

Audited Financial Statements of

School District No. 58 (Nicola-Similkameen)

And Independent Auditors' Report thereon

June 30, 2022

School District No. 58 (Nicola-Similkameen)

June 30, 2022

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School District No. 58 (Nicola-Similkameen)

MANAGEMENT REPORT

Version: 4102-3356-1374

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 58 (Nicola-Similkameen) 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.

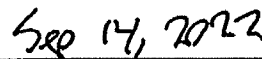
The Board of Education of School District No. 58 (Nicola-Similkameen) (called the "Board") is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Board. The Board reviews internal financial statements on a monthly basis and externally audited financial statements yearly.

The external auditors, BDO Canada 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. 58 (Nicola-Similkameen) 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. 58 (Nicola-Similkameen)



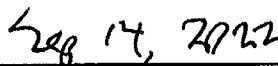
Signature of the Chairperson of the Board of Education



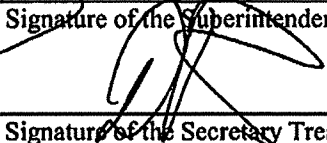
Date Signed



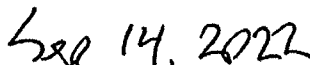
Signature of the Superintendent



Date Signed



Signature of the Secretary Treasurer



Date Signed



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BDO Canada LLP
300 - 275 Lansdowne Street
Kamloops BC V2C 6J3

Independent Auditor's Report

To the Board of Education of School District No. 58 (Nicola-Similkameen)

Opinion

We have audited the financial statements of School District No. 58 (Nicola-Similkameen) (the "District"), which comprise the statement of financial position as at June 30, 2022, and the statements of operations, changes in net debt and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the District as at June 30, 2022, and its result of operations, change in net debt and cash flows for the year then ended in accordance with the accounting requirements 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 report. We are independent of the District in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 2 to the financial statements which describes the basis of accounting and the significant differences between such basis of accounting and Canadian public sector accounting standards.

Unaudited Information

We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the exhibits on pages 21 through 34 of School District No. 58 (Nicola-Similkameen)'s financial statements.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Section 23.1 of the Budget 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 District's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the District or to cease operations, or has no realistic alternative but to do so.

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



Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

BDO Canada LLP

Chartered Professional Accountants

Kamloops, British Columbia
September 14, 2022

School District No. 58 (Nicola-Similkameen)

Statement of Financial Position
As at June 30, 2022

	2022 Actual	2021 Actual (Restated - Note 17)
	\$	\$
Financial Assets		
Cash and Cash Equivalents	10,118,056	9,842,973
Accounts Receivable		
Due from Province - Ministry of Education and Child Care (Note 3)	1,453,651	
Due from Province - Other (Note 3)		251,924
Due from First Nations (Note 3)	476,676	1,076,141
Other (Note 3)	510,329	212,935
Total Financial Assets	<u>12,558,712</u>	<u>11,383,973</u>
Liabilities		
Accounts Payable and Accrued Liabilities		
Other (Note 4)	3,793,851	2,363,833
Unearned Revenue (Note 5)	500	5,500
Deferred Revenue (Note 6)	1,279,500	1,012,170
Deferred Capital Revenue (Note 7)	22,840,653	22,462,239
Employee Future Benefits (Note 8)	1,318,383	1,287,009
Total Liabilities	<u>29,232,887</u>	<u>27,130,751</u>
Net Debt	<u>(16,674,175)</u>	<u>(15,746,778)</u>
Non-Financial Assets		
Tangible Capital Assets (Note 9)	32,641,663	31,638,943
Prepaid Expenses (Note 2 (g))	290,032	346,958
Total Non-Financial Assets	<u>32,931,695</u>	<u>31,985,901</u>
Accumulated Surplus (Deficit)	<u>16,257,520</u>	<u>16,239,123</u>

Approved by the Board

Signature of the Chairperson of the Board of Education

Sep 14 2022

Date Signed

Signature of the Superintendent

Sep 14 2022

Date Signed

Signature of the Secretary Treasurer

Sep 14 2022

Date Signed

School District No. 58 (Nicola-Similkameen)

Statement 2

Statement of Operations
Year Ended June 30, 2022

	2022 Budget	2022 Actual	2021 Actual (Restated - Note 17)
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	27,254,697	35,535,017	27,385,926
Other	82,036	98,396	92,390
Federal Grants	17,719	17,719	13,681
Other Revenue	3,975,750	3,896,231	3,760,358
Rentals and Leases	54,000	65,175	117,304
Investment Income	84,500	96,327	97,806
Amortization of Deferred Capital Revenue	995,399	1,044,214	1,018,867
Total Revenue	<u>32,464,101</u>	<u>40,753,079</u>	<u>32,486,332</u>
Expenses			
Instruction	25,340,983	25,259,474	25,603,622
District Administration	1,435,561	1,443,171	1,326,053
Operations and Maintenance	4,973,686	5,326,663	5,399,239
Transportation and Housing	1,026,466	1,010,400	806,400
Flood Restoration		7,694,974	
Total Expense	<u>32,776,696</u>	<u>40,734,682</u>	<u>33,135,314</u>
Surplus (Deficit) for the year	<u>(312,595)</u>	<u>18,397</u>	<u>(648,982)</u>
Accumulated Surplus (Deficit) from Operations, beginning of year		16,239,123	16,888,105
Accumulated Surplus (Deficit) from Operations, end of year		<u>16,257,520</u>	<u>16,239,123</u>

School District No. 58 (Nicola-Similkameen)

