

Audited Financial Statements of

**School District No. 59 (Peace River South)**

And Independent Auditors' Report thereon

June 30, 2023

# School District No. 59 (Peace River South)

June 30, 2023

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# School District No. 59 (Peace River South)

## MANAGEMENT REPORT

Version: 6833-6087-4105

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

The accompanying financial statements of School District No. 59 (Peace River South) 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.



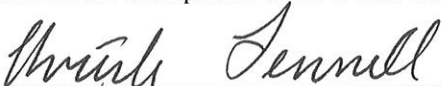
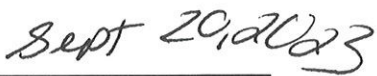


The preparation of financial statements necessarily involves the use of estimates based on management's judgment particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

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. 59 (Peace River South) (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, Sander Rose Bone Grindle 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. 59 (Peace River South) 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. 59 (Peace River South)

	
Signature of the Chairperson of the Board of Education	Date Signed
	
Signature of the Superintendent	Date Signed
	
Signature of the Secretary Treasurer	Date Signed

**CHARTERED PROFESSIONAL ACCOUNTANTS**

*Partners*

- \* Dale J. Rose, CPA, CA
- \* Alan Bone, B. Comm., CPA, CA
- \* Jason Grindle, B. Comm., CPA, CA
- \* Jaron Neufeld, B. Comm., CPA, CA
  
- \* Ben Sander, B. Comm., FCPA, FCA (Retired)

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## INDEPENDENT AUDITOR'S REPORT

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To the Board of Education of School District No. 59 (Peace River South) and the Minister of Education of British Columbia

### Opinion

We have audited the accompanying financial statements of School District No. 59 (Peace River South) which comprise the statement of financial position as at June 30, 2023 and the statement of operations, changes in net financial assets (debt) and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the School District No. 59 (Peace River South) as at June 30, 2023 and the result of its operations and its cash flows for the year then ended in accordance with Section 23.1 of the Budget Transparency and Accountability Act.

### Basis for Opinion

We conduct 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 those 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 describe the basis of accounting and the significant differences between such basis of accounting and Canadian Public Sector Accounting Standards. Note 2 to the financial statements discloses the impact of these differences.

### Other Information

Management is responsible for the other information. Other information comprises of the unaudited schedules 1-4 that are 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.

Independent Auditor's Report to the Board of Education of School District No. 59 (Peace River South) and the Ministry of Education of British Columbia (*continued*)

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.

If, based on the work we have performed on this 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 and fair presentation of these financial statements in accordance with Section 23.1 of the Budget Transparency and Accountability Act 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, matter relating 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 the financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement and maintain professional scepticism 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.

Independent Auditor's Report to the Board of Education of School District No. 59 (Peace River South) and the Ministry of Education of British Columbia (*continued*)

- 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, further 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 statement 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.

Dawson Creek, BC  
September 20, 2023

*Sander Rose Bone Grindle CPA*  
Chartered Professional Accountants



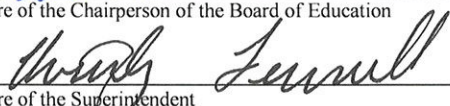
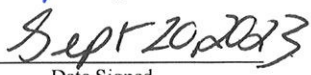
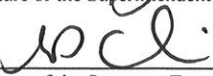

# School District No. 59 (Peace River South)

Statement of Financial Position  
As at June 30, 2023

	2023 Actual	2022 Actual (Restated - Note 22)
	\$	\$
<b>Financial Assets</b>		
Cash and Cash Equivalents	15,131,835	15,752,624
Accounts Receivable		
Due from Province - Ministry of Education and Child Care	26,062	153,117
Due from First Nations	220,706	
Other (Note 3)	354,101	450,663
<b>Total Financial Assets</b>	<u>15,732,704</u>	<u>16,356,404</u>
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities		
Other (Note 4)	3,224,183	3,153,497
Unearned Revenue (Note 5)	106,767	91,470
Deferred Revenue (Note 6)	1,548,720	1,838,892
Deferred Capital Revenue (Note 7)	28,545,102	28,361,534
Employee Future Benefits (Note 8)	1,052,413	1,027,807
Asset Retirement Obligation (Note 17)	6,151,717	6,151,717
<b>Total Liabilities</b>	<u>40,628,902</u>	<u>40,624,917</u>
<b>Net Debt</b>	<u>(24,896,198)</u>	<u>(24,268,513)</u>
<b>Non-Financial Assets</b>		
Tangible Capital Assets (Note 9)	39,890,030	39,527,337
Prepaid Expenses	96,183	107,219
<b>Total Non-Financial Assets</b>	<u>39,986,213</u>	<u>39,634,556</u>
<b>Accumulated Surplus (Deficit) (Note 21)</b>	<u>15,090,015</u>	<u>15,366,043</u>
<b>Accumulated Surplus (Deficit) is comprised of:</b>		
Accumulated Surplus (Deficit) from Operations	15,090,015	15,366,043
Accumulated Remeasurement Gains (Losses)		
	<u>15,090,015</u>	<u>15,366,043</u>

Unrecognized Assets (Note 13)  
Contractual Obligations (Note 14)  
Contractual Rights (Note 15)  
Contingent Liabilities (Note 16)

Approved by the Board

	
Signature of the Chairperson of the Board of Education	Date Signed
	
Signature of the Superintendent	Date Signed
	
Signature of the Secretary Treasurer	Date Signed

# School District No. 59 (Peace River South)

Statement 2

Statement of Operations  
Year Ended June 30, 2023

	2023 Budget	2023 Actual	2022 Actual (Restated - Note 22)
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education and Child Care	55,054,095	<b>55,394,649</b>	52,373,983
Other	273,065	<b>264,948</b>	293,311
Tuition	24,666	<b>24,735</b>	60,104
Other Revenue	2,678,539	<b>2,861,250</b>	2,616,779
Rentals and Leases	157,000	<b>162,594</b>	175,139
Investment Income	440,600	<b>582,015</b>	123,666
Amortization of Deferred Capital Revenue	1,702,419	<b>1,759,711</b>	1,716,107
<b>Total Revenue</b>	<u>60,330,384</u>	<u><b>61,049,902</b></u>	<u>57,359,089</u>
<b>Expenses</b>			
Instruction	44,892,251	<b>44,108,462</b>	40,421,235
District Administration	2,378,439	<b>2,383,562</b>	1,948,917
Operations and Maintenance	10,644,427	<b>10,676,780</b>	9,771,330
Transportation and Housing	4,438,961	<b>4,157,126</b>	3,963,449
<b>Total Expense</b>	<u>62,354,078</u>	<u><b>61,325,930</b></u>	<u>56,104,931</u>
<b>Surplus (Deficit) for the year</b>	<u>(2,023,694)</u>	<u><b>(276,028)</b></u>	<u>1,254,158</u>
<b>Accumulated Surplus (Deficit) from Operations, beginning of year</b>		<b>15,366,043</b>	14,111,885
<b>Accumulated Surplus (Deficit) from Operations, end of year</b>		<u><u><b>15,090,015</b></u></u>	<u>15,366,043</u>



