances and evidence used to support the initial recognition of the contributions received as a liability as detailed in note 2(1).

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.

**f) Employee Future Benefits**

The School District provides certain post-employment benefits including vested and non-vested benefits for certain employees pursuant to certain contracts and union agreements.

The School District accrues its obligations and related costs including non-vested benefits under employee future benefit plans. Benefits include accumulating non-vested sick leave, early retirement, retirement/severance, vacation 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.

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.

**g) Asset Retirement Obligations**

A liability is recognized when, as at the financial reporting date:

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

The School District's asset retirement obligations include the removal of asbestos and other hazardous material in several of the buildings owned by the School District has been initially recognized using the modified retroactive method (note 20). The estimated costs have been capitalized into the carrying amount of tangible capital assets and are being amortized on the same basis as the related tangible capital asset (see note 2(i)). Assumptions used in the calculations are reviewed annually.

**SCHOOL DISTRICT NO. 40 (NEW WESTMINSTER)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

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

**h) Liability for Contaminated Sites**

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

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

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

**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.
- Donated tangible capital assets are recorded at their fair 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 a transfer 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. These useful lives are reviewed on a regular basis or if significant events initiate the need to revise. Estimated useful life is as follows:

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

**SCHOOL DISTRICT NO. 40 (NEW WESTMINSTER)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

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

**j)    Prepaid Expenses**

Amounts for insurance, software licenses and other services paid in advance are included as a prepaid expense. Prepaid expenses are stated at acquisition cost and are charged to expense over the periods expected to benefit from it.

**k)    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.

The Board is responsible for ensuring the School District is protected financially from extraordinary circumstances that would negatively impact the education of students. To discharge this responsibility, the Board shall build and maintain a contingency reserve through the maintenance of an accumulated surplus, which will be used to mitigate any negative impact such circumstances might cause. By Board policy, a contingency reserve of at least 2% of operating expenses shall be maintained. The Board will incorporate into its future budget planning processes, strategies to re-establish the contingency reserve should it fall below this level.

**l)    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 the amounts 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 must 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 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 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 being performed is deferred and recognized when the fee is earned or service performed.

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

**SCHOOL DISTRICT NO. 40 (NEW WESTMINSTER)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

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

**m) 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, Associate 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, allocations of expenses to functions 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.

**n) Financial Instruments**

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

Financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities and other liabilities.

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

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

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

**SCHOOL DISTRICT NO. 40 (NEW WESTMINSTER)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

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

**o) Measurement Uncertainty**

Preparation of financial statements in accordance with the basis of accounting described in note 2(a) requires management to make estimates and assumptions that impact reported amounts of assets and liabilities at the date of the financial statements and revenues and expenses during the reporting periods. Actual results could differ from those estimates.

**p) 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 the School District:

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

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



**SCHOOL DISTRICT NO. 40 (NEW WESTMINSTER)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

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**NOTE 3            DUE FROM THE PROVINCE - MECC**

	<b>2023</b>	<b>2022</b>
Annual Facility Grant	\$ 505,304	\$ 404,991
Bylaw Projects	1,340,863	1,367,870
Child Care Capital Projects	193,884	-
Classroom Enhancement Fund - Remedies	-	112,997
OLEP French	42,681	63,042
Ventilation Fund	-	112,788
	<b>\$ 2,082,732</b>	<b>\$ 2,061,688</b>

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

	<b>2023</b>	<b>2022</b>
Trade Payables	\$ 4,478,730	\$ 4,521,130
Accrued Vacation Payable	415,342	368,117
Salaries and Benefits Payable	2,672,374	2,481,439
	<b>\$ 7,566,446</b>	<b>\$ 7,370,686</b>

**NOTE 5            UNEARNED REVENUE**

	<b>2023</b>	<b>2022</b>
<b>Balance, beginning of year</b>	<b>\$ 2,511,549</b>	<b>\$ 1,527,821</b>
Increases:		
Tuition fees collected	2,318,916	2,511,549
Other	3,200	-
	2,322,116	2,511,549
Decreases:		
Tuition fee revenue recognized	2,511,549	1,527,821
	(189,433)	983,728
<b>Net Change for the year</b>	<b>(189,433)</b>	<b>983,728</b>
<b>Balance, end of year</b>	<b>\$ 2,322,116</b>	<b>\$ 2,511,549</b>

**SCHOOL DISTRICT NO. 40 (NEW WESTMINSTER)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

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**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.

	2023	2022
<b>Balance, beginning of year</b>	<b>\$ 1,226,659</b>	<b>\$ 1,300,084</b>
Increases:		
Provincial Grants - MECC	10,872,692	9,588,598
Provincial Grants - Other	184,180	171,668
Other Revenue	2,046,746	1,268,474
	<b>13,103,618</b>	<b>11,028,740</b>
Decreases:		
Allocated to Revenue	12,953,835	11,102,165
Recovered	-	-
	<b>12,953,835</b>	<b>11,102,165</b>
Net Change for the year	<b>149,783</b>	<b>(73,425)</b>
<b>Balance, end of year</b>	<b>\$ 1,376,442</b>	<b>\$ 1,226,659</b>

**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.

	2023	2022
<b>Balance, beginning of year</b>	<b>\$ 190,108,106</b>	<b>\$ 183,239,790</b>
Increases:		
Provincial Grant - MECC	12,002,241	14,671,876
Provincial Grants - Other	-	678,593
Other Revenue	891	791,935
Investment Income	21,338	30,515
	<b>12,024,470</b>	<b>16,118,919</b>
Decreases:		
Amortization	6,055,650	5,523,182
Transferred to Revenue – Site Purchases	-	3,727,421
	<b>6,055,650</b>	<b>9,250,603</b>
Net Change for the year	<b>5,968,820</b>	<b>6,868,316</b>
<b>Balance, end of year</b>	<b>\$ 196,076,926</b>	<b>\$ 190,108,106</b>

**SCHOOL DISTRICT NO. 40 (NEW WESTMINSTER)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

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**NOTE 8      EMPLOYEE FUTURE BENEFITS**