Statement 4

Statement of Changes in Net Debt
Year Ended June 30, 2022

	2022 Budget	2022 Actual	2021 Actual (Restated - Note 17)
	\$	\$	\$
Surplus (Deficit) for the year	<u>(312,595)</u>	<u>18,397</u>	<u>(648,982)</u>
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(3,902,698)	(2,797,407)	(1,515,661)
Amortization of Tangible Capital Assets	1,788,710	1,794,687	1,724,165
Total Effect of change in Tangible Capital Assets	<u>(2,113,988)</u>	<u>(1,002,720)</u>	<u>208,504</u>
Acquisition of Prepaid Expenses		(290,032)	(346,958)
Use of Prepaid Expenses		346,958	74,579
Total Effect of change in Other Non-Financial Assets	<u>-</u>	<u>56,926</u>	<u>(272,379)</u>
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	<u>(2,426,583)</u>	<u>(927,397)</u>	<u>(712,857)</u>
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Debt		<u>(927,397)</u>	<u>(712,857)</u>
Net Debt, beginning of year		<u>(15,746,778)</u>	<u>(15,033,921)</u>
Net Debt, end of year		<u>(16,674,175)</u>	<u>(15,746,778)</u>

School District No. 58 (Nicola-Similkameen)

Statement 5

Statement of Cash Flows
Year Ended June 30, 2022

	2022 Actual	2021 Actual
		(Restated - Note 17)
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	18,397	(648,982)
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	500,344	(59,388)
Prepaid Expenses	56,926	(272,379)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	30,018	95,887
Unearned Revenue	(5,000)	5,500
Deferred Revenue	267,330	22,150
Employee Future Benefits	31,374	(46,550)
Amortization of Tangible Capital Assets	1,794,687	1,724,165
Amortization of Deferred Capital Revenue	(1,044,214)	(1,018,867)
Total Operating Transactions	<u>1,649,862</u>	<u>(198,464)</u>
Capital Transactions		
Tangible Capital Assets Purchased	(2,797,407)	(1,515,661)
Total Capital Transactions	<u>(2,797,407)</u>	<u>(1,515,661)</u>
Financing Transactions		
Capital Revenue Received	1,422,628	1,015,974
Total Financing Transactions	<u>1,422,628</u>	<u>1,015,974</u>
Net Increase (Decrease) in Cash and Cash Equivalents	275,083	(698,151)
Cash and Cash Equivalents, beginning of year	<u>9,842,973</u>	10,541,124
Cash and Cash Equivalents, end of year	<u>10,118,056</u>	<u>9,842,973</u>
Cash and Cash Equivalents, end of year, is made up of:		
Cash	10,118,056	9,842,973
	<u>10,118,056</u>	<u>9,842,973</u>

SCHOOL DISTRICT No. 58 (NICOLA-SIMILKAMEEN)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 1 AUTHORITY AND PURPOSE

The School District, established on December 2, 1996 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. 58 (Nicola-Similkameen)", and operates as "School District No. 58 (Nicola-Similkameen)." 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. School District No. 58 (Nicola-Similkameen) is exempt from federal and provincial corporate income taxes.

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

In November 2021, an atmospheric river caused significant damage and flooding within the geographic area that the School District is situated in. The flooding caused significant damage to District facilities and resulted in multiple sites being closed during remediation work. The nature of the damage was such that once repairs were completed, the facilities were returned to their original condition. As there were no betterments to the District facilities resulting from the repairs, the repairs have been expensed on the statement of operations with an offsetting revenue either from insurance proceeds or funding from the Province of British Columbia.

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* (The Act). This Section requires that the financial statements be prepared in accordance with Canadian public sector accounting standards except in regard to the accounting for government transfers as set out in Notes 2(d) and 2(i).

SCHOOL DISTRICT No. 58 (NICOLA-SIMILKAMEEN)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

As noted in Notes 2(d) and 2(i), 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.

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

Year ended June 30, 2021

- increase in annual surplus by \$717,123
- increase in accumulated surplus and decrease in deferred contributions by \$22,462,239

Year ended June 30, 2022

- decrease in annual surplus by \$395,807
- increase in accumulated surplus and decrease in deferred contributions by \$22,858,046

b) Cash and Cash Equivalents

Cash and cash equivalents include cash on deposit with the Bank of Montreal, the Royal Bank of Canada, and the Province of British Columbia under 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. These cash equivalents generally have a maturity of three months or less at acquisition and are held for the purpose of meeting short-term cash commitments rather than for investing.

c) Accounts Receivable

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

d) Deferred Revenue and Deferred Capital Revenue

Deferred revenue includes contributions received with stipulations that meet the description of restricted contributions in the Restricted Contributions Regulation 198/2011 issued by Treasury Board. When restrictions are met, deferred revenue is recognized as revenue in the 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(i).

SCHOOL DISTRICT No. 58 (NICOLA-SIMILKAMEEN)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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. See Note 2(a) for the impact of this policy on these financial statements.

e) Employee Future Benefits

The School District provides certain post-employment benefits including vested and non-vested benefits for certain employees pursuant to certain contracts and union agreements. The School District accrues its obligations and related costs including both vested and non-vested benefits under employee future benefit plans. Benefits include vested sick leave, accumulating non-vested sick leave, early retirement, retirement/severance, vacation, overtime and death benefits. The benefits cost is actuarially determined using the projected unit credit method pro-rated on service and using management's best estimate of expected salary escalation, termination rates, retirement rates and mortality. The discount rate used to measure obligations is based on the cost of borrowing. The cumulative unrecognized actuarial gains and losses are amortized over the expected average remaining service lifetime of active employees covered under the plan.

The most recent valuation of the obligation was performed at March 31, 2022 and projected to March 31, 2025. The next valuation will be performed at March 31, 2025 for use at June 30, 2025. For the purposes of determining the financial position of the plans and the employee future benefit costs, a measurement date of March 31 was adopted for all periods subsequent to July 1, 2004.