# School District No. 59 (Peace River South)

Statement 4

Statement of Changes in Net Debt

Year Ended June 30, 2023

	2023 Budget	2023 Actual	2022 Actual <small>(Restated - Note 22)</small>
	\$	\$	\$
<b>Surplus (Deficit) for the year</b>	<u>(2,023,694)</u>	<u>(276,028)</u>	1,254,158
<b>Effect of change in Tangible Capital Assets</b>			
Acquisition of Tangible Capital Assets	(843,563)	<b>(2,601,046)</b>	(3,500,577)
Amortization of Tangible Capital Assets	2,254,505	<b>2,238,353</b>	2,174,635
<b>Total Effect of change in Tangible Capital Assets</b>	<u>1,410,942</u>	<u><b>(362,693)</b></u>	<u>(1,325,942)</u>
Acquisition of Prepaid Expenses		<b>(96,183)</b>	(107,219)
Use of Prepaid Expenses		<b>107,219</b>	74,664
<b>Total Effect of change in Other Non-Financial Assets</b>	<u>-</u>	<u><b>11,036</b></u>	<u>(32,555)</u>
<b>(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)</b>	<u>(612,752)</u>	<u><b>(627,685)</b></u>	<u>(104,339)</u>
<b>Net Remeasurement Gains (Losses)</b>			
<b>(Increase) Decrease in Net Debt</b>		<b>(627,685)</b>	(104,339)
<b>Net Debt, beginning of year</b>		<b>(24,268,513)</b>	(24,164,174)
<b>Net Debt, end of year</b>		<u><b>(24,896,198)</b></u>	<u>(24,268,513)</u>

# School District No. 59 (Peace River South)

Statement 5

Statement of Cash Flows  
Year Ended June 30, 2023

	2023 Actual	2022 Actual
		(Restated - Note 22)
	\$	\$
<b>Operating Transactions</b>		
Surplus (Deficit) for the year	(276,028)	1,254,158
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	2,635	154,314
Prepaid Expenses	11,036	(32,555)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	70,956	(2,401,891)
Unearned Revenue	15,303	6,018
Deferred Revenue	(290,172)	546,512
Employee Future Benefits	24,606	60,327
Amortization of Tangible Capital Assets	2,238,353	2,174,635
Amortization of Deferred Capital Revenue	(1,759,711)	(1,716,107)
Capital Grants Spent on Non-Capital Items	(1,179,639)	(1,205,920)
<b>Total Operating Transactions</b>	<u>(1,142,661)</u>	<u>(1,160,509)</u>
<b>Capital Transactions</b>		
Tangible Capital Assets Purchased	(2,601,046)	(2,037,609)
Tangible Capital Assets -WIP Purchased		(1,462,968)
<b>Total Capital Transactions</b>	<u>(2,601,046)</u>	<u>(3,500,577)</u>
<b>Financing Transactions</b>		
Capital Revenue Received	3,122,918	3,906,344
<b>Total Financing Transactions</b>	<u>3,122,918</u>	<u>3,906,344</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(620,789)</b>	<b>(754,742)</b>
<b>Cash and Cash Equivalents, beginning of year</b>	<u>15,752,624</u>	<u>16,507,366</u>
<b>Cash and Cash Equivalents, end of year</b>	<u>15,131,835</u>	<u>15,752,624</u>
<b>Cash and Cash Equivalents, end of year, is made up of:</b>		
Cash	8,657,096	9,561,815
Cash Equivalents	6,474,739	6,190,809
	<u>15,131,835</u>	<u>15,752,624</u>

**SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

**NOTE 1      AUTHORITY AND PURPOSE**

The School District operates under authority of the *School Act* of British Columbia as a corporation under the name of "The Board of Education of School District No. 59 (Peace River South)", and operates as "School District No. 59 (Peace River South)." A board of education ("Board") elected for a four-year term governs the School District. The School District provides educational programs to students enrolled in schools in the district, and is principally funded by the Province of British Columbia through the Ministry of Education and Child Care. School District No. 59 (Peace River South) 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. 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 School District is not practicable at this time.

**NOTE 2      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

a) Basis of Accounting

These financial statements have been prepared in accordance with Section 23.1 of the *Budget Transparency and Accountability Act of the Province of British Columbia*. This Section requires that the financial statements be prepared in accordance with Canadian public sector accounting standards except in regard to the accounting for government transfers as set out in Notes 2(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 capital assets into revenue on the same basis as the related amortization expense.

**SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

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

a) Basis of Accounting *(Continued)*

As these transfers do not contain stipulations that create a liability, Canadian public sector accounting standards would require that:

- government transfers, which do not contain a stipulation that creates a liability, be recognized as revenue by the recipient when approved by the transferor and the eligibility criteria have been met in accordance with public sector accounting standard PS3410; and
- externally restricted contributions be recognized as revenue in the period in which the resources are used for the purpose or purposes specified in accordance with public sector accounting standard PS3100.

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

Year-ended June 30, 2022 – increase in annual surplus by \$1,334,048

June 30, 2022 – increase in accumulated surplus and decrease in deferred contributions by \$28,265,356

Year-ended June 30, 2023 – increase in annual surplus by \$48,573

June 30, 2023 – increase in accumulated surplus and decrease in deferred contributions by \$28,313,931

b) Cash and Cash Equivalents

Cash and cash equivalents include Certificates of Deposit with the Provincial Treasury that are readily convertible to known amounts of cash, have no set maturity terms, and that are subject to an 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 receipt of proceeds for services or products to be delivered in a future period. Revenue will be recognized in that future period when the services or products are provided.

**SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

**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(l).

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

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 both vested and non-vested benefits under employee future benefit plans. Benefits include vested sick leave, accumulating non-vested sick leave, early retirement, retirement/severance, vacation, overtime and death benefits. The benefits cost is actuarially determined using the projected unit credit method pro-rated on service and using management's best estimate of expected salary escalation, termination rates, retirement rates and mortality. The discount rate used to measure obligations is based on the cost of borrowing.

The cumulative unrecognized actuarial gains and losses are amortized over the expected average remaining service lifetime of active employees covered under the plan.

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

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

**SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

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

g) Asset Retirement Obligations

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

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

The liability for 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. The liability has been measured at current cost as the timing and amounts of future cash flows cannot be estimated. The resulting 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.

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 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.

**SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

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

i) Tangible Capital Assets

The following criteria apply:

- Tangible capital assets acquired or constructed are recorded at cost which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost also includes overhead directly attributable to construction as well as interest costs that are directly attributable to the acquisition or construction of the asset.
- Donated tangible capital assets are recorded at their fair market value on the date of donation, except in circumstances where fair value cannot be reasonably determined, which are then recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.
- Work-in-progress is recorded as an acquisition to the applicable asset class at substantial completion.
- Tangible capital assets are written down to residual value when conditions indicate they no longer contribute to the ability of the School District to provide services or when the value of future economic benefits associated with the sites and buildings are less than their net book value. The write-downs are accounted for as expenses in the Statement of Operations.
- Buildings that are demolished or destroyed are written-off.
- Works of art, historic assets and other intangible assets are not recorded as assets in these financial statements.
- The cost, less residual value, of tangible capital assets (excluding sites), is amortized on a straight-line basis over the estimated useful life of the asset. It is management's responsibility to determine the appropriate useful lives for tangible capital assets. These useful lives are reviewed on a regular basis or if significant events initiate the need to revise. Estimated useful life is as follows:

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

j) Prepaid Expenses

Prepaid expenses consist of unexpired insurance premiums and other prepaid amounts which are stated at acquisition cost and are charged to expense over the periods expected to benefit from it.

**SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

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

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 (see Notes 11 – Interfund Transfers and Note 21 – Accumulated Surplus).

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 can be reasonably estimated.

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

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

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

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

The accounting treatment for restricted contributions is not consistent with the requirements of Canadian public sector accounting standards which require that government transfers be recognized as revenue when approved by the transferor and eligibility criteria have been met, unless the transfer contains a stipulation that meets the criteria for liability recognition, in which case the transfer is recognized as revenue over the period that the liability is extinguished. See note 2(a) for the impact of this policy on these financial statements.

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



**SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

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

l) Revenue Recognition *(Continued)*

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.

m) Expenditures

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

Categories of Salaries

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

Allocation of Costs

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

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.

**SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

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

n) Financial Instruments *(Continued)*

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

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

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

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

o) Measurement Uncertainty

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

p) Future Change 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".

**SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

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

p) Future Change in Accounting Policies (Continued)

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

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

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

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

**NOTE 3 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES**

	2023	2022
Due from Federal Government	\$ 198,339	\$ 164,937
CUPE	2,006	-
BCTF	819	-
BCGEU	3,177	1,356
Private Schools	2,734	2,076
PRSTA	43,402	48,483
Simon Fraser University	14,658	14,147
Other Accounts Receivable	88,966	219,664
	\$ 354,101	\$ 450,663

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

	2023	2022
Trade payables	\$ 490,149	\$ 432,025
Salaries and benefits payable	1,193,622	1,161,144
Source deductions	633,467	577,962
Accrued vacation pay	725,451	792,691
Other	181,494	189,675
	\$ 3,224,183	\$ 3,153,497

**SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

**NOTE 5      UNEARNED REVENUE**

	2023	2022
Balance, beginning of year	\$ 91,470	\$ 85,452
Changes for the year:		
Increase:		
Other revenue	113,759	114,742
Decrease:		
Other revenue	98,462	108,724
Balance, end of year	\$ 106,767	\$ 91,470

**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. Changes in deferred revenue are as follows:

	2023	2022
Balance, beginning of year	\$ 1,838,892	\$ 1,292,380
Changes for the year:		
Increase: Contributions received		
Provincial Grants – Ministry of Education	5,735,749	5,414,290
Other	1,255,702	988,925
Investment income	1,922	507
	6,993,373	6,403,722
Decrease:		
Expenses	7,283,545	5,857,210
Recovered	-	-
	7,283,545	5,857,210
Net changes for the year	(290,172)	546,512
Balance, end of year	\$ 1,548,720	\$ 1,838,892

**SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

**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.

	Deferred Capital 2023	Unspent Capital 2023	Total Deferred Capital Revenue 2023	Total Deferred Capital Revenue 2022
Balance, beginning of year	\$28,265,356	\$96,178	\$28,361,534	\$28,201,027
Prior Period Adjustment	-		-	(\$823,810)
Balance, beginning of year, as restated	28,265,356	96,178	28,361,534	27,377,217
Changes for the year:				
Increase:				
Transfer from Unspent – Capital Additions	1,808,285	-	1,808,285	1,824,446
Transfer from Work in Progress	-	-	-	-
Transfer from Unspent – Work in Progress	-	-	-	1,225,709
Provincial Grants – Ministry of Education	-	3,121,918	3,121,918	3,871,085
Provincial Grants – Other	-	-	-	-
Other Income	-	1,000	1,000	35,259
Investment income	-	-	-	-
MoEd Restricted Portion of Disposal Proceeds	-	-	-	-
	1,808,285	3,122,918	4,931,203	6,956,499
Decrease:				
Amortization of Deferred Capital	1,759,711	-	1,759,711	1,716,107
Capital Additions–transfer to Deferred Capital	-	1,808,285	1,808,285	1,824,446
Work in Progress–transfer to Deferred Capital	-	-	-	1,225,709
Non-capital items	-	1,179,639	1,179,639	1,205,920
	1,759,711	2,987,924	4,747,635	5,972,182
Net changes for the year	48,574	134,994	183,568	984,317
Balance, end of year	\$28,313,930	\$231,172	\$28,545,102	\$28,361,534

**SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

**NOTE 8      EMPLOYEE FUTURE BENEFITS**

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

	2023	2022
<b>Reconciliation of Accrued Benefit Obligation</b>		
Accrued Benefit Obligation – April 1	\$ 1,126,801	\$ 967,769
Service Cost	98,410	95,216
Interest Cost	36,529	25,281
Benefit Payments	(131,320)	(102,991)
Actuarial (Gain) Loss	(79,094)	141,526
Accrued Benefit Obligation – March 31	\$1,051,326	\$1,126,801
<b>Reconciliation of Funded Status at End of Fiscal Year</b>		
Accrued Benefit Obligation - March 31	\$1,051,326	\$1,126,801
Funded Status - Surplus (Deficit)	(1,051,326)	(1,126,801)
Employer Contributions After Measurement Date	11,869	13,322
Benefits Expense After Measurement Date	(34,692)	(33,735)
Unamortized Net Actuarial (Gain) Loss	21,736	119,407
Accrued Benefit Asset (Liability) - June 30	(\$1,052,413)	(\$1,027,807)
<b>Reconciliation of Change in Accrued Benefit Liability</b>		
Accrued Benefit Liability (Asset) - July 1	\$ 1,027,807	\$ 967,480
Net Expense for Fiscal Year	154,473	149,962
Employer Contributions	(129,867)	(89,635)
Accrued Benefit Liability (Asset) - June 30	\$ 1,052,413	\$ 1,027,807
<b>Components of Net Benefit Expense</b>		
Service Cost	\$ 97,780	\$ 96,015
Interest Cost	38,117	28,093
Amortization of Net Actuarial (Gain)/Loss	18,576	25,854
Net Benefit Expense (Income)	\$ 154,473	\$ 149,962

**SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

**NOTE 8 EMPLOYEE FUTURE BENEFITS** *(Continued)*

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

	2023	2022
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
EARSL - March 31	9.8	9.8

**NOTE 9 TANGIBLE CAPITAL ASSETS**

**Net Book Value**

	Net Book Value June 30, 2023	Net Book Value June 30, 2022
Sites	\$ 5,244,777	\$ 5,244,777
Buildings	30,975,488	29,075,932
Buildings – work in progress	-	1,555,937
Furniture & Equipment	251,575	1,083,472
Vehicles	3,375,023	2,509,363
Computer Software	602	1,803
Computer Hardware	42,565	56,053
Total	\$ 39,890,030	\$ 39,527,337

**SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

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

**June 30, 2023**

Cost:	Balance at July 1, 2022	Prior Period Adjustment	Additions	Disposals	Balance at June 30, 2023
Sites	\$ 5,244,777	\$ -	\$ -	\$ -	\$ 5,244,777
Buildings	84,155,186	-	3,425,068	-	87,580,254
Buildings – work in progress	1,555,937	-	-	(1,555,937)	-
Furniture & Equipment	2,106,364	-	60,194	(899,051)	1,267,507
Vehicles	5,063,768	-	671,721	(210,101)	5,525,388
Computer Software	6,006	-	-	-	6,006
Computer Hardware	67,441	-	-	-	67,441
<b>Total</b>	<b>\$ 98,199,479</b>	<b>\$ -</b>	<b>\$ 4,156,983</b>	<b>\$ (2,665,089)</b>	<b>\$ 99,691,373</b>