Benefits include accumulating non-vested sick leave, early retirement, retirement/severance, vacation 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>2023</b>	<b>2022</b>
<b>Reconciliation of Accrued Benefit Obligation</b>		
Accrued Benefit Obligation – April 1	\$ 2,552,560	\$ 3,046,338
Service Cost	223,709	246,677
Interest Cost	86,365	79,620
Benefit Payments	(243,597)	(205,472)
Increase in Obligation due to Plan Amendment	-	5,939
Actuarial Gain	(37,394)	(620,542)
	<b>\$ 2,581,643</b>	<b>\$ 2,552,560</b>
<b>Accrued Benefit Obligation – March 31</b>		
<b>Reconciliation of Funded Status at End of Fiscal Year</b>		
Accrued Benefit Obligation – March 31	\$ 2,581,643	\$ 2,552,560
Market Value of Plan Assets – March 31	-	-
Funded Status – Deficit	(2,581,643)	(2,552,560)
Employer Contribution after Measurement Date	10,602	32,029
Benefits Expense after Measurement Date	(80,964)	(77,519)
Unamortized Net Actuarial Gain	(981,104)	(1,056,223)
	<b>\$ (3,633,109)</b>	<b>\$ (3,654,273)</b>
<b>Accrued Benefit Liability – June 30</b>		
<b>Reconciliation of Change in Accrued Benefit Liability</b>		
Accrued Benefit Liability - July 1	3,654,273	3,568,459
Net Expense for Fiscal Year	201,006	263,223
Employer Contributions	(222,170)	(177,409)
	<b>\$ 3,633,109</b>	<b>\$ 3,654,273</b>
<b>Accrued Benefit Liability – June 30</b>		
<b>Components of Net Benefit Expense</b>		
Service Cost	\$ 221,718	\$ 240,935
Interest Cost	91,801	81,306
Immediate Recognition of Plan Amendment	-	5,939
Amortization of Net Actuarial Gain	(112,513)	(64,957)
	<b>\$ 201,006</b>	<b>\$ 263,223</b>
<b>Net Benefit Expense</b>		
<b>Assumptions</b>		
Discount Rate – April 1	3.25%	2.50%
Discount Rate – March 31	4.00%	3.25%
Long Term Salary Growth – April 1	2.50% + seniority	2.50% + seniority
Long Term Salary Growth – March 31	2.50% + seniority	2.50% + seniority
EARSLS – March 31	11.6	11.6

The impact of changes in assumptions between the March 31, 2023 measurement date and the June 30, 2023 reporting date have been considered and are not considered material.

**SCHOOL DISTRICT NO. 40 (NEW WESTMINSTER)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

**NOTE 9 TANGIBLE CAPITAL ASSETS**

**Net Book Value:**

	<b>Net Book Value 2023</b>	Net Book Value 2022
		(Restated – Note 20)
Sites	<b>\$ 20,377,837</b>	\$ 20,376,852
Buildings	<b>196,555,257</b>	192,247,129
Buildings – work in progress	<b>2,905,268</b>	1,494,617
Furniture & Equipment	<b>3,724,128</b>	3,829,093
Vehicles	<b>59,169</b>	70,453
Computer Hardware	<b>1,322,109</b>	1,623,289
<b>Total</b>	<b>\$ 224,943,768</b>	<b>\$ 219,641,433</b>

**June 30, 2023**

Cost:	Opening balance	Additions	Disposals	Transfers (WIP)	Ending balance
Sites	\$ 20,376,852	\$ 985	\$ -	\$ -	\$ 20,377,837
Buildings	241,057,544	7,326,306	-	2,921,417	251,305,267
Buildings–work in progress	1,494,617	4,332,068	-	(2,921,417)	2,905,268
Furniture & Equipment	5,079,517	419,497	(89,276)	-	5,409,738
Vehicles	112,838	-	-	-	112,838
Computer Hardware	3,491,383	355,595	(770,598)	-	3,076,380
<b>Total</b>	<b>\$271,612,751</b>	<b>\$ 12,434,451</b>	<b>\$ (859,874)</b>	<b>\$ -</b>	<b>\$ 283,187,328</b>

Accumulated Amortization:	Opening balance	Amortization	Disposals	Transfers (WIP)	Ending balance
Buildings	\$ 48,810,415	\$ 5,939,595	\$ -	\$ -	\$ 54,750,010
Furniture & Equipment	1,250,424	524,462	(89,276)	-	1,685,610
Vehicles	42,385	11,284	-	-	53,669
Computer Hardware	1,868,094	656,775	(770,598)	-	1,754,271
<b>Total</b>	<b>\$ 51,971,318</b>	<b>\$ 7,132,116</b>	<b>\$ (859,874)</b>	<b>\$ -</b>	<b>\$ 58,243,560</b>

**SCHOOL DISTRICT NO. 40 (NEW WESTMINSTER)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

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

**June 30, 2022**

Cost:	Opening Balance	Prior Period Adjustment (Note 20)	Additions	Disposals	Transfers (WIP)	Ending balance (Restated - Note 20)
Sites	\$ 15,057,921	\$ -	\$ 5,318,931	\$ -	\$ -	\$ 20,376,852
Buildings	209,561,833	452,726	3,194,788	(984,743)	28,832,940	241,057,544
Buildings - work in progress	15,643,374	-	14,684,183	-	(28,832,940)	1,494,617
Furniture & Equipment	4,197,330	-	919,123	(36,936)	-	5,079,517
Vehicles	146,354	-	-	(33,516)	-	112,838
Computer Hardware	3,810,140	-	576,827	(895,584)	-	3,491,383
<b>Total</b>	<b>\$ 248,416,952</b>	<b>\$ 452,726</b>	<b>\$ 24,693,852</b>	<b>\$(1,950,779)</b>	<b>\$ -</b>	<b>\$ 271,612,751</b>

Accumulated Amortization:	Opening balance	Prior Period Adjustment (Note 20)	Amortization (Restated - Note 20)	Disposals	Ending balance (Restated - Note 20)
Buildings	\$ 43,955,095	\$ 422,536	\$ 5,417,527	\$ (984,743)	\$ 48,810,415
Furniture & Equipment	823,518	-	463,842	(36,936)	1,250,424
Vehicles	62,941	-	12,960	(33,516)	42,385
Computer Hardware	2,033,526	-	730,152	(895,584)	1,868,094
<b>Total</b>	<b>\$ 46,875,080</b>	<b>\$ 422,536</b>	<b>\$ 6,624,481</b>	<b>\$(1,950,779)</b>	<b>\$ 51,971,318</b>

Buildings – work in progress having a value of \$2,905,268 (2022 - \$1,494,617) have not been amortized. Amortization of these assets will commence when the asset is put into service.