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

f) Tangible Capital Assets

The following criteria apply:

- Tangible capital assets acquired or constructed are recorded at cost which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost also includes overhead directly attributable to construction as well as interest costs that are directly attributable to the acquisition or construction of the asset.
- Work-in-progress is recorded as an acquisition to the applicable asset class at substantial completion.
- Tangible capital assets are written down to residual value when conditions indicate they no longer contribute to the ability of the School District to provide services or when the value of future economic benefits associated with the sites and buildings are less than their net book value. The write-downs are accounted for as expenses in the Statement of Operations.
- Buildings that are demolished or destroyed are written-off.

SCHOOL DISTRICT No. 58 (NICOLA-SIMILKAMEEN)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

g) Prepaid Expenses

Prepaid expense consists of software licenses and professional learning.

h) Funds and Reserves

Certain amounts, as approved by the Board are set aside in accumulated surplus for future operating and capital purposes. Transfers to and from funds and reserves are an adjustment to the respective fund when approved (see Note 11 – Interfund Transfers and Note 15 – Internally Restricted Surplus – Operating Fund).

i) Revenue Recognition

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

Contributions received, or accrued 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

SCHOOL DISTRICT No. 58 (NICOLA-SIMILKAMEEN)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- Contributions restricted for tangible capital assets acquisitions other than sites are recorded as deferred capital revenue and amortized over the useful life of the related assets.

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

See Note 2(a) for a description of the impact of accounting for deferred capital contributions has on these financial statements.

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

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

j) Expenditures

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

Categories of Salaries

- Principals, Vice-Principals, employed under an administrative officer contract are categorized as Principals and Vice-Principals.
- Superintendents, Assistant Superintendents, Secretary Treasurers, Trustees and other employees excluded from union contracts are categorized as Other Professionals.

Allocation of Costs

- Operating expenses are reported by function, program, and object. Whenever possible, expenditures are allocated 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. 58 (NICOLA-SIMILKAMEEN)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k) 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.

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.

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

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

l) Measurement Uncertainty

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

NOTE 3 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	<u>2022</u>	<u>2021</u>
Due from Federal Government	254,765	38,287
Due from Province - Ministry of Education	1,453,651	251,924
Other	255,564	174,648
Sub-Total Other	1,963,980	464,859
Due from LEA/Direct Fundings	476,676	1,076,141
Total	2,440,656	1,541,000

SCHOOL DISTRICT No. 58 (NICOLA-SIMILKAMEEN)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 4 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES - OTHER

	<u>2022</u>	<u>2021</u>
Trades payable	1,605,564	220,230
Salaries and benefits payables	1,871,001	1,879,230
Accrued vacation pay	309,713	249,546
Other	7,573	14,827
Total	<u>3,793,851</u>	<u>2,363,833</u>

NOTE 5 UNEARNED REVENUE

Unearned revenue includes prepaid rents on school district facilities.

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

	<u>2022</u>	<u>2021</u>
Balance, beginning of year	1,012,170	990,020
Contributions received during the year	6,067,668	5,751,148
Revenue recognized from deferred contributions	(5,800,338)	(5,728,998)
Total	<u>1,279,500</u>	<u>1,012,170</u>

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. Detailed information about the changes in deferred capital revenue is included in Schedules 4C and 4D (unaudited).

	<u>2022</u>	<u>2021</u>
Balance, beginning of year	22,466,872	22,972,247
Prior Period Adjustment for Half-Year Rule	(4,633)	(507,115)
Adjusted Balance, beginning of year	22,462,239	22,465,132
Contributions received during the year	9,132,367	1,012,703
Investment Income	2,628	3,271
Insurance Proceeds Expended	(7,694,974)	
Revenue recognized from deferred contributions	(1,044,214)	(1,014,234)
Total	<u>22,858,046</u>	<u>22,466,872</u>

SCHOOL DISTRICT No. 58 (NICOLA-SIMILKAMEEN)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

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.

	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	1,174,412	1,235,657
Service Cost	111,355	111,449
Interest Cost	30,106	28,262
Benefit Payments	-135,581	-150,090
Actuarial (Gain) Loss	<u>-280,717</u>	<u>-50,866</u>
Accrued Benefit Obligation – March 31	<u>899,575</u>	<u>1,174,412</u>
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation - March 31	899,575	1,174,412
Market Value of Plan Assets - March 31	<u>0</u>	<u>0</u>
Funded Status - Surplus (Deficit)	-899,575	-1,174,412
Employer Contributions After Measurement Date	22,014	77,169
Benefits Expense After Measurement Date	-29,040	-35,365
Unamortized Net Actuarial (Gain) Loss	<u>-411,783</u>	<u>-154,400</u>
Accrued Benefit Asset (Liability) - June 30	<u>-1,318,383</u>	<u>-1,287,008</u>
Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability (Asset) - July 1	1,287,008	1,333,559
Net Expense for Fiscal Year	111,801	122,225
Employer Contributions	<u>-80,426</u>	<u>-168,776</u>
Accrued Benefit Liability (Asset) - June 30	<u>1,318,383</u>	<u>1,287,008</u>
Components of Net Benefit Expense		
Service Cost	105,099	111,426
Interest Cost	30,037	28,723
Amortization of Net Actuarial (Gain)/Loss	<u>-23,334</u>	<u>-17,923</u>
Net Benefit Expense (Income)	<u>111,801</u>	<u>122,225</u>
Assumptions		
Discount Rate - April 1	2.50%	2.25%
Discount Rate - March 31	3.25%	2.50%
Long Term Salary Growth - April 1	2.50% + seniority	2.50% + seniority
Long Term Salary Growth - March 31	2.50% + seniority	2.50% + seniority
EARSL - March 31	10.6	9.4

SCHOOL DISTRICT No. 58 (NICOLA-SIMILKAMEEN)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 8 EMPLOYEE FUTURE BENEFITS, continued

The School District's Accrued Benefit Obligation (ABO) is calculated annually at March 31 (early measurement date) by the actuary and is used to determine the Employee Future Benefit Liability as at June 30 for Financial Statement reporting. There is a requirement for significant assumptions to be evaluated between the measurement date and reporting date to determine if there are changes that impact the valuation significantly. As a result of the current interest rate environment, the Ministry asked the actuary to estimate the impacts of a change in discount rates.