Accumulated Amortization:	Balance at July 1, 2022	Prior Period Adjustment	Amortization Expense	Disposals	Balance at June 30, 2023
Sites	\$ -	\$ -	\$ -	\$ -	\$ -
Buildings	55,079,254	-	1,525,512	-	56,604,766
Furniture & Equipment	1,022,892	-	203,141	(210,101)	1,015,932
Vehicles	2,554,405	-	495,011	(899,051)	2,150,365
Computer Software	4,203	-	1,201	-	5,404
Computer Hardware	11,388	-	13,488	-	24,876
<b>Total</b>	<b>\$ 58,672,142</b>	<b>\$ -</b>	<b>\$ 2,238,353</b>	<b>\$ (1,109,152)</b>	<b>\$ 59,801,343</b>

**June 30, 2022**

Cost:	Balance at July 1, 2021	Prior Period Adjustment	Additions	Disposals	Balance at June 30, 2022
Sites	\$ 5,244,777	\$ -	\$ -	\$ -	\$ 5,244,777
Buildings	76,940,730	6,151,717	1,062,739	-	84,155,186
Buildings – work in progress	92,969	-	1,462,968	-	1,555,937
Furniture & Equipment	2,188,670	-	268,768	(351,074)	2,106,364
Vehicles	4,484,597	-	661,891	(82,720)	5,063,768
Computer Software	6,006	-	-	-	6,006
Computer Hardware	23,230	-	44,211	-	67,441
<b>Total</b>	<b>\$ 88,980,979</b>	<b>\$ 6,151,717</b>	<b>\$ 3,500,577</b>	<b>\$ (433,794)</b>	<b>\$ 98,199,479</b>

Accumulated Amortization:	Balance at July 1, 2021	Prior Period Adjustment	Additions	Disposals	Balance at June 30, 2022
Sites	\$ -	\$ -	\$ -	\$ -	\$ -
Buildings	47,464,563	6,150,481	1,464,210	-	55,079,254
Furniture & Equipment	1,159,214	-	214,752	(351,074)	1,022,892
Vehicles	2,159,706	-	477,419	(82,720)	2,554,405
Computer Software	3,002	-	1,201	-	4,203
Computer Hardware	2,321	-	9,067	-	11,388
<b>Total</b>	<b>\$ 50,788,806</b>	<b>\$ 6,150,481</b>	<b>\$ 2,166,649</b>	<b>\$ (433,794)</b>	<b>\$ 58,672,142</b>



**SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

**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, 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 the 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 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.

The School District paid \$3,588,381 for employer contributions to these plans in the year ended June 30, 2023 (2022: \$3,387,411).

**NOTE 11      INTERFUND TRANSFERS**

Interfund transfers between the operating, special purpose and capital funds for the year ended June 30, 2023, were as follows:

- A transfer in the amount of \$792,761 (2022: \$213,163) was made from the operating fund to the capital fund for capital equipment purchases.

**SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

**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 UNRECOGNIZED ASSETS**

The School District has been made available the use of Crown Land. The Crown Land has not been recorded in these Financial Statements.

**NOTE 14 CONTRACTUAL OBLIGATIONS**

The School District has a total of \$759,714 of contractual obligations at year end related to the construction or renovation of tangible capital assets. These contractual obligations will become liabilities in the future when the terms of the contracts are met. Disclosure relates to the unperformed portion of the contracts.

Tremblay Elementary - HVAC Upgrade	\$ 433,607
Canalta Elementary - Playground Equipment	240,138
DCSS Central Campus - Gym Floor Replacement	85,969
	\$ 759,714

**NOTE 15 CONTRACTUAL RIGHTS**

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

	2024	2025	2026	2027	2028	Thereafter
Future Rental Revenue	\$ 199,411	\$ 190,378	\$ 189,531	\$ 171,676	\$ 157,557	\$ 101,613

**NOTE 16 CONTINGENT LIABILITIES**

Each year the School District is involved with a number of legal actions and arbitrations. Although the outcomes of these matters are not determinable at this time, management believes they will not have a material adverse effect on the School District's financial position or results of the operation.

**SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

**NOTE 17 ASSET RETIREMENT OBLIGATION**

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

Asset Retirement Obligation, July 1, 2022 (see Note 22)	\$ 6,151,717	
Settlements during the year	-	
Asset Retirement Obligation, closing balance	\$ 6,151,717	

**NOTE 18 EXPENSE BY OBJECT**

	2023	2022	
Salaries and benefits	\$ 47,367,969	\$ 43,873,534	
Services and supplies	11,719,608	10,056,762	
Amortization	2,238,353	2,174,635	
	\$ 61,325,930	\$ 56,104,931	

**NOTE 19 BUDGET FIGURES**

Budget figures included in the financial statements are not audited. They were approved by the Board through the adoption of an amended annual budget on February 15, 2023. The Board adopted a preliminary annual budget on June 22, 2022. The amended budget is used for comparison purposes, as these are based on actual student enrollments.

**SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

**NOTE 19 BUDGET FIGURES (Continued)**

The difference between the two budgets is as follows:

	2023 Amended	2023 Preliminary	Difference
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	\$ 55,054,095	\$ 52,426,888	\$ 2,627,207
Other	273,065	253,295	19,770
Tuition	24,666	48,104	(23,438)
Other Revenue	2,678,539	2,452,045	226,494
Rentals and Leases	157,000	176,000	(19,000)
Investment Income	440,600	167,700	272,900
Gain (Loss) on Disposal of Tangible Capital Assets	-	-	-
Amortization of Deferred Capital Revenue	1,702,419	1,703,519	(1,100)
<b>Total Revenue</b>	<b>60,330,384</b>	<b>57,227,551</b>	<b>3,102,833</b>
<b>Expenses</b>			
Instruction	44,892,251	42,094,444	2,797,807
District Administration	2,378,439	2,074,667	303,772
Operations and Maintenance	10,644,427	10,098,509	545,918
Transportation and Housing	4,438,961	4,282,292	156,669
<b>Total Expenses</b>	<b>62,354,078</b>	<b>58,549,912</b>	<b>3,804,166</b>
<b>Surplus (Deficit) for the year</b>	<b>(2,023,694)</b>	<b>(1,322,361)</b>	<b>(701,333)</b>
<b>Effect of change in Tangible Capital Assets</b>			
Acquisition of Tangible Capital Assets			
From Operating and Special Purpose Funds	(843,563)	(170,000)	(673,563)
From Deferred Capital Revenue	-	-	-
<b>Total Acquisition of Tangible Capital Assets</b>	<b>(843,563)</b>	<b>(170,000)</b>	<b>(673,563)</b>
Amortization of Tangible Capital Assets	2,254,505	2,237,647	16,858
<b>Total Effect of change in Tangible Capital Assets</b>	<b>1,410,942</b>	<b>2,067,647</b>	<b>(656,705)</b>
<b>(Increase) Decrease in Net Financial Assets</b>	<b>\$ (612,752)</b>	<b>\$ 745,286</b>	<b>\$ (1,358,038)</b>

**NOTE 20 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. 59 (PEACE RIVER SOUTH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