**SCHOOL DISTRICT NO. 40 (NEW WESTMINSTER)  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

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**NOTE 10      EMPLOYEE PENSION PLANS**

The School District and its employees contribute to the Teachers’ Pension Plan and Municipal Pension Plan (jointly trustee pension plans). The board 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 \$6,778,634 (2022 - \$6,377,126) for employer contributions to the plans in the year ended June 30, 2023.

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

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

**NOTE 11      ASSET RETIREMENT OBLIGATION**

Legal liabilities exist for the removal and disposal of asbestos and other hazardous materials within some School District owned buildings that will undergo renovations or demolition in the future. These costs have been capitalized as part of the assets’ carrying value and are amortized over the assets’ estimated useful lives.

		<b>2023</b>
<b>Balance, beginning of year (Restated - Note 20)</b>	\$	452,726
Settlements during the year		-
<b>Balance, end of year</b>	<b>\$</b>	<b>452,726</b>

**SCHOOL DISTRICT NO. 40 (NEW WESTMINSTER)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

**NOTE 12 RELATED PARTY TRANSACTIONS**

The School District is related through common control 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 13 BUDGET FIGURES**

Budget figures included in the financial statements were approved by the Board through the adoption of an amended annual budget on February 21, 2023. The table below presents a reconciliation between the amended annual budget and the initial annual budget as submitted to the Ministry in June 2022.

	<b>Annual Budget</b>	<b>Amended Annual Budget</b>	<b>Change</b>
Ministry Operating Grant Funded FTEs			
School Age	6,957.625	7,225.188	267.563
Adult	82.813	78.250	(4.563)
Other	0.000	0.000	0.000
Total Ministry Operating Grant Funded FTEs	<u>7,040.438</u>	<u>7,303.438</u>	<u>263.000</u>
Revenues			
Provincial Grants			
MECC	\$79,892,810	\$85,228,400	\$5,335,590
Other	68,788	214,847	146,059
Tuition	3,052,840	2,874,450	(178,390)
Other Revenue	991,536	1,382,836	391,300
Rentals and Leases	279,667	589,667	310,000
Investment Income	210,000	415,000	205,000
Amortization of Deferred Capital Revenue	6,157,137	6,062,090	(95,047)
Total Revenue	<u>90,652,778</u>	<u>96,767,290</u>	<u>6,114,512</u>
Expenses			
Instructional	73,088,963	77,788,481	4,699,518
District Administration	3,817,128	3,992,338	175,210
Operations and Maintenance	14,820,882	15,025,549	204,667
Transportation and Housing	253,557	260,594	7,037
Total Expense	<u>91,980,530</u>	<u>97,066,962</u>	<u>5,086,432</u>
Deficit for the year	<u>(1,327,752)</u>	<u>(299,672)</u>	<u>1,028,080</u>
Budget Allocation of Surplus	1,207,506	564,436	(643,070)
<b>Budget Surplus (Deficit), for the year</b>	<u><b>(\$120,246)</b></u>	<u><b>\$264,764</b></u>	<u><b>\$385,010</b></u>
Budget Surplus (Deficit), for the year comprised of:			
Capital Fund Surplus (Deficit)	(120,246)	264,764	385,010
Budget Surplus (Deficit), for the year	<u>(\$120,246)</u>	<u>\$264,764</u>	<u>\$385,010</u>

**SCHOOL DISTRICT NO. 40 (NEW WESTMINSTER)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

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**NOTE 14 CONTRACTUAL OBLIGATIONS**

The School District has entered into a number of multi-year contracts for the delivery of services and the construction of tangible capital assets. These contractual obligations will become liabilities in the future when the terms of the contracts are met. The following information relates to the unperformed portion of the contracts.

	<u>Expiry</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
Operating:				
Xerox Photocopiers	Dec 2025	108,544	108,544	54,922
Columbia Square Plaza	June 2026	256,422	262,244	265,001
Capital:				
Queen Elizabeth Expansion		57,512	243,255	-
New Westminster Secondary		772,582	-	-
Minor Capital Projects		1,059,493	-	-
		<u>\$ 2,254,553</u>	<u>\$ 614,043</u>	<u>\$ 319,923</u>

**NOTE 15 EXPENSE BY OBJECT**

	<u>2023</u>	<u>2022</u>
		(Restated – Note 20)
Salaries and Benefits	<b>\$ 81,058,482</b>	\$ 75,179,331
Services and Supplies	<b>9,828,589</b>	8,086,165
Amortization	<b>7,132,116</b>	6,626,254
	<u><b>\$ 98,019,187</b></u>	<u>\$ 89,891,750</u>



**SCHOOL DISTRICT NO. 40 (NEW WESTMINSTER)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

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**NOTE 16 ACCUMULATED SURPLUS**

	2023	2022
		(Restated – Note 20)
Capital:		
Local Capital Surplus (Deficit)	\$ -	\$ (260,540)
Invested in Tangible Capital Assets	<u>29,216,740</u>	<u>29,100,104</u>
	<b>29,216,740</b>	<b>28,839,564</b>
Operating:		
Internally Restricted by Board for:		
Constraints on Funds:		
Contractual Obligations	70,000	-
Department Carryforward	20,000	55,898
RCAP and Power Local Grants	8,847	5,482
Teacher Mentorship Funds	<u>19,598</u>	<u>40,568</u>
	<b>118,445</b>	<b>101,948</b>
Anticipated Unusual Expense:		
Staffing Contingency	215,000	-
Operations Spanning Multiple Years:		
Capital Cost Share	500,000	-
Commitments Outstanding	278,431	269,752
Future Years' Operating Budget Requirements	50,000	662,000
Local Capital Repayment	-	102,445
School Surplus	1,558	4,175
Strategic Plan Initiatives	30,000	-
Surplus Applied to 2022-23 Budget	<u>-</u>	<u>1,207,506</u>
	<b>859,989</b>	<b>2,245,878</b>
Internally Restricted Operating Surplus	<u>1,193,434</u>	<u>2,347,826</u>
Unrestricted Operating Surplus - Contingency	<u>1,925,545</u>	<u>734,336</u>
	<b>3,118,979</b>	<b>3,082,162</b>
<b>Total Accumulated Surplus, end of year</b>	<b><u>\$ 32,335,719</u></b>	<b><u>\$ 31,921,726</u></b>

**NOTE 17 ECONOMIC DEPENDENCE**

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

**SCHOOL DISTRICT NO. 40 (NEW WESTMINSTER)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

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**NOTE 18      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 and cash equivalents and amounts receivable.