The actuary has calculated a discount rate based on the provincial government cost of borrowing for various duration as at June 30, 2022. The discount rate derived from these borrowing costs is 4.25%, an increase of 1.0% from the rate of 3.25% used at March 31, 2022. The actuary estimates that using this discount rate would produce a decrease in the ABO of between \$53,975 and \$71,966. The overall calculation of the ABO has not been updated in these financial statements and will be updated at March 31, 2023, the next early measurement date.

SCHOOL DISTRICT No. 58 (NICOLA-SIMILKAMEEN)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 9 TANGIBLE CAPITAL ASSETS

Net Book Value		
	2022	2021
Sites	2,723,449	2,723,449
Buildings	26,796,829	25,777,794
Buildings - work in progress	-	-
Furniture & Equipment	994,441	1,173,921
Vehicles	1,019,260	1,180,343
Computer Software	288,733	105,639
Computer Hardware	818,951	677,797
Total	32,641,663	31,638,943

June 30, 2022					
Cost	Opening Cost	Additions	Disposals	Transfers (WIP)	Total 2022
Sites	2,723,449				2,723,449
Buildings	53,382,222	2,097,814			55,480,036
Buildings - work in progress	-				-
Furniture & Equipment	1,938,893	12,816	(44,684)		1,907,025
Vehicles	2,047,977	45,579	(8,298)		2,085,258
Computer Software	117,377	229,522			346,899
Computer Hardware	1,318,491	411,676	(343,434)		1,386,733
Total	61,528,409	2,797,407	(396,416)	-	63,929,400

Accumulated Amortization	Opening Cost	Additions	Disposals	Total 2022
Buildings	27,604,428	1,078,779		28,683,207
Furniture & Equipment	764,972	192,296	(44,684)	912,584
Vehicles	867,634	206,662	(8,298)	1,065,998
Computer Software	11,738	46,428		58,166
Computer Hardware	640,694	270,522	(343,434)	567,782
Total	29,889,466	1,794,687	(396,416)	31,287,737

June 30, 2021					
Cost	Opening Cost	Additions	Disposals	Transfers (WIP)	Total 2021
Sites	2,723,449	-	-	-	2,723,449
Buildings	52,610,167	772,055	-	-	53,382,222
Buildings - work in progress	-	-	-	-	-
Furniture & Equipment	1,779,251	232,562	(72,920)	-	1,938,893
Vehicles	2,119,410	43,186	(114,619)	-	2,047,977
Computer Software	-	117,377	-	-	117,377
Computer Hardware	1,354,526	350,481	(386,516)	-	1,318,491
Total	60,586,803	1,515,661	(574,055)	-	61,528,409

Accumulated Amortization	Opening Cost	PPA	Additions	Disposals	Total 2021
Buildings	26,030,997	528,260	1,045,171	-	27,604,428
Furniture & Equipment	563,026	96,941	177,925	(72,920)	764,972
Vehicles	667,916	102,396	211,941	(114,619)	867,634
Computer Software	-	11,738	-	-	11,738
Computer Hardware	624,450	131,855	270,905	(386,516)	640,694
Total	27,886,389	871,190	1,705,942	(574,055)	29,889,466

SCHOOL DISTRICT No. 58 (NICOLA-SIMILKAMEEN)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 10 EMPLOYEE PENSION PLANS

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

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

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

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2018, indicated a \$2,866 million funding surplus for basic pension benefits on a going concern basis.

The school district paid \$2,094,635 for employer contributions to the plans for the year ended June 30, 2022 (2021: \$2,085,387).

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

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

NOTE 11 INTERFUND TRANSFERS

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

	<u>2022</u>	<u>2021</u>
Purchase of Assets from the Operating Fund for the Capital Fund	-	17,868
Purchase of Assets from the Special Purpose Fund for the Capital Fund	152,465	176,144
Total	<u>152,465</u>	<u>194,012</u>

SCHOOL DISTRICT No. 58 (NICOLA-SIMILKAMEEN)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 12 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 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 9, 2022.

NOTE 14 EXPENSE BY OBJECT

	<u>2022</u>	<u>2021</u>
Salaries and Benefits	26,480,742	27,046,949
Services and Supplies	12,459,253	4,364,200
Amortization	1,794,687	1,724,165
Total	40,734,682	33,135,314

NOTE 15 INTERNALLY RESTRICTED SURPLUS – OPERATING FUND

	<u>2021/22</u>	<u>2020/21</u>
Internally Restricted		
- Aboriginal Education Surplus	11,165	140,280
- School Surpluses	168,142	210,449
- SCIDES Surplus	110,348	49,387
- BCTEA LEA Capacity	23,991	26,385
- Early Learning Framework Implementation	-	3,720
- Mentorship Fund	50,000	50,000
- CUPE Professional Learning Fund - Article 26G	57,088	28,544
- Extreme Weather Grant	333,598	
- Staff Appreciation Fund	5,800	5,800
- Contingency Reserve (Policy 805.1)	2,064,811	2,230,632
Total	2,824,943	2,745,197

NOTE 16 ECONOMIC DEPENDENCE

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

SCHOOL DISTRICT No. 58 (NICOLA-SIMILKAMEEN)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 17 PRIOR PERIOD ADJUSTMENT

On May 28, 2021, the Office of the Comptroller General directed all school districts to apply the half-year rule method of amortization beginning in the fiscal year an asset is placed into service. This directive applies to both past and future purchases. Prior to this directive, the district did not recognize amortization in the first partial service year. The School District has made a retroactive adjustment to recognize amortization of all assets and deferred capital contributions beginning in the first service year. The impact of the prior period adjustment on the June 30, 2021 comparative amounts is as follows:

	Increase
	(Decrease)
Tangible Capital Assets	- 871,190
Deferred Capital Revenue	- 511,748
Accumulated Surplus (Deficit)	- 345,852
Amortization of Deferred Capital Revenue	4,633
Operations & Maintenance - Asset amortization	18,223

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, amounts receivable and investments.