**NOTE 21 ACCUMULATED SURPLUS**

	2023	2022
<b>OPERATING</b>		
Internally Restricted (appropriated) by Board for:		
School-based Surpluses	\$ 371,294	\$ 547,586
Indigenous Education Surplus	79,574	108,684
Capital Projects	65,000	174,436
Premier's Award for Excellence in Education Bursary	1,000	-
Renovation Pouce Coupe Elementary	-	44,062
Service Improvement Allocation	21,699	11,453
Portables	-	600,000
Strategic Plan Initiatives	1,766,804	2,157,500
Subtotal Internally Restricted	2,305,371	3,643,721
Unrestricted Operating Surplus (Deficit)	7,188,301	6,441,631
Total Available for Future Operations	\$ 9,493,672	\$ 10,085,352
<b>CAPITAL</b>		
Investment in Tangible Capital Assets	5,424,385	5,110,266
Local Capital	171,958	170,425
Capital Surplus	5,596,343	5,280,691
<b>ACCUMULATED SURPLUS</b>	<b>\$ 15,090,015</b>	<b>\$ 15,366,043</b>

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

On July 1, 2022 the School District adopted Canadian public sector accounting standard PS 3280 Asset Retirement Obligations. This new standard addresses the recognition, measurement, presentation and disclosure of legal obligations associated with the retirement of certain tangible capital assets such as asbestos removal in buildings that will undergo major renovation or demolition in the future (see Note 17). This standard was adopted using the modified retroactive approach.

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

**SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

**NOTE 22 PRIOR PERIOD ADJUSTMENT – CHANGE IN ACCOUNTING POLICY**  
*(Continued)*

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

	<u>Increase (Decrease)</u>
Asset Retirement Obligation (liability)	\$ 6,151,717
Tangible Capital Assets - cost	6,151,717
Tangible Capital Assets - accumulated amortization	6,150,481
Operations & Maintenance Expense – Asset amortization (2022)	7,986
Accumulated Surplus – Invested in Capital Assets	(6,142,495)

**NOTE 23 RISK MANAGEMENT**

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

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

a) Credit risk

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

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

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

**SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2023**

**NOTE 24 RISK MANAGEMENT** *(continued)*

b) Market risk

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

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

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The School District is exposed to interest rate risk through its investments. It is management's opinion that the School District is not exposed to significant interest rate risk.

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. 59 (Peace River South)

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

Schedule 1 (Unaudited)

	Operating Fund	Special Purpose Fund	Capital Fund	2023 Actual	2022 Actual
	\$	\$	\$	\$	\$
<b>Accumulated Surplus (Deficit), beginning of year</b>	10,085,352		5,280,691	15,366,043	20,254,380
Prior Period Adjustments					(6,142,495)
<b>Accumulated Surplus (Deficit), beginning of year, as restated</b>	<b>10,085,352</b>	<b>-</b>	<b>5,280,691</b>	<b>15,366,043</b>	<b>14,111,885</b>
<b>Changes for the year</b>					
Surplus (Deficit) for the year	201,081		(477,109)	(276,028)	1,254,158
Interfund Transfers	(792,761)		792,761	-	
Tangible Capital Assets Purchased	(591,680)		315,652	(276,028)	1,254,158
<b>Net Changes for the year</b>	<b>9,493,672</b>	<b>-</b>	<b>5,596,343</b>	<b>15,090,015</b>	<b>15,366,043</b>

(Restated - Note 22)



# School District No. 59 (Peace River South)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2023

	2023 Budget	2023 Actual	2022 Actual (Restated - Note 22)
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education and Child Care	47,349,321	48,165,511	46,286,062
Other	273,065	264,948	273,111
Tuition	24,666	24,735	60,104
Other Revenue	1,907,852	1,629,126	1,662,277
Rentals and Leases	157,000	162,594	175,139
Investment Income	440,000	578,560	119,507
<b>Total Revenue</b>	<u>50,151,904</u>	<u>50,825,474</u>	<u>48,576,200</u>
<b>Expenses</b>			
Instruction	38,289,770	37,543,650	34,848,384
District Administration	2,378,439	2,383,562	1,948,917
Operations and Maintenance	7,051,655	7,054,295	6,604,219
Transportation and Housing	3,904,248	3,642,886	3,465,646
<b>Total Expense</b>	<u>51,624,112</u>	<u>50,624,393</u>	<u>46,867,166</u>
<b>Operating Surplus (Deficit) for the year</b>	<u>(1,472,208)</u>	<u>201,081</u>	<u>1,709,034</u>
<b>Budgeted Appropriation (Retirement) of Surplus (Deficit)</b>	<u>2,315,771</u>		
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased	(843,563)	(792,761)	(213,163)
<b>Total Net Transfers</b>	<u>(843,563)</u>	<u>(792,761)</u>	<u>(213,163)</u>
<b>Total Operating Surplus (Deficit), for the year</b>	<u>-</u>	<u>(591,680)</u>	<u>1,495,871</u>
<b>Operating Surplus (Deficit), beginning of year</b>		<u>10,085,352</u>	<u>8,589,481</u>
<b>Operating Surplus (Deficit), end of year</b>		<u>9,493,672</u>	<u>10,085,352</u>
<b>Operating Surplus (Deficit), end of year</b>			
Internally Restricted		2,305,371	3,643,721
Unrestricted		7,188,301	6,441,631
<b>Total Operating Surplus (Deficit), end of year</b>		<u>9,493,672</u>	<u>10,085,352</u>

# School District No. 59 (Peace River South)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2023

	2023 Budget	2023 Actual	2022 Actual (Restated - Note 22)
	\$	\$	\$
<b>Provincial Grants - Ministry of Education and Child Care</b>			
Operating Grant, Ministry of Education and Child Care	46,111,425	46,139,821	46,009,843
ISC/LEA Recovery	(1,426,352)	(1,180,958)	(1,136,627)
Other Ministry of Education and Child Care Grants			
Pay Equity	944,395	944,395	944,395
Funding for Graduated Adults			314
Student Transportation Fund	441,458	441,458	441,458
Support Staff Benefits Grant	16,094	16,677	16,094
FSA Scorer Grant	8,187	8,187	8,187
Early Learning Framework (ELF) Implementation	522	522	2,398
Labour Settlement Funding	1,252,592	1,794,409	
Premier's Award for Excellence in Education Bursary	1,000	1,000	
<b>Total Provincial Grants - Ministry of Education and Child Care</b>	<b>47,349,321</b>	<b>48,165,511</b>	<b>46,286,062</b>
<b>Provincial Grants - Other</b>	<b>273,065</b>	<b>264,948</b>	<b>273,111</b>
<b>Tuition</b>			
International and Out of Province Students	24,666	24,735	60,104
<b>Total Tuition</b>	<b>24,666</b>	<b>24,735</b>	<b>60,104</b>
<b>Other Revenues</b>			
Funding from First Nations	1,426,352	1,170,892	1,136,627
Miscellaneous			
Seconded Staff Recoveries	229,000	224,405	208,097
Substitute Staff Recoveries	95,000	82,475	88,687
Bus Charges	50,000	39,684	37,921
Miscellaneous	107,500	111,670	190,945
<b>Total Other Revenue</b>	<b>1,907,852</b>	<b>1,629,126</b>	<b>1,662,277</b>
<b>Rentals and Leases</b>	<b>157,000</b>	<b>162,594</b>	<b>175,139</b>
<b>Investment Income</b>	<b>440,000</b>	<b>578,560</b>	<b>119,507</b>
<b>Total Operating Revenue</b>	<b>50,151,904</b>	<b>50,825,474</b>	<b>48,576,200</b>