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 and are collectible.

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

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 cash deposits. It is management's opinion that the School District is not exposed to significant interest rate risk as they invest solely in certificates of deposit 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 2022 related to credit, market or liquidity risks.

**SCHOOL DISTRICT NO. 40 (NEW WESTMINSTER)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

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**NOTE 19      CONTINGENT LIABILITIES**

In the normal course of business, lawsuits and claims may be brought against the School District which may give rise to future liabilities. The School District defends against these lawsuits and claims. Management has not 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 20      PRIOR PERIOD ADJUSTMENT**

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 renovation or demolition in the future (note 11). This standard was adopted using the modified retroactive approach, which results in the restatement of the comparative information as at and for the year ended June 30, 2022.

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

	As Previously Stated	Increase (Decrease)	As Restated
Asset Retirement Obligation	\$ -	\$ 452,726	\$ 452,726
Tangible Capital Assets - Cost	269,665,408	452,726	\$ 270,118,134
Tangible Capital Assets - Accumulated Amortization	51,548,782	422,536	\$ 51,971,318
Operations & Maintenance Expense - Asset Amortization	6,611,521	1,773	\$ 6,613,294
Accumulated Surplus - Invested in Tangible Capital Assets	24,933,029	(420,763)	\$ 24,512,266

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**NOTE 21      SUPPLEMENTARY CASH FLOW INFORMATION**

	<b>2023</b>	2022
<b>Interest Recognized in the:</b>		
Operating Fund	\$ 495,510	\$ 156,161
Land Capital Fund	-	30,515
Local Capital Fund	-	16,096
Other Provincial Capital Fund	<b>21,338</b>	-
<b>Total Interest Income</b>	<b>\$ 516,848</b>	<b>\$ 202,772</b>

# School District No. 40 (New Westminster)

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 20)
	\$	\$	\$	\$	\$
<b>Accumulated Surplus (Deficit), beginning of year</b>	3,082,162		28,839,564	<b>31,921,726</b>	29,856,956
Prior Period Adjustments					(420,763)
<b>Accumulated Surplus (Deficit), beginning of year, as restated</b>	<b>3,082,162</b>	-	<b>28,839,564</b>	<b>31,921,726</b>	29,436,193
<b>Changes for the year</b>					
Surplus (Deficit) for the year	1,274,621	215,838	(1,076,466)	<b>413,993</b>	2,485,533
Interfund Transfers					
Tangible Capital Assets Purchased	(885,359)	(215,838)	1,101,197	-	
Local Capital	(352,445)		352,445	-	
<b>Net Changes for the year</b>	<b>36,817</b>	-	<b>377,176</b>	<b>413,993</b>	<b>2,485,533</b>
<b>Accumulated Surplus (Deficit), end of year - Statement 2</b>	<b>3,118,979</b>	-	<b>29,216,740</b>	<b>32,335,719</b>	31,921,726

# School District No. 40 (New Westminster)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2023

	2023 Budget (Note 13)	2023 Actual	2022 Actual (Restated - Note 20)
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education and Child Care	74,317,921	<b>74,837,808</b>	68,933,810
Other	68,788	<b>75,800</b>	82,907
Tuition	2,874,450	<b>2,896,288</b>	2,226,685
Other Revenue	477,836	<b>527,747</b>	289,088
Rentals and Leases	589,667	<b>590,542</b>	319,768
Investment Income	415,000	<b>495,510</b>	156,161
<b>Total Revenue</b>	<b>78,743,662</b>	<b>79,423,695</b>	72,008,419
<b>Expenses</b>			
Instruction	66,220,700	<b>66,272,593</b>	61,192,200
District Administration	3,909,362	<b>4,133,876</b>	3,888,103
Operations and Maintenance	7,776,281	<b>7,487,803</b>	7,040,430
Transportation and Housing	249,310	<b>254,802</b>	253,417
<b>Total Expense</b>	<b>78,155,653</b>	<b>78,149,074</b>	72,374,150
<b>Operating Surplus (Deficit) for the year</b>	<b>588,009</b>	<b>1,274,621</b>	(365,731)
<b>Budgeted Appropriation (Retirement) of Surplus (Deficit)</b>	<b>564,436</b>		
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased	(800,000)	<b>(885,359)</b>	(766,034)
Local Capital	(352,445)	<b>(352,445)</b>	(710,000)
<b>Total Net Transfers</b>	<b>(1,152,445)</b>	<b>(1,237,804)</b>	(1,476,034)
<b>Total Operating Surplus (Deficit), for the year</b>	<b>-</b>	<b>36,817</b>	(1,841,765)
<b>Operating Surplus (Deficit), beginning of year</b>		<b>3,082,162</b>	4,923,927
<b>Operating Surplus (Deficit), end of year</b>		<b>3,118,979</b>	3,082,162
<b>Operating Surplus (Deficit), end of year</b>			
Internally Restricted		<b>1,193,434</b>	2,347,826
Unrestricted		<b>1,925,545</b>	734,336
<b>Total Operating Surplus (Deficit), end of year</b>		<b>3,118,979</b>	3,082,162

# School District No. 40 (New Westminster)

Schedule 2A (Unaudited)