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

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

b) Interest Rate risk:

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. It is management's opinion that the School District is not exposed to significant interest rate risk.

School District No. 58 (Nicola-Similkameen)

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

Schedule 1 (Unaudited)

	Operating Fund	Special Purpose Fund	Capital Fund	2022 Actual	2021 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	2,745,197		13,493,926	16,239,123	17,233,957
Prior Period Adjustments					(345,852)
Accumulated Surplus (Deficit), beginning of year, as restated	2,745,197	-	13,493,926	16,239,123	16,888,105
Changes for the year					
Surplus (Deficit) for the year	581,544	152,465	(715,612)	18,397	(648,982)
Interfund Transfers					
Tangible Capital Assets Purchased	(501,798)	(152,465)	152,465	-	-
Local Capital	79,746	-	(61,349)	18,397	(648,982)
Net Changes for the year	159,492	(152,465)	(109,186)	18,397	(648,982)
Accumulated Surplus (Deficit), end of year - Statement 2	2,824,943	-	13,432,577	16,257,520	16,239,123

School District No. 58 (Nicola-Similkameen)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2022

	2022 Budget	2022 Actual	2021 Actual (Restated - Note 17)
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	21,982,076	22,826,515	22,419,080
Other	39,000	63,500	62,800
Federal Grants	17,719	17,719	13,681
Other Revenue	3,335,750	3,128,009	3,027,796
Rentals and Leases	54,000	65,175	117,304
Investment Income	57,500	77,774	77,293
Total Revenue	<u>25,486,045</u>	<u>26,178,692</u>	<u>25,717,954</u>
Expenses			
Instruction	19,671,649	19,772,230	20,576,088
District Administration	1,435,561	1,443,171	1,314,700
Operations and Maintenance	3,174,265	3,425,857	3,211,368
Transportation and Housing	901,319	955,890	756,139
Total Expense	<u>25,182,794</u>	<u>25,597,148</u>	<u>25,858,295</u>
Operating Surplus (Deficit) for the year	<u>303,251</u>	<u>581,544</u>	<u>(140,341)</u>
Budgeted Appropriation (Retirement) of Surplus (Deficit)	<u>198,547</u>		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(501,798)		(17,868)
Local Capital		(501,798)	(100,000)
Total Net Transfers	<u>(501,798)</u>	<u>(501,798)</u>	<u>(117,868)</u>
Total Operating Surplus (Deficit), for the year	<u>-</u>	<u>79,746</u>	<u>(258,209)</u>
Operating Surplus (Deficit), beginning of year		2,745,197	3,003,406
Operating Surplus (Deficit), end of year		<u>2,824,943</u>	<u>2,745,197</u>
Operating Surplus (Deficit), end of year			
Internally Restricted (Note 15)		2,824,943	2,745,197
Total Operating Surplus (Deficit), end of year		<u>2,824,943</u>	<u>2,745,197</u>

School District No. 58 (Nicola-Similkameen)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2022

	2022 Budget	2022 Actual	2021 Actual (Restated - Note 17)
	\$	\$	\$
Provincial Grants - Ministry of Education and Child Care			
Operating Grant, Ministry of Education and Child Care	24,903,466	24,819,042	24,271,724
ISC/LEA Recovery	(3,294,750)	(3,070,922)	(2,914,402)
Other Ministry of Education and Child Care Grants			
Pay Equity	120,216	120,216	120,216
Funding for Graduated Adults	33,000	61,303	83,508
Student Transportation Fund	170,292	170,292	170,292
Support Staff Benefits Grant	30,057	29,580	29,221
Teachers' Labour Settlement Funding			599,155
Early Career Mentorship Funding			50,000
FSA Scorer Grant	7,506	7,506	7,506
Early Learning Framework Implementation	1,860	1,860	1,860
Anti Racism in Early Care Grant	6,429	6,429	
Equity In Action Grant	4,000	4,000	
Extreme Weather Grant		677,209	
Total Provincial Grants - Ministry of Education and Child Care	21,982,076	22,826,515	22,419,080
Provincial Grants - Other	39,000	63,500	62,800
Federal Grants	17,719	17,719	13,681
Other Revenues			
Funding from First Nations	3,294,750	3,070,922	2,914,402
Miscellaneous			
Miscellaneous Revenue	41,000	57,087	73,394
Parent Advisory Council Donation			40,000
Total Other Revenue	3,335,750	3,128,009	3,027,796
Rentals and Leases	54,000	65,175	117,304
Investment Income	57,500	77,774	77,293
Total Operating Revenue	25,486,045	26,178,692	25,717,954

School District No. 58 (Nicola-Similkameen)

Schedule 2B (Unaudited)

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

	2022 Budget	2022 Actual	2021 Actual (Restated - Note 17)
	\$	\$	\$
Salaries			
Teachers	8,483,832	8,392,243	9,381,890
Principals and Vice Principals	2,108,032	2,071,763	2,001,620
Educational Assistants	2,348,418	2,442,083	2,430,207
Support Staff	2,726,432	2,970,289	2,788,568
Other Professionals	1,062,733	1,073,250	1,008,642
Substitutes	942,700	1,021,160	1,050,713
Total Salaries	17,672,147	17,970,788	18,661,640
Employee Benefits	4,064,364	4,102,094	4,243,376
Total Salaries and Benefits	21,736,511	22,072,882	22,905,016
Services and Supplies			
Services	1,043,861	952,808	994,635
Student Transportation	167,510	140,277	52,979
Professional Development and Travel	350,745	236,156	154,080
Rentals and Leases	550		549
Dues and Fees	99,200	106,546	97,697
Insurance	98,000	107,689	68,096
Supplies	1,155,717	1,418,655	1,059,262
Utilities	530,700	562,135	525,981
Total Services and Supplies	3,446,283	3,524,266	2,953,279
Total Operating Expense	25,182,794	25,597,148	25,858,295