# School District No. 59 (Peace River South)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object  
Year Ended June 30, 2023

	2023 Budget	2023 Actual	2022 Actual (Restated - Note 22)
	\$	\$	\$
<b>Salaries</b>			
Teachers	16,831,170	16,796,666	15,808,264
Principals and Vice Principals	3,366,278	3,586,684	3,160,147
Educational Assistants	4,715,076	4,399,872	3,853,419
Support Staff	5,907,237	5,952,022	5,417,514
Other Professionals	2,103,065	1,900,367	1,790,788
Substitutes	1,858,832	1,762,225	1,711,685
<b>Total Salaries</b>	<b>34,781,658</b>	<b>34,397,836</b>	<b>31,741,817</b>
<b>Employee Benefits</b>	<b>8,192,893</b>	<b>7,980,156</b>	<b>7,432,436</b>
<b>Total Salaries and Benefits</b>	<b>42,974,551</b>	<b>42,377,992</b>	<b>39,174,253</b>
<b>Services and Supplies</b>			
Services	1,792,294	1,653,401	1,485,791
Student Transportation	1,065,035	1,042,642	997,848
Professional Development and Travel	526,803	533,953	337,252
Rentals and Leases	26,000	22,603	33,655
Dues and Fees	393,988	392,591	350,136
Insurance	180,973	198,989	196,057
Supplies	2,493,868	2,490,144	2,310,165
Utilities	2,170,600	1,912,078	1,982,009
<b>Total Services and Supplies</b>	<b>8,649,561</b>	<b>8,246,401</b>	<b>7,692,913</b>
<b>Total Operating Expense</b>	<b>51,624,112</b>	<b>50,624,393</b>	<b>46,867,166</b>

# School District No. 59 (Peace River South)

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	14,055,780	882,704	66,352	583,928	99,673	979,360	16,667,797
1.03 Career Programs	30,279	29,719			177,066	2,340	239,404
1.07 Library Services	132,275		58,055			52,373	242,703
1.08 Counselling	577,676		33,621	72,319		1,394	685,010
1.10 Special Education	1,565,276		3,885,038	158,946		281,249	5,890,509
1.20 Early Learning and Child Care					42,189		42,189
1.30 English Language Learning	43,252		37,320			4,142	84,714
1.31 Indigenous Education	392,128	560,177	296,161	113,438	12,955	13,884	1,388,743
1.41 School Administration		2,085,156		659,560		38,038	2,782,754
1.62 International and Out of Province Students							-
<b>Total Function 1</b>	<b>16,796,666</b>	<b>3,557,756</b>	<b>4,376,547</b>	<b>1,588,191</b>	<b>331,883</b>	<b>1,372,780</b>	<b>28,023,823</b>
<b>4 District Administration</b>							
4.11 Educational Administration		28,928		20,892	509,177	1,225	560,222
4.40 School District Governance				170,292	547,346	805	718,443
4.41 Business Administration				191,184	1,175,850	2,030	1,397,992
<b>Total Function 4</b>	<b>-</b>	<b>28,928</b>	<b>-</b>	<b>191,184</b>	<b>1,175,850</b>	<b>2,030</b>	<b>1,397,992</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration				50,817	291,054	6,808	348,679
5.50 Maintenance Operations				2,465,294		279,642	2,744,936
5.52 Maintenance of Grounds				432,961		48,773	481,734
5.56 Utilities							-
<b>Total Function 5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,949,072</b>	<b>291,054</b>	<b>335,223</b>	<b>3,575,349</b>
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration				54,312	101,580		155,892
7.70 Student Transportation			23,325	1,169,263		52,192	1,244,780
<b>Total Function 7</b>	<b>-</b>	<b>-</b>	<b>23,325</b>	<b>1,223,575</b>	<b>101,580</b>	<b>52,192</b>	<b>1,400,672</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>16,796,666</b>	<b>3,586,684</b>	<b>4,399,872</b>	<b>5,952,022</b>	<b>1,900,367</b>	<b>1,762,225</b>	<b>34,397,836</b>

# School District No. 59 (Peace River South)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object  
Year Ended June 30, 2023

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2023 Actual	2023 Budget	2022 Actual
	\$	\$	\$	\$	\$	\$	(Restated - Note 22)
<b>1 Instruction</b>							
1.02 Regular Instruction	16,667,797	3,984,099	20,651,896	1,955,305	22,607,201	22,454,937	21,274,239
1.03 Career Programs	239,404	57,534	296,938	150,912	447,850	372,385	502,974
1.07 Library Services	242,703	53,056	295,759	51,046	346,805	403,987	427,047
1.08 Counselling	685,010	140,298	825,308	12,167	837,475	877,107	787,700
1.10 Special Education	5,890,509	1,360,739	7,251,248	358,443	7,609,691	8,100,769	6,269,195
1.20 Early Learning and Child Care	42,189	12,985	55,174	2,373	57,477		
1.30 English Language Learning	84,714	16,700	101,414	10,659	112,073	218,709	151,642
1.31 Indigenous Education	1,388,743	321,740	1,710,483	202,367	1,912,850	2,078,219	1,840,823
1.41 School Administration	2,782,754	629,301	3,412,055	96,256	3,508,311	3,682,739	3,487,043
1.62 International and Out of Province Students	-	-	-	103,647	103,647	100,918	107,721
<b>Total Function 1</b>	<b>28,023,823</b>	<b>6,576,452</b>	<b>34,600,275</b>	<b>2,943,375</b>	<b>37,543,650</b>	<b>38,289,770</b>	<b>34,848,384</b>
<b>4 District Administration</b>							
4.11 Educational Administration	560,222	118,958	679,180	56,058	735,238	735,594	568,536
4.40 School District Governance	119,327	7,850	127,177	116,592	243,769	249,033	231,157
4.41 Business Administration	718,443	162,447	880,890	523,665	1,404,555	1,393,812	1,149,224
<b>Total Function 4</b>	<b>1,397,992</b>	<b>289,255</b>	<b>1,687,247</b>	<b>696,315</b>	<b>2,383,562</b>	<b>2,378,439</b>	<b>1,948,917</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration	348,679	81,251	429,930	247,832	677,762	665,932	660,567
5.50 Maintenance Operations	2,744,936	625,740	3,370,676	1,046,890	4,417,566	4,356,128	3,928,945
5.52 Maintenance of Grounds	481,734	99,092	580,826	127,842	708,668	708,995	685,183
5.56 Utilities	-	-	-	1,250,299	1,250,299	1,320,600	1,329,524
<b>Total Function 5</b>	<b>3,575,349</b>	<b>806,083</b>	<b>4,381,432</b>	<b>2,672,863</b>	<b>7,054,295</b>	<b>7,051,655</b>	<b>6,604,219</b>
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration	155,892	35,184	191,076	16,683	207,759	288,975	187,130
7.70 Student Transportation	1,244,780	273,182	1,517,962	1,917,165	3,435,127	3,615,273	3,278,516
<b>Total Function 7</b>	<b>1,400,672</b>	<b>308,366</b>	<b>1,709,038</b>	<b>1,933,848</b>	<b>3,642,886</b>	<b>3,904,248</b>	<b>3,465,646</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>34,397,836</b>	<b>7,980,156</b>	<b>42,377,992</b>	<b>8,246,401</b>	<b>50,624,393</b>	<b>51,624,112</b>	<b>46,867,166</b>