## Schedule of Operating Revenue by Source

Year Ended June 30, 2023

	2023 Budget (Note 13)	2023 Actual	2022 Actual (Restated - Note 20)
	\$	\$	\$
<b>Provincial Grants - Ministry of Education and Child Care</b>			
Operating Grant, Ministry of Education and Child Care	70,664,421	<b>71,088,966</b>	68,062,632
Other Ministry of Education and Child Care Grants			
Pay Equity	521,853	<b>521,853</b>	521,853
Funding for Graduated Adults	237,058	<b>256,845</b>	234,210
Student Transportation Fund	6,073	<b>6,073</b>	6,073
Support Staff Benefits Grant	97,000	<b>100,413</b>	98,537
FSA Scorer Grant	8,187	<b>8,187</b>	8,187
Early Learning Framework (ELF) Implementation	4,343	<b>1,096</b>	2,318
Labour Settlement Funding	2,778,986	<b>2,854,375</b>	
<b>Total Provincial Grants - Ministry of Education and Child Care</b>	<b>74,317,921</b>	<b>74,837,808</b>	68,933,810
<b>Provincial Grants - Other</b>	<b>68,788</b>	<b>75,800</b>	82,907
<b>Tuition</b>			
Summer School Fees	940		1,125
Continuing Education	1,900	<b>2,108</b>	4,076
International and Out of Province Students	2,871,610	<b>2,894,180</b>	2,221,484
<b>Total Tuition</b>	<b>2,874,450</b>	<b>2,896,288</b>	2,226,685
<b>Other Revenues</b>			
Miscellaneous			
Instructional Cafeteria Revenue	200,000	<b>224,282</b>	179,417
Miscellaneous	277,836	<b>303,465</b>	109,671
<b>Total Other Revenue</b>	<b>477,836</b>	<b>527,747</b>	289,088
<b>Rentals and Leases</b>	<b>589,667</b>	<b>590,542</b>	319,768
<b>Investment Income</b>	<b>415,000</b>	<b>495,510</b>	156,161
<b>Total Operating Revenue</b>	<b>78,743,662</b>	<b>79,423,695</b>	72,008,419

# School District No. 40 (New Westminster)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2023

	2023 Budget (Note 13) \$	2023 Actual \$	2022 Actual (Restated - Note 20) \$
<b>Salaries</b>			
Teachers	34,333,640	<b>34,160,518</b>	32,186,186
Principals and Vice Principals	4,151,983	<b>4,186,121</b>	3,941,539
Educational Assistants	7,279,786	<b>7,570,106</b>	6,697,184
Support Staff	6,010,812	<b>5,957,733</b>	5,613,429
Other Professionals	2,899,863	<b>2,946,361</b>	3,018,424
Substitutes	2,760,502	<b>2,769,343</b>	2,096,053
<b>Total Salaries</b>	<b>57,436,586</b>	<b>57,590,182</b>	<b>53,552,815</b>
<b>Employee Benefits</b>	14,030,317	<b>14,027,140</b>	12,957,978
<b>Total Salaries and Benefits</b>	<b>71,466,903</b>	<b>71,617,322</b>	<b>66,510,793</b>
<b>Services and Supplies</b>			
Services	2,252,229	<b>2,357,304</b>	2,099,868
Student Transportation	58,850	<b>67,097</b>	75,565
Professional Development and Travel	489,565	<b>497,744</b>	391,190
Rentals and Leases	270,362	<b>267,843</b>	240,074
Dues and Fees	104,054	<b>122,630</b>	96,473
Insurance	138,158	<b>134,814</b>	117,448
Supplies	2,112,375	<b>1,855,214</b>	1,645,065
Utilities	1,263,157	<b>1,224,835</b>	1,180,878
Bad Debts	-	<b>4,271</b>	16,796
<b>Total Services and Supplies</b>	<b>6,688,750</b>	<b>6,531,752</b>	<b>5,863,357</b>
<b>Total Operating Expense</b>	<b>78,155,653</b>	<b>78,149,074</b>	<b>72,374,150</b>

# School District No. 40 (New Westminster)

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	27,771,778	990,932		259,731		1,633,029	30,655,470
1.03 Career Programs	316,345			150,079		4,793	471,217
1.07 Library Services	423,061			46,803		9,097	478,961
1.08 Counselling	605,237			31,618	38,193	959	676,007
1.10 Special Education	2,813,787		7,570,106	55,906	164,205	798,485	11,402,489
1.30 English Language Learning	1,098,590					29,116	1,127,706
1.31 Indigenous Education	41,910	129,035		259,837			430,782
1.41 School Administration		2,950,491		1,254,299	46,682	52,731	4,304,203
1.60 Summer School	176,894	34,094		8,272		659	219,919
1.61 Continuing Education	237,501	81,569		65,107		9,734	393,911
1.62 International and Out of Province Students	673,420			54,690	360,520	4,902	1,093,532
1.64 Other							-
<b>Total Function 1</b>	<b>34,158,523</b>	<b>4,186,121</b>	<b>7,570,106</b>	<b>2,186,342</b>	<b>609,600</b>	<b>2,543,505</b>	<b>51,254,197</b>
<b>4 District Administration</b>							
4.11 Educational Administration				174,363	597,077	13,183	784,623
4.40 School District Governance					276,510		276,510
4.41 Business Administration	1,995			450,727	1,109,716	37,075	1,599,513
<b>Total Function 4</b>	<b>1,995</b>	<b>-</b>	<b>-</b>	<b>625,090</b>	<b>1,983,303</b>	<b>50,258</b>	<b>2,660,646</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration				74,588	353,458	13,880	441,926
5.50 Maintenance Operations				2,642,937		149,343	2,792,280
5.52 Maintenance of Grounds				273,379			273,379
5.56 Utilities							-
<b>Total Function 5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,990,904</b>	<b>353,458</b>	<b>163,223</b>	<b>3,507,585</b>
<b>7 Transportation and Housing</b>							
7.70 Student Transportation				155,397		12,357	167,754
<b>Total Function 7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>155,397</b>	<b>-</b>	<b>12,357</b>	<b>167,754</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>34,160,518</b>	<b>4,186,121</b>	<b>7,570,106</b>	<b>5,957,733</b>	<b>2,946,361</b>	<b>2,769,343</b>	<b>57,590,182</b>