School District No. 58 (Nicola-Similkameen)

Operating Expense by Function, Program and Object
Year Ended June 30, 2022

	Teachers Salaries	Principals and Vice Principals Salaries	Educational Assistants Salaries	Support Staff Salaries	Other Professionals Salaries	Substitutes Salaries	Total Salaries
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	7,003,656	511,726		344,035	76,706	614,793	8,550,916
1.03 Career Programs		25,781		3,426		448	29,655
1.07 Library Services	93,258			23,183			116,441
1.08 Counselling	322,313			10,804			333,117
1.10 Special Education	813,964	152,093	1,874,069		13,067	153,312	3,006,505
1.31 Indigenous Education	152,446	171,387	550,054		23,984	21,326	919,197
1.41 School Administration	6,606	1,210,776	17,960	517,962		18,278	1,771,582
Total Function 1	8,392,243	2,071,763	2,442,083	899,410	113,757	808,157	14,727,413
4 District Administration							
4.11 Educational Administration					323,167		323,167
4.40 School District Governance					146,635		146,635
4.41 Business Administration				156,517	234,735		391,252
Total Function 4	-	-	-	156,517	704,537	-	861,054
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				56,067	180,350	4,166	240,583
5.50 Maintenance Operations				1,305,342		103,254	1,408,596
5.52 Maintenance of Grounds				109,978			109,978
5.56 Utilities							-
Total Function 5	-	-	-	1,471,387	180,350	107,420	1,759,157
7 Transportation and Housing							
7.41 Transportation and Housing Administration				15,688	74,606		90,294
7.70 Student Transportation				427,287		105,583	532,870
Total Function 7	-	-	-	442,975	74,606	105,583	623,164
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	8,392,243	2,071,763	2,442,083	2,970,289	1,073,250	1,021,160	17,970,788

School District No. 58 (Nicola-Similkameen)

Operating Expense by Function, Program and Object
Year Ended June 30, 2022

Schedule 2C (Unaudited)

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2022 Actual	2022 Budget	2021 Actual
	\$	\$	\$	\$	\$	\$	(Restated - Note 17) \$
1 Instruction							
1.02 Regular Instruction	8,550,916	1,945,577	10,496,493	1,060,353	11,556,846	11,292,256	12,221,051
1.03 Career Programs	29,655	6,747	36,402	16,045	52,447	74,093	95,481
1.07 Library Services	116,441	26,494	142,935	43,077	186,012	201,383	425,907
1.08 Counselling	333,117	75,794	408,911	5,995	414,906	407,445	434,152
1.10 Special Education	3,006,505	684,066	3,690,571	186,111	3,876,682	3,764,598	4,118,323
1.31 Indigenous Education	919,197	222,370	1,141,567	322,493	1,464,060	1,475,225	1,170,797
1.41 School Administration	1,771,582	403,086	2,174,668	46,609	2,221,277	2,456,649	2,110,377
Total Function 1	14,727,413	3,364,134	18,091,547	1,680,683	19,772,230	19,671,649	20,576,088
4 District Administration							
4.11 Educational Administration	323,167	73,530	396,697	54,364	451,061	438,037	397,633
4.40 School District Governance	146,635	33,364	179,999	58,636	238,635	239,042	221,272
4.41 Business Administration	391,252	89,021	480,273	273,202	753,475	758,482	695,795
Total Function 4	861,054	195,915	1,056,969	386,202	1,443,171	1,435,561	1,314,700
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	240,583	54,739	295,322	147,510	442,832	344,107	325,064
5.50 Maintenance Operations	1,408,596	320,496	1,729,092	474,941	2,204,033	2,216,063	2,214,152
5.52 Maintenance of Grounds	109,978	25,023	135,001	59,150	194,151	83,395	146,172
5.56 Utilities	-	-	-	584,841	584,841	530,700	525,980
Total Function 5	1,759,157	400,258	2,159,415	1,266,442	3,425,857	3,174,265	3,211,368
7 Transportation and Housing							
7.41 Transportation and Housing Administration	90,294	20,544	110,838	1,894	112,732	116,354	94,673
7.70 Student Transportation	532,870	121,243	654,113	189,045	843,158	784,965	661,466
Total Function 7	623,164	141,787	764,951	190,939	955,890	901,319	756,139
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	17,970,788	4,102,094	22,072,882	3,524,266	25,597,148	25,182,794	25,858,295

School District No. 58 (Nicola-Similkameen)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations
Year Ended June 30, 2022

	2022 Budget	2022 Actual	2021 Actual (Restated - Note 17)
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	5,272,621	4,996,135	4,966,846
Other	43,036	34,896	29,590
Other Revenue	640,000	768,222	732,562
Investment Income	2,000	1,085	
Total Revenue	<u>5,957,657</u>	<u>5,800,338</u>	<u>5,728,998</u>
Expenses			
Instruction	5,669,334	5,487,244	5,027,534
District Administration			11,353
Operations and Maintenance	10,711	106,119	463,706
Transportation and Housing	125,147	54,510	50,261
Total Expense	<u>5,805,192</u>	<u>5,647,873</u>	<u>5,552,854</u>
Special Purpose Surplus (Deficit) for the year	<u>152,465</u>	<u>152,465</u>	<u>176,144</u>
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(152,465)	(152,465)	(176,144)
Total Net Transfers	<u>(152,465)</u>	<u>(152,465)</u>	<u>(176,144)</u>
Total Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>-</u>	<u>-</u>
Special Purpose Surplus (Deficit), beginning of year			
Special Purpose Surplus (Deficit), end of year		<u>-</u>	<u>-</u>

