

Audited Financial Statements of

**School District No. 62 (Sooke)**

And Independent Auditors' Report thereon

June 30, 2022

# School District No. 62 (Sooke)

June 30, 2022

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# School District No. 62 (Sooke)

## MANAGEMENT REPORT

Version: 1913-1167-8185

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

The accompanying financial statements of School District No. 62 (Sooke) 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. 62 (Sooke) (called the "Board") is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Board. The Board reviews internal financial statements on a quarterly basis and externally audited financial statements yearly.

The external auditors, KPMG LLP, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of School District No. 62 (Sooke) 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. 62 (Sooke)



Signature of the Chairperson of the Board of Education

Sept 28, 2022

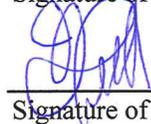
Date Signed



Signature of the Superintendent

Sept. 28, 2022

Date Signed



Signature of the Secretary Treasurer

Sept 27/22

Date Signed



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800-730 View Street  
Victoria BC V8W 3Y7  
Canada  
Telephone 250-480-3500  
Fax 250-480-3539

## INDEPENDENT AUDITORS' REPORT

To the Board of Education of School District No. 62 (Sooke), and  
To the Minister of Education and Child Care, Province of British Columbia

### **Opinion**

We have audited the financial statements of School District No. 62 (Sooke) (the Entity), which comprise:

- the statement of financial position as at June 30, 2022
- the statement of operations for the year then ended
- the statement of changes in net debt for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements of the Entity as at and for the year ended June 30, 2022 are prepared, in all material respects, in accordance with the financial reporting provisions of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

### **Basis for Opinion**

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "**Auditors' Responsibilities for the Audit of the Financial Statements**" section of our auditors' report.

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

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

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

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

Our opinion is not modified in respect of this matter.

### **Other Information**

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

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

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

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



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

We have nothing to report in this regard.

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

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

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

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

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

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

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

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

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

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.  
The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants

Victoria, Canada  
September 28, 2022

# School District No. 62 (Sooke)

## Statement of Financial Position

As at June 30, 2022

	2022 Actual	2021 Actual
	\$	\$
<b>Financial Assets</b>		
Cash and Cash Equivalents	34,092,985	24,981,797
Accounts Receivable		
Due from Province - Ministry of Education and Child Care	2,129,793	3,661,057
Due from Province - Other	12,830	-
Due from First Nations	254,865	761,005
Other (Note 3)	979,299	484,221
<b>Total Financial Assets</b>	<u>37,469,772</u>	<u>29,888,080</u>
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities		
Due to Province - Other	22,276	49,189
Other (Note 5)	17,343,066	12,501,842
Unearned Revenue (Note 6)	5,342,608	4,940,497
Deferred Revenue (Note 7)	1,626,020	1,358,545
Deferred Capital Revenue (Note 8)	253,874,173	215,976,842
Employee Future Benefits (Note 9)	5,525,440	5,036,948
<b>Total Liabilities</b>	<u>283,733,583</u>	<u>239,863,863</u>
<b>Net Debt</b>	<u>(246,263,811)</u>	<u>(209,975,783)</u>
<b>Non-Financial Assets</b>		
Tangible Capital Assets (Note 10)	380,957,964	345,438,884
Restricted Assets (Endowments) (Note 12)	673,449	673,449
Prepaid Expenses (Note 4)	3,453,917	3,122,838
Other Assets	1,150,132	
<b>Total Non-Financial Assets</b>	<u>386,235,462</u>	<u>349,235,171</u>
<b>Accumulated Surplus (Deficit) (Note 22)</b>	<u>139,971,651</u>	<u>139,259,388</u>

Contractual Obligations (Note 16)

Contractual Rights (Note 17)

Contingent Assets (Note 18)

Contingent Liabilities (Note 19)