# School District No. 40 (New Westminster)

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 13)	2022 Actual (Restated - Note 20)
	\$	\$	\$	\$	\$	\$	\$
<b>1 Instruction</b>							
1.02 Regular Instruction	30,655,470	7,468,656	38,124,126	1,714,083	39,838,209	39,450,535	37,662,954
1.03 Career Programs	471,217	113,696	584,913	75,580	660,493	650,559	633,095
1.07 Library Services	478,961	115,174	594,135	43,288	637,423	633,417	541,356
1.08 Counselling	676,007	150,765	826,772	3,525	830,297	1,104,422	862,739
1.10 Special Education	11,402,489	3,010,030	14,412,519	179,666	14,592,185	14,486,999	12,921,438
1.30 English Language Learning	1,127,706	263,071	1,390,777	5,667	1,396,444	1,439,714	1,303,642
1.31 Indigenous Education	430,782	106,232	537,014	36,165	573,179	586,273	523,324
1.41 School Administration	4,304,203	970,847	5,275,050	65,653	5,340,703	5,434,437	4,956,425
1.60 Summer School	219,919	37,604	257,523	2,113	259,636	238,693	170,980
1.61 Continuing Education	393,911	90,201	484,112		484,112	483,915	303,621
1.62 International and Out of Province Students	1,093,532	258,353	1,351,885	304,371	1,656,256	1,707,118	1,308,096
1.64 Other	-	-	-	3,656	3,656	4,618	4,530
<b>Total Function 1</b>	<b>51,254,197</b>	<b>12,584,629</b>	<b>63,838,826</b>	<b>2,433,767</b>	<b>66,272,593</b>	<b>66,220,700</b>	<b>61,192,200</b>
<b>4 District Administration</b>							
4.11 Educational Administration	784,623	168,468	953,091	287,294	1,240,385	1,184,542	1,154,811
4.40 School District Governance	276,510	30,249	306,759	70,904	377,663	366,844	338,508
4.41 Business Administration	1,599,513	320,659	1,920,172	595,656	2,515,828	2,357,976	2,394,784
<b>Total Function 4</b>	<b>2,660,646</b>	<b>519,376</b>	<b>3,180,022</b>	<b>953,854</b>	<b>4,133,876</b>	<b>3,909,362</b>	<b>3,888,103</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration	441,926	91,303	533,229	234,606	767,835	654,396	710,001
5.50 Maintenance Operations	2,792,280	729,282	3,521,562	1,604,005	5,125,567	5,127,313	4,845,823
5.52 Maintenance of Grounds	273,379	80,436	353,815	44,120	397,935	417,813	340,532
5.56 Utilities	-	-	-	1,196,466	1,196,466	1,576,759	1,144,074
<b>Total Function 5</b>	<b>3,507,585</b>	<b>901,021</b>	<b>4,408,606</b>	<b>3,079,197</b>	<b>7,487,803</b>	<b>7,776,281</b>	<b>7,040,430</b>
<b>7 Transportation and Housing</b>							
7.70 Student Transportation	167,754	22,114	189,868	64,934	254,802	249,310	253,417
<b>Total Function 7</b>	<b>167,754</b>	<b>22,114</b>	<b>189,868</b>	<b>64,934</b>	<b>254,802</b>	<b>249,310</b>	<b>253,417</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>57,590,182</b>	<b>14,027,140</b>	<b>71,617,322</b>	<b>6,531,752</b>	<b>78,149,074</b>	<b>78,155,653</b>	<b>72,374,150</b>

# School District No. 40 (New Westminster)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2023

	2023 Budget (Note 13)	2023 Actual	2022 Actual (Restated - Note 20)
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education and Child Care	10,910,479	<b>10,604,518</b>	9,608,040
Other	146,059	<b>218,428</b>	139,617
Other Revenue	905,000	<b>2,130,889</b>	1,354,508
<b>Total Revenue</b>	<u>11,961,538</u>	<u><b>12,953,835</b></u>	<u>11,102,165</u>
<b>Expenses</b>			
Instruction	11,567,781	<b>12,581,173</b>	10,482,563
District Administration	82,976	<b>79,521</b>	77,679
Operations and Maintenance	94,943	<b>77,303</b>	331,104
<b>Total Expense</b>	<u>11,745,700</u>	<u><b>12,737,997</b></u>	<u>10,891,346</u>
<b>Special Purpose Surplus (Deficit) for the year</b>	<u>215,838</u>	<u><b>215,838</b></u>	<u>210,819</u>
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased	(215,838)	<b>(215,838)</b>	(210,819)
<b>Total Net Transfers</b>	<u>(215,838)</u>	<u><b>(215,838)</b></u>	<u>(210,819)</u>
<b>Total Special Purpose Surplus (Deficit) for the year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Special Purpose Surplus (Deficit), beginning of year</b>			
<b>Special Purpose Surplus (Deficit), end of year</b>		<u>-</u>	<u>-</u>

**School District No. 40 (New Westminster)**

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

	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	Mental Health in Schools	Changing Results for Young Children	Seamless Day Kindergarten	Student & Family Affordability
<b>Deferred Revenue, beginning of year</b>	\$	\$	\$ 9,585	\$ 543,996	\$ 624,821	\$	\$	\$ 6,353	\$	\$	\$	\$	\$ 3,245	\$	\$	\$
<b>Add:</b> Restricted Grants																
Provincial Grants - Ministry of Education and Child Care	235,916	247,949				96,000	19,600	317,271	1,622,459	387,012	6,510,986	368,797	52,000	6,750	110,800	697,152
Provincial Grants - Other				101,020	1,707,810				169,239						70,144	
Other															52,600	
	235,916	247,949	-	101,020	1,707,810	96,000	19,600	317,271	1,791,698	387,012	6,510,986	368,797	52,000	6,750	233,544	697,152
<b>Less:</b> Allocated to Revenue	235,916	247,949	1,315	119,120	1,783,089	96,000	19,600	323,624	1,791,698	387,012	6,510,986	348,176	52,536	6,750	224,308	546,643
<b>Deferred Revenue, end of year</b>	-	-	<b>8,270</b>	<b>525,896</b>	<b>549,542</b>	-	-	-	-	-	-	<b>20,621</b>	<b>2,709</b>	-	<b>9,236</b>	<b>150,509</b>
<b>Revenues</b>																
Provincial Grants - Ministry of Education and Child Care	235,916	247,949	1,315			96,000	19,600	323,624	1,622,459	387,012	6,510,986	348,176	52,536	6,750	110,800	546,643
Provincial Grants - Other				119,120	1,783,089				169,239						70,144	
Other Revenue															43,364	
	235,916	247,949	1,315	119,120	1,783,089	96,000	19,600	323,624	1,791,698	387,012	6,510,986	348,176	52,536	6,750	224,308	546,643
<b>Expenses</b>																
Salaries																
Teachers								127,041	498,784		5,138,127		42,190			
Principals and Vice Principals										24,000					10,000	
Educational Assistants		194,829							612,707							
Support Staff						71,558	274			137,424			921		160,202	
Other Professionals								14,096	121,939							
Substitutes						82		783	29,683	121,969	23,042	1,874		5,687	1,680	
Employee Benefits	-	194,829	-	-	-	71,640	274	141,920	1,263,113	283,393	5,161,169	1,874	43,111	5,687	171,882	-
Services and Supplies	20,078	53,120	1,315	119,120	1,783,089	20,079	19,326	34,448	324,379	65,119	1,349,817	381	9,263	1,063	45,312	
	20,078	247,949	1,315	119,120	1,783,089	96,000	19,600	323,624	1,791,698	387,012	6,510,986	348,176	52,536	6,750	224,308	546,643
<b>Net Revenue (Expense) before Interfund Transfers</b>	215,838	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Interfund Transfers</b>																
Tangible Capital Assets Purchased	(215,838)															
	(215,838)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net Revenue (Expense)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Additional Expenses funded by, and reported in, the Operating Fund</b>		70,311						8,048								