School District No. 58 (Nicola-Similkameen)

Schedule 3A (Unaudited)

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

	Annual Facility Grant	Learning Improvement Fund	Special Education Equipment	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	Community/Link Fund	Classroom Enhancement Fund - Overhead
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	-	38,414	19,619	494,079	80,918	3,483	5,682	3,031	-
United Way Grant reallocated	-	38,414	19,619	494,079	80,918	3,483	5,682	3,031	-
Deferred Revenue, beginning of year, as restated	-	38,414	19,619	494,079	80,918	3,483	5,682	3,031	-
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	123,176	86,810			128,000	14,700	70,980	300,011	301,887
Provincial Grants - Other				891,567					
Other				712					
Investment Income									
	123,176	86,810		892,279	128,000	14,700	70,980	300,011	301,887
Less: Allocated to Revenue									
	123,176	125,224	4,857	737,268	122,541	10,134	69,006	303,042	301,887
Deferred Revenue, end of year	-	-	14,762	649,090	86,377	8,049	7,656	-	-
Revenues									
Provincial Grants - Ministry of Education and Child Care	123,176	125,224	4,857		122,541	10,134	69,006	303,042	301,887
Provincial Grants - Other									
Other Revenue				736,556					
Investment Income				712					
	123,176	125,224	4,857	737,268	122,541	10,134	69,006	303,042	301,887
Expenses									
Salaries									
Teachers							19,598	97,595	45,000
Principals and Vice Principals					87,412			28,867	
Educational Assistants		98,508						17,292	
Support Staff									41,590
Other Professionals									64,230
Substitutes				764					150,820
Employee Benefits		98,508			88,176		19,598	143,754	22,630
Services and Supplies	10,711	26,716			26,042		4,725	38,636	88,437
	10,711	125,224	4,857	737,268	8,323	10,134	44,683	120,652	261,887
	10,711	125,224	4,857	737,268	122,541	10,134	69,006	303,042	261,887
Net Revenue (Expense) before Interfund Transfers	112,465	-	-	-	-	-	-	-	40,000
Interfund Transfers									
Tangible Capital Assets Purchased	(112,465)								(40,000)
	(112,465)								(40,000)
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 58 (Nicola-Similkameen)

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

Schedule 3A (Unaudited)

	Classroom Enhancement Fund - Staffing	Classroom Enhancement Fund - Remedies	First Nation Student Transportation	Mental Health in Schools	Changing Results for Young Children	Safe Return to School / Restart: Health & Safety Grant	Federal Safe Return to Class / Ventilation Fund	AREA Multicultural Program	Charitable Society
	\$	\$	\$	\$	\$	\$	\$	\$	
Deferred Revenue, beginning of year	-	-	25,202	53,043	9,829	-	-	27,013	208,821
United Way Grant reallocated	-	-	25,202	53,043	9,829	-	-	27,013	208,821
Deferred Revenue, beginning of year, as restated	-	-	25,202	53,043	9,829	-	-	27,013	208,821
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	3,710,876	-	99,945	129,932	6,750	60,333	53,651	-	46,225
Provincial Grants - Other	-	-	-	-	-	-	-	-	373
Other	-	-	-	-	-	-	-	-	-
Investment Income	-	-	-	-	-	-	-	-	-
Less: Allocated to Revenue	3,710,876	-	99,945	129,932	6,750	60,333	53,651	-	46,598
Deferred Revenue, end of year	-	-	70,637	108,089	15,991	-	18,576	27,013	32,039
									223,380

Revenues									
Provincial Grants - Ministry of Education and Child Care	3,710,876	-	54,510	74,886	588	60,333	35,075	-	31,666
Provincial Grants - Other	-	-	-	-	-	-	-	-	373
Other Revenue	-	-	-	-	-	-	-	-	-
Investment Income	-	-	-	-	-	-	-	-	-

Expenses									
Salaries	3,016,971	-	-	-	-	-	-	-	-
Teachers	-	-	-	-	-	-	-	-	-
Principals and Vice Principals	-	-	-	-	-	17,501	-	-	-
Educational Assistants	-	-	-	-	-	17,710	-	-	-
Support Staff	-	-	-	-	-	-	-	-	-
Other Professionals	-	-	7,405	-	533	-	-	-	-
Substitutes	-	-	7,405	-	533	-	-	-	-
Employee Benefits	693,905	-	1,703	-	55	-	-	-	-
Services and Supplies	-	-	45,402	74,886	-	21,544	35,075	-	32,039
	3,710,876	-	54,510	74,886	588	60,333	35,075	-	32,039

Net Revenue (Expense) before Interfund Transfers

Interfund Transfers									
Tangible Capital Assets Purchased	-	-	-	-	-	-	-	-	-

Net Revenue (Expense)

School District No. 58 (Nicola-Similkameen)

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

	After School Sports & Arts Initiative	United Way	TOTAL
	\$	\$	\$
Deferred Revenue, beginning of year	43,036		1,012,170
United Way Grant reallocated	(8,704)	8,704	-
Deferred Revenue, beginning of year, as restated	<u>34,332</u>	<u>8,704</u>	<u>1,012,170</u>
Add: Restricted Grants			
Provincial Grants - Ministry of Education and Child Care	28,540	13,200	5,087,051
Provincial Grants - Other			41,740
Other			937,792
Investment Income			1,085
	28,540	13,200	6,067,668
	32,490	2,406	5,800,338
Less: Allocated to Revenue	<u>30,382</u>	<u>19,498</u>	<u>1,279,500</u>
Deferred Revenue, end of year			
Revenues			
Provincial Grants - Ministry of Education and Child Care	32,490	2,406	4,996,135
Provincial Grants - Other			34,896
Other Revenue			768,222
Investment Income			1,085
	32,490	2,406	5,800,338
Expenses			
Salaries			
Teachers			3,134,164
Principals and Vice Principals			45,000
Educational Assistants	25,501		257,789
Support Staff			35,002
Other Professionals			41,590
Substitutes			72,932
	25,501	-	3,586,477
Employee Benefits	3,393		821,383
Services and Supplies	3,596	2,406	1,240,013
	32,490	2,406	5,647,873
Net Revenue (Expense) before Interfund Transfers	<u>-</u>	<u>-</u>	<u>152,465</u>
Interfund Transfers			
Tangible Capital Assets Purchased			(152,465)
	-	-	(152,465)
Net Revenue (Expense)	<u>-</u>	<u>-</u>	<u>-</u>