# School District No. 59 (Peace River South)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations  
Year Ended June 30, 2023

	2023 Budget	2023 Actual	2022 Actual (Restated - Note 22)
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education and Child Care	6,525,135	6,049,499	4,902,201
Other Revenue	770,687	1,232,124	954,502
Investment Income	-	1,922	507
<b>Total Revenue</b>	<b>7,295,822</b>	<b>7,283,545</b>	<b>5,857,210</b>
<b>Expenses</b>			
Instruction	6,602,481	6,564,812	5,572,851
Operations and Maintenance	654,100	699,504	263,975
Transportation and Housing	39,241	19,229	20,384
<b>Total Expense</b>	<b>7,295,822</b>	<b>7,283,545</b>	<b>5,857,210</b>
<b>Special Purpose Surplus (Deficit) for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Special Purpose Surplus (Deficit) for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Special Purpose Surplus (Deficit), beginning of year</b>			
<b>Special Purpose Surplus (Deficit), end of year</b>		<b>-</b>	<b>-</b>

**School District No. 59 (Peace River South)**

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2023

Schedule 3A (Unaudited)

	Annual Facility Grant	Learning Improvement Fund	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK Fund - Overhead	Classroom Enhancement Fund - Staffing
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Deferred Revenue, beginning of year</b>	368,311	23,525	804,636	29,701		63,237	80,773	
<b>Add:</b> Restricted Grants								
Provincial Grants - Ministry of Education and Child Care	285,788	162,608	1,231,459	192,000	31,850	86,872	390,125	303,972
Other Investment Income								
<b>Less:</b> Allocated to Revenue	285,788	162,608	1,231,459	192,000	31,850	86,872	390,125	303,972
<b>Deferred Revenue, end of year</b>	<u>43,616</u>	<u>42,186</u>	<u>840,937</u>	<u>28,055</u>	<u>5,432</u>	<u>8,502</u>	<u>150,891</u>	<u>-</u>
<b>Revenues</b>	610,483	143,947	1,195,158	193,646	26,418	141,607	320,007	303,972
Provincial Grants - Ministry of Education and Child Care								
Other Revenue Investment Income								
<b>Expenses</b>	610,483	143,947	1,195,158	193,646	26,418	141,607	320,007	303,972
Salaries								
Teachers						41,943		2,709,766
Principals and Vice Principals								
Educational Assistants		117,574		124,128		28,759	143,047	18,139
Support Staff	90,117				8,351		15,014	31,893
Other Professionals					4,668	19,860	718	196,729
Substitutes								
Employee Benefits	90,117	117,574	-	124,128	13,019	90,562	184,670	246,761
Services and Supplies	22,874	26,373	2,822	31,768	2,822	23,890	51,364	56,408
	497,492		1,195,158	37,750	10,577	27,155	83,973	803
	610,483	143,947	1,195,158	193,646	26,418	141,607	320,007	303,972
<b>Net Revenue (Expense) before Interfund Transfers</b>	-	-	-	-	-	-	-	-
<b>Interfund Transfers</b>	-	-	-	-	-	-	-	-
<b>Net Revenue (Expense)</b>	-	-	-	-	-	-	-	-

**School District No. 59 (Peace River South)**  
 Changes in Special Purpose Funds and Expense by Object  
 Year Ended June 30, 2023

	Classroom Enhancement Fund - Remedies	First Nation Student Transportation	Mental Health in Schools	Federal Safe Return to Class / Ventilation Fund	Early Childhood Education Dual Credit Program	Student & Family Affordability	JUST B4	ECL (Early Care & Learning)	Career Grants
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year		24,459	85,101	89,021	200,248				20,687
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	209,908	14,782	55,000		2,000	459,079	25,000	175,000	6,000
Other Investment Income									
Less: Allocated to Revenue	209,908	14,782	55,000	-	2,000	459,079	25,000	175,000	6,000
Deferred Revenue, end of year	191,322	19,229	67,145	89,021	86,230	314,707	25,000	175,000	11,379
	<b>18,586</b>	<b>20,012</b>	<b>72,956</b>	<b>-</b>	<b>116,018</b>	<b>144,372</b>	<b>-</b>	<b>-</b>	<b>15,308</b>
<b>Revenues</b>	191,322	19,229	67,145	89,021	86,230	314,707	25,000	175,000	11,379
Provincial Grants - Ministry of Education and Child Care									
Other Revenue									
Investment Income									
<b>Expenses</b>	61,067		10,107		296		16,733	126,384	
Salaries									
Teachers									
Principals and Vice Principals									
Educational Assistants									
Support Staff									
Other Professionals									
Substitutes									
Employee Benefits	34,182		16,237		8,476		16,733	143,051	
Services and Supplies	95,249		26,344		2,542		3,979	30,856	
	15,177	19,229	5,142	89,021	75,212	314,707	4,288	1,093	11,379
	80,896	19,229	35,659	89,021	86,230	314,707	25,000	175,000	11,379
	191,322	19,229	67,145	89,021	86,230	314,707	25,000	175,000	11,379
<b>Net Revenue (Expense) before Interfund Transfers</b>	-	-	-	-	-	-	-	-	-
<b>Interfund Transfers</b>	-	-	-	-	-	-	-	-	-
<b>Net Revenue (Expense)</b>	-	-	-	-	-	-	-	-	-



**School District No. 59 (Peace River South)**  
 Changes in Special Purpose Funds and Expense by Object  
 Year Ended June 30, 2023

	Early Learning Grants	TOTAL
	\$	\$
<b>Deferred Revenue, beginning of year</b>	49,193	1,838,892
<b>Add:</b> Restricted Grants		
Provincial Grants - Ministry of Education and Child Care	18,243	5,735,749
Other	1,922	1,255,702
Investment Income	20,165	6,993,373
<b>Less:</b> Allocated to Revenue	27,509	7,283,545
<b>Deferred Revenue, end of year</b>	<b>41,849</b>	<b>1,548,720</b>
<b>Revenues</b>		
Provincial Grants - Ministry of Education and Child Care	6,049,499	
Other Revenue	1,232,124	
Investment Income	1,922	
	27,509	7,283,545
<b>Expenses</b>		
Salaries		
Teachers	2,813,072	
Principals and Vice Principals	126,384	
Educational Assistants	299,487	
Support Staff	275,008	
Other Professionals	80,105	
Substitutes	272,394	
	3,866,450	
Employee Benefits	905,194	
Services and Supplies	27,509	
	27,509	7,283,545
<b>Net Revenue (Expense) before Interfund Transfers</b>	-	-
<b>Interfund Transfers</b>	-	-
<b>Net Revenue (Expense)</b>	-	-

# School District No. 59 (Peace River South)

Schedule 4 (Unaudited)