**School District No. 40 (New Westminster)**

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

	JUST B4	ECL (Early Care & Learning)	Apprentice Program	TOTAL
	\$	\$	\$	\$
<b>Deferred Revenue, beginning of year</b>			38,659	1,226,659
<b>Add:</b> Restricted Grants				
Provincial Grants - Ministry of Education and Child Care	25,000	175,000		10,872,692
Provincial Grants - Other	3,872		110,164	184,180
Other	15,077		1,000	2,046,746
	43,949	175,000	111,164	13,103,618
<b>Less:</b> Allocated to Revenue	43,949	69,752	145,412	12,953,835
<b>Deferred Revenue, end of year</b>	<u>-</u>	<u>105,248</u>	<u>4,411</u>	<u>1,376,442</u>
<b>Revenues</b>				
Provincial Grants - Ministry of Education and Child Care	25,000	69,752		10,604,518
Provincial Grants - Other	3,872		144,412	218,428
Other Revenue	15,077		1,000	2,130,889
	43,949	69,752	145,412	12,953,835
<b>Expenses</b>				
Salaries				
Teachers			67,054	5,873,196
Principals and Vice Principals				34,000
Educational Assistants				807,536
Support Staff	33,788		7,233	411,400
Other Professionals		55,189		191,224
Substitutes	778			185,578
	34,566	55,189	74,287	7,502,934
Employee Benefits	6,809	13,740	14,696	1,938,226
Services and Supplies	2,574	823	56,429	3,296,837
	43,949	69,752	145,412	12,737,997
<b>Net Revenue (Expense) before Interfund Transfers</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>215,838</u>
<b>Interfund Transfers</b>				
Tangible Capital Assets Purchased				(215,838)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(215,838)</u>
<b>Net Revenue (Expense)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Additional Expenses funded by, and reported in, the Operating Fund</b>				<b>78,359</b>

# School District No. 40 (New Westminster)

Schedule 4 (Unaudited)

## Schedule of Capital Operations

Year Ended June 30, 2023

	2023 Budget (Note 13)	2023 Actual			2022 Actual (Restated - Note 20)
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
<b>Revenues</b>					
Municipal Grants Spent on Sites				-	3,727,421
Investment Income				-	16,096
Amortization of Deferred Capital Revenue	6,062,090	6,055,650		6,055,650	5,523,182
<b>Total Revenue</b>	<b>6,062,090</b>	<b>6,055,650</b>	<b>-</b>	<b>6,055,650</b>	<b>9,266,699</b>
<b>Expenses</b>					
Amortization of Tangible Capital Assets					
Operations and Maintenance	7,154,325	7,120,832		7,120,832	6,613,294
Transportation and Housing	11,284	11,284		11,284	12,960
<b>Total Expense</b>	<b>7,165,609</b>	<b>7,132,116</b>	<b>-</b>	<b>7,132,116</b>	<b>6,626,254</b>
<b>Capital Surplus (Deficit) for the year</b>	<b>(1,103,519)</b>	<b>(1,076,466)</b>	<b>-</b>	<b>(1,076,466)</b>	<b>2,640,445</b>
<b>Net Transfers (to) from other funds</b>					
Tangible Capital Assets Purchased	1,015,838	1,101,197		1,101,197	976,853
Local Capital	352,445		352,445	352,445	710,000
<b>Total Net Transfers</b>	<b>1,368,283</b>	<b>1,101,197</b>	<b>352,445</b>	<b>1,453,642</b>	<b>1,686,853</b>
<b>Other Adjustments to Fund Balances</b>					
Tangible Capital Assets WIP Purchased from Local Capital		91,905	(91,905)	-	
<b>Total Other Adjustments to Fund Balances</b>		<b>91,905</b>	<b>(91,905)</b>	<b>-</b>	
<b>Total Capital Surplus (Deficit) for the year</b>	<b>264,764</b>	<b>116,636</b>	<b>260,540</b>	<b>377,176</b>	<b>4,327,298</b>
<b>Capital Surplus (Deficit), beginning of year</b>		<b>29,100,104</b>	<b>(260,540)</b>	<b>28,839,564</b>	<b>24,933,029</b>
Prior Period Adjustments					
To Recognize Asset Retirement Obligation					(420,763)
<b>Capital Surplus (Deficit), beginning of year, as restated</b>		<b>29,100,104</b>	<b>(260,540)</b>	<b>28,839,564</b>	<b>24,512,266</b>
<b>Capital Surplus (Deficit), end of year</b>		<b>29,216,740</b>	<b>-</b>	<b>29,216,740</b>	<b>28,839,564</b>