School District No. 58 (Nicola-Similkameen)

Schedule 4 (Unaudited)

Schedule of Capital Operations
Year Ended June 30, 2022

	2022	2022 Actual			2021
	Budget	Invested in Tangible Capital Assets	Local Capital	Fund Balance	Actual (Restated - Note 17)
	\$	\$	\$	\$	\$
Revenues					
Provincial Grants					
Ministry of Education and Child Care		7,712,367		7,712,367	
Investment Income	25,000		17,468	17,468	20,513
Amortization of Deferred Capital Revenue	995,399	1,044,214		1,044,214	1,018,867
Total Revenue	1,020,399	8,756,581	17,468	8,774,049	1,039,380
Expenses					
Amortization of Tangible Capital Assets					
Operations and Maintenance	1,788,710	1,794,687		1,794,687	1,724,165
Flood Restoration		7,694,974		7,694,974	
Total Expense	1,788,710	9,489,661	-	9,489,661	1,724,165
Capital Surplus (Deficit) for the year	(768,311)	(733,080)	17,468	(715,612)	(684,785)
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	654,263	152,465		152,465	194,012
Local Capital			501,798	501,798	100,000
Total Net Transfers	654,263	152,465	501,798	654,263	294,012
Other Adjustments to Fund Balances					
Tangible Capital Assets Purchased from Local Capital		659,593	(659,593)	-	
Total Other Adjustments to Fund Balances		659,593	(659,593)	-	
Total Capital Surplus (Deficit) for the year	(114,048)	78,978	(140,327)	(61,349)	(390,773)
Capital Surplus (Deficit), beginning of year		10,438,215	3,055,711	13,493,926	14,230,551
Prior Period Adjustments					(345,852)
Half Year Rule on Prior Year Additions					(345,852)
Capital Surplus (Deficit), beginning of year, as restated		10,438,215	3,055,711	13,493,926	13,884,699
Capital Surplus (Deficit), end of year		10,517,193	2,915,384	13,432,577	13,493,926

School District No. 58 (Nicola-Similkameen)

Tangible Capital Assets

Year Ended June 30, 2022

Schedule 4A (Unaudited)

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	2,723,449	53,382,222	1,938,893	2,047,977	117,377	1,318,491	61,528,409
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw	1,985,349		10,000			30,000	1,985,349
Special Purpose Funds	112,465		2,816	45,579	229,522	381,676	152,465
Local Capital	-	2,097,814	12,816	45,579	229,522	411,676	659,593
Decrease:							
Deemed Disposals	-	-	44,684	8,298	-	343,434	396,416
Cost, end of year	2,723,449	55,480,036	1,907,025	2,085,258	346,899	1,386,733	63,929,400
Work in Progress, end of year							
Cost and Work in Progress, end of year	2,723,449	55,480,036	1,907,025	2,085,258	346,899	1,386,733	63,929,400
Accumulated Amortization, beginning of year							
Prior Period Adjustments		27,076,168	668,031	765,238		508,839	29,018,276
Half Year Rule on Prior Year Additions		528,260	96,941	102,396	11,738	131,855	871,190
Accumulated Amortization, beginning of year, as restated		27,604,428	764,972	867,634	11,738	640,694	29,889,466
Changes for the Year							
Increase: Amortization for the Year		1,078,779	192,296	206,662	46,428	270,522	1,794,687
Decrease:							
Deemed Disposals			44,684	8,298		343,434	396,416
Accumulated Amortization, end of year		28,683,207	912,584	1,065,998	58,166	567,782	31,287,737
Tangible Capital Assets - Net	2,723,449	26,796,829	994,441	1,019,260	288,733	818,951	32,641,663

School District No. 58 (Nicola-Similkameen)

Schedule 4C (Unaudited)

Deferred Capital Revenue
Year Ended June 30, 2022

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	20,376,209	1,336,267		21,712,476
Prior Period Adjustments				
Half Year rule on Prior Year Additions	(485,170)	(26,578)		(511,748)
Deferred Capital Revenue, beginning of year, as restated	19,891,039	1,309,689	-	21,200,728
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	1,985,349			1,985,349
	1,985,349	-	-	1,985,349
Decrease:				
Amortization of Deferred Capital Revenue	991,060	53,154		1,044,214
	991,060	53,154	-	1,044,214
Net Changes for the Year	994,289	(53,154)	-	941,135
Deferred Capital Revenue, end of year	20,885,328	1,256,535	-	22,141,863
Work in Progress, beginning of year				-
Changes for the Year				
Net Changes for the Year	-	-	-	-
Work in Progress, end of year	-	-	-	-
Total Deferred Capital Revenue, end of year	20,885,328	1,256,535	-	22,141,863

School District No. 58 (Nicola-Similkameen)

Changes in Unspent Deferred Capital Revenue
Year Ended June 30, 2022

	Bylaw Capital	MECC Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	731,923	528,779	809	-	-	1,261,511
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education and Child Care	1,420,000	2,628	-	-	-	1,420,000
Investment Income	1,420,000	2,628	-	-	-	2,628
	1,985,349					1,985,349
Decrease:						
Transferred to DCR - Capital Additions	(565,349)	2,628	-	-	-	(562,721)
Net Changes for the Year	166,574	531,407	809	-	-	698,790
Balance, end of year						