Schedule of Capital Operations  
Year Ended June 30, 2023

	2023 Budget	2023 Actual			2022 Actual (Restated - Note 22)
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
<b>Revenues</b>					
Provincial Grants					
Ministry of Education and Child Care	1,179,639	1,179,639		1,179,639	1,185,720
Other				-	20,200
Investment Income	600		1,533	1,533	3,652
Amortization of Deferred Capital Revenue	1,702,419	1,759,711		1,759,711	1,716,107
<b>Total Revenue</b>	<b>2,882,658</b>	<b>2,939,350</b>	<b>1,533</b>	<b>2,940,883</b>	<b>2,925,679</b>
<b>Expenses</b>					
Operations and Maintenance	1,179,639	1,179,639		1,179,639	1,205,920
Amortization of Tangible Capital Assets					
Operations and Maintenance	1,759,033	1,743,342		1,743,342	1,697,216
Transportation and Housing	495,472	495,011		495,011	477,419
<b>Total Expense</b>	<b>3,434,144</b>	<b>3,417,992</b>	<b>-</b>	<b>3,417,992</b>	<b>3,380,555</b>
<b>Capital Surplus (Deficit) for the year</b>	<b>(551,486)</b>	<b>(478,642)</b>	<b>1,533</b>	<b>(477,109)</b>	<b>(454,876)</b>
<b>Net Transfers (to) from other funds</b>					
Tangible Capital Assets Purchased	843,563	792,761		792,761	213,163
<b>Total Net Transfers</b>	<b>843,563</b>	<b>792,761</b>	<b>-</b>	<b>792,761</b>	<b>213,163</b>
<b>Total Capital Surplus (Deficit) for the year</b>	<b>292,077</b>	<b>314,119</b>	<b>1,533</b>	<b>315,652</b>	<b>(241,713)</b>
<b>Capital Surplus (Deficit), beginning of year</b>		<b>5,110,266</b>	<b>170,425</b>	<b>5,280,691</b>	<b>11,664,899</b>
Prior Period Adjustments					
To Recognize Asset Retirement Obligation					(6,142,495)
<b>Capital Surplus (Deficit), beginning of year, as restated</b>		<b>5,110,266</b>	<b>170,425</b>	<b>5,280,691</b>	<b>5,522,404</b>
<b>Capital Surplus (Deficit), end of year</b>		<b>5,424,385</b>	<b>171,958</b>	<b>5,596,343</b>	<b>5,280,691</b>

# School District No. 59 (Peace River South)

Tangible Capital Assets

Year Ended June 30, 2023

Schedule 4A (Unaudited)

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
<b>Cost, beginning of year</b>	5,244,777	78,003,469	2,106,364	5,063,768	6,006	67,441	90,491,825
Prior Period Adjustments							
To Recognize Asset Retirement Obligation		6,151,717					6,151,717
<b>Cost, beginning of year, as restated</b>	5,244,777	84,155,186	2,106,364	5,063,768	6,006	67,441	96,643,542
<b>Changes for the Year</b>							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		1,360,517		447,768			1,808,285
Operating Fund		508,614	60,194	223,953			792,761
Transferred from Work in Progress		1,555,937					1,555,937
		3,425,068	60,194	671,721	-	-	4,156,983
Decrease:							
Deemed Disposals			210,101	899,051			1,109,152
			210,101	899,051			1,109,152
<b>Cost, end of year</b>	5,244,777	87,580,254	1,956,457	4,836,438	6,006	67,441	99,691,373
<b>Work in Progress, end of year</b>							
<b>Cost and Work in Progress, end of year</b>	5,244,777	87,580,254	1,956,457	4,836,438	6,006	67,441	99,691,373
<b>Accumulated Amortization, beginning of year</b>							
Prior Period Adjustments							
To Recognize Asset Retirement Obligation		6,150,481					6,150,481
<b>Accumulated Amortization, beginning of year, as restated</b>		55,079,254	1,022,892	2,554,405	4,203	11,388	58,672,142
<b>Changes for the Year</b>							
Increase: Amortization for the Year		1,525,512	203,141	495,011	1,201	13,488	2,238,353
Decrease:							
Deemed Disposals			210,101	899,051			1,109,152
			210,101	899,051			1,109,152
<b>Accumulated Amortization, end of year</b>		56,604,766	1,015,932	2,150,365	5,404	24,876	59,801,343
<b>Tangible Capital Assets - Net</b>	5,244,777	30,975,488	940,525	2,686,073	602	42,565	39,890,030

**School District No. 59 (Peace River South)**

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>	1,555,937				1,555,937
<b>Changes for the Year</b>					
Decrease:					
Transferred to Tangible Capital Assets	1,555,937				1,555,937
	1,555,937	-	-	-	1,555,937
<b>Net Changes for the Year</b>	(1,555,937)	-	-	-	(1,555,937)
<b>Work in Progress, end of year</b>	-	-	-	-	-

# School District No. 59 (Peace River South)

Schedule 4C (Unaudited)

Deferred Capital Revenue  
Year Ended June 30, 2023

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
<b>Deferred Capital Revenue, beginning of year</b>	25,501,314	492,558	952,806	26,946,678
<b>Changes for the Year</b>				
Increase:				
Transferred from Deferred Revenue - Capital Additions	1,808,285			1,808,285
Transferred from Work in Progress	800,000	518,678		1,318,678
	<u>2,608,285</u>	<u>518,678</u>	<u>-</u>	<u>3,126,963</u>
Decrease:				
Amortization of Deferred Capital Revenue	1,684,480	34,027	41,204	1,759,711
	<u>1,684,480</u>	<u>34,027</u>	<u>41,204</u>	<u>1,759,711</u>
<b>Net Changes for the Year</b>	<u>923,805</u>	<u>484,651</u>	<u>(41,204)</u>	<u>1,367,252</u>
<b>Deferred Capital Revenue, end of year</b>	<u>26,425,119</u>	<u>977,209</u>	<u>911,602</u>	<u>28,313,930</u>
<b>Work in Progress, beginning of year</b>	800,000	518,678		1,318,678
<b>Changes for the Year</b>				
Decrease				
Transferred to Deferred Capital Revenue	800,000	518,678		1,318,678
	<u>800,000</u>	<u>518,678</u>	<u>-</u>	<u>1,318,678</u>
<b>Net Changes for the Year</b>	<u>(800,000)</u>	<u>(518,678)</u>	<u>-</u>	<u>(1,318,678)</u>
<b>Work in Progress, end of year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Deferred Capital Revenue, end of year</b>	<u>26,425,119</u>	<u>977,209</u>	<u>911,602</u>	<u>28,313,930</u>

# School District No. 59 (Peace River South)

Changes in Unspent Deferred Capital Revenue  
Year Ended June 30, 2023

Schedule 4D (Unaudited)

	Bylaw Capital	MECC Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
<b>Balance, beginning of year</b>	60,919				35,259	96,178
<b>Changes for the Year</b>						
Increase:						
Provincial Grants - Ministry of Education and Child Care	3,121,918					3,121,918
Other	(150,000)	150,000			1,000	1,000
Transfer project surplus to MECC Restricted (from) Bylaw	2,971,918	150,000	-	-	1,000	3,122,918
Decrease:						
Transferred to DCR - Capital Additions	1,808,285					1,808,285
Facility Improvements Not Capitalized	1,179,639					1,179,639
	2,987,924	-	-	-	-	2,987,924
<b>Net Changes for the Year</b>	(16,006)	150,000	-	-	1,000	134,994
<b>Balance, end of year</b>	<b>44,913</b>	<b>150,000</b>	<b>-</b>	<b>-</b>	<b>36,259</b>	<b>231,172</b>