# School District No. 40 (New Westminster)

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>	20,376,852	240,604,818	5,079,517	112,838		3,491,383	<b>269,665,408</b>
Prior Period Adjustments							
To Recognize Asset Retirement Obligation		452,726					<b>452,726</b>
<b>Cost, beginning of year, as restated</b>	20,376,852	241,057,544	5,079,517	112,838	-	3,491,383	<b>270,118,134</b>
<b>Changes for the Year</b>							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		6,737,949	98,237				<b>6,836,186</b>
Operating Fund	985	372,519	156,260			355,595	<b>885,359</b>
Special Purpose Funds		215,838					<b>215,838</b>
Transferred from Work in Progress		2,921,417	165,000				<b>3,086,417</b>
	985	10,247,723	419,497	-	-	355,595	<b>11,023,800</b>
Decrease:							
Deemed Disposals			89,276			770,598	<b>859,874</b>
	-	-	89,276	-	-	770,598	<b>859,874</b>
<b>Cost, end of year</b>	20,377,837	251,305,267	5,409,738	112,838	-	3,076,380	<b>280,282,060</b>
<b>Work in Progress, end of year</b>		2,905,268					<b>2,905,268</b>
<b>Cost and Work in Progress, end of year</b>	20,377,837	254,210,535	5,409,738	112,838	-	3,076,380	<b>283,187,328</b>
<b>Accumulated Amortization, beginning of year</b>		48,387,879	1,250,424	42,385		1,868,094	<b>51,548,782</b>
Prior Period Adjustments							
To Recognize Asset Retirement Obligation		422,536					<b>422,536</b>
<b>Accumulated Amortization, beginning of year, as restated</b>		48,810,415	1,250,424	42,385	-	1,868,094	<b>51,971,318</b>
<b>Changes for the Year</b>							
Increase: Amortization for the Year		5,939,595	524,462	11,284		656,775	<b>7,132,116</b>
Decrease:							
Deemed Disposals			89,276			770,598	<b>859,874</b>
		-	89,276	-	-	770,598	<b>859,874</b>
<b>Accumulated Amortization, end of year</b>		54,750,010	1,685,610	53,669	-	1,754,271	<b>58,243,560</b>
<b>Tangible Capital Assets - Net</b>	<b>20,377,837</b>	<b>199,460,525</b>	<b>3,724,128</b>	<b>59,169</b>	<b>-</b>	<b>1,322,109</b>	<b>224,943,768</b>

# School District No. 40 (New Westminster)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2023

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
<b>Work in Progress, beginning of year</b>	1,494,617				<b>1,494,617</b>
<b>Changes for the Year</b>					
Increase:					
Deferred Capital Revenue - Bylaw	3,849,055	165,000			<b>4,014,055</b>
Deferred Capital Revenue - Other	391,108				<b>391,108</b>
Local Capital	91,905				<b>91,905</b>
	<u>4,332,068</u>	<u>165,000</u>	<u>-</u>	<u>-</u>	<u><b>4,497,068</b></u>
Decrease:					
Transferred to Tangible Capital Assets	2,921,417	165,000			<b>3,086,417</b>
	<u>2,921,417</u>	<u>165,000</u>	<u>-</u>	<u>-</u>	<u><b>3,086,417</b></u>
<b>Net Changes for the Year</b>	<u>1,410,651</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u><b>1,410,651</b></u>
<b>Work in Progress, end of year</b>	<u><b>2,905,268</b></u>	<u>-</u>	<u>-</u>	<u>-</u>	<u><b>2,905,268</b></u>

# School District No. 40 (New Westminster)

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>Deferred Capital Revenue, beginning of year</b>	183,419,156	3,957,071	1,382,253	<b>188,758,480</b>
<b>Changes for the Year</b>				
Increase:				
Transferred from Deferred Revenue - Capital Additions	6,836,186			<b>6,836,186</b>
Transferred from Work in Progress	3,086,417			<b>3,086,417</b>
	<u>9,922,603</u>	-	-	<u><b>9,922,603</b></u>
Decrease:				
Amortization of Deferred Capital Revenue	5,903,109	116,921	35,620	<b>6,055,650</b>
	<u>5,903,109</u>	<u>116,921</u>	<u>35,620</u>	<u><b>6,055,650</b></u>
<b>Net Changes for the Year</b>	<u>4,019,494</u>	<u>(116,921)</u>	<u>(35,620)</u>	<u><b>3,866,953</b></u>
<b>Deferred Capital Revenue, end of year</b>	<u>187,438,650</u>	<u>3,840,150</u>	<u>1,346,633</u>	<u><b>192,625,433</b></u>
<b>Work in Progress, beginning of year</b>	1,336,516			<b>1,336,516</b>
<b>Changes for the Year</b>				
Increase				
Transferred from Deferred Revenue - Work in Progress	4,014,055	391,108		<b>4,405,163</b>
	<u>4,014,055</u>	<u>391,108</u>	-	<u><b>4,405,163</b></u>
Decrease				
Transferred to Deferred Capital Revenue	3,086,417			<b>3,086,417</b>
	<u>3,086,417</u>	-	-	<u><b>3,086,417</b></u>
<b>Net Changes for the Year</b>	<u>927,638</u>	<u>391,108</u>	-	<u><b>1,318,746</b></u>
<b>Work in Progress, end of year</b>	<u>2,264,154</u>	<u>391,108</u>	-	<u><b>2,655,262</b></u>
<b>Total Deferred Capital Revenue, end of year</b>	<u><b>189,702,804</b></u>	<u><b>4,231,258</b></u>	<u><b>1,346,633</b></u>	<u><b>195,280,695</b></u>



# School District No. 40 (New Westminster)

## 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>		13,110				<b>13,110</b>
<b>Changes for the Year</b>						
Increase:						
Provincial Grants - Ministry of Education and Child Care	10,850,241		1,152,000			<b>12,002,241</b>
Other				891		<b>891</b>
Investment Income			21,338			<b>21,338</b>
	10,850,241	-	1,173,338	891	-	<b>12,024,470</b>
Decrease:						
Transferred to DCR - Capital Additions	6,836,186					<b>6,836,186</b>
Transferred to DCR - Work in Progress	4,014,055	13,110	377,998			<b>4,405,163</b>
	10,850,241	13,110	377,998	-	-	<b>11,241,349</b>
<b>Net Changes for the Year</b>	-	(13,110)	795,340	891	-	<b>783,121</b>
<b>Balance, end of year</b>	-	-	<b>795,340</b>	<b>891</b>	-	<b>796,231</b>