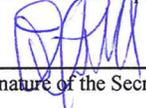
Approved by the Board

  
Signature of the Chairperson of the Board of Education

Sept 28, 2022  
Date Signed

  
Signature of the Superintendent

Sept. 28, 2022  
Date Signed

  
Signature of the Secretary Treasurer

Sept 27, 2022  
Date Signed

# School District No. 62 (Sooke)

Statement of Operations  
Year Ended June 30, 2022

	2022 Budget (Note 20) \$	2022 Actual \$	2021 Actual \$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education and Child Care	144,598,542	<b>144,462,411</b>	141,775,130
Other		<b>730</b>	26,509
Tuition	6,712,900	<b>6,637,195</b>	3,505,226
Other Revenue	4,835,368	<b>4,587,609</b>	3,092,898
Rentals and Leases	388,500	<b>393,661</b>	230,065
Investment Income	378,090	<b>258,765</b>	308,881
Amortization of Deferred Capital Revenue	8,440,864	<b>8,447,330</b>	7,916,047
Amortization of Deferred Capital Revenue - for lease	61,477	<b>61,477</b>	61,477
<b>Total Revenue</b>	<u>165,415,741</u>	<u><b>164,849,178</b></u>	<u>156,916,233</u>
<b>Expenses (Note 21)</b>			
Instruction	135,346,792	<b>132,751,010</b>	123,660,430
District Administration	6,302,624	<b>5,841,891</b>	5,433,325
Operations and Maintenance	21,822,891	<b>21,883,579</b>	21,199,489
Transportation and Housing	3,316,396	<b>3,660,435</b>	3,894,202
<b>Total Expense</b>	<u>166,788,703</u>	<u><b>164,136,915</b></u>	<u>154,187,446</u>
<b>Surplus (Deficit) for the year</b>	<u>(1,372,962)</u>	<u><b>712,263</b></u>	<u>2,728,787</u>
<b>Accumulated Surplus (Deficit) from Operations, beginning of year</b>		<b>139,259,388</b>	136,530,601
<b>Accumulated Surplus (Deficit) from Operations, end of year</b>		<u><u><b>139,971,651</b></u></u>	<u>139,259,388</u>

# School District No. 62 (Sooke)

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

	2022 Budget (Note 20) \$	2022 Actual \$	2021 Actual \$
<b>Surplus (Deficit) for the year</b>	(1,372,962)	<b>712,263</b>	2,728,787
<b>Effect of change in Tangible Capital Assets</b>			
Acquisition of Tangible Capital Assets	(47,470,475)	<b>(44,830,659)</b>	(31,987,197)
Amortization of Tangible Capital Assets	9,295,178	<b>9,311,579</b>	8,750,082
<b>Total Effect of change in Tangible Capital Assets</b>	<b>(38,175,297)</b>	<b>(35,519,080)</b>	(23,237,115)
Acquisition of Prepaid Expenses		<b>(1,420,054)</b>	(1,027,498)
Use of Prepaid Expenses		<b>1,088,975</b>	1,663,260
Acquisition of Other Assets		<b>(1,150,132)</b>	
<b>Total Effect of change in Other Non-Financial Assets</b>	-	<b>(1,481,211)</b>	635,762
<b>(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)</b>	<u>(39,548,259)</u>	<b>(36,288,028)</b>	(19,872,566)
<b>Net Remeasurement Gains (Losses)</b>			
<b>(Increase) Decrease in Net Debt</b>		<b>(36,288,028)</b>	(19,872,566)
<b>Net Debt, beginning of year</b>		<b>(209,975,783)</b>	(190,103,217)
<b>Net Debt, end of year</b>		<b>(246,263,811)</b>	(209,975,783)

# School District No. 62 (Sooke)

Statement of Cash Flows  
Year Ended June 30, 2022

	2022 Actual	2021 Actual
	\$	\$
<b>Operating Transactions</b>		
Surplus (Deficit) for the year	712,263	2,728,787
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	1,529,497	550,947
Prepaid Expenses	(331,079)	635,762
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	4,814,310	(2,068,336)
Unearned Revenue	402,111	1,612,955
Deferred Revenue	267,475	(49,950)
Employee Future Benefits	488,492	523,845
Amortization of Tangible Capital Assets	9,311,579	8,750,082
Amortization of Deferred Capital Revenue	(8,447,330)	(7,916,047)
Recognition of Deferred Capital Revenue Spent on Sites	(367,285)	(4,983,532)
Deferred Capital Revenue Transferred to Revenue	(935,069)	(1,150,693)
Amortization of Deferred Capital Revenue - for lease	(61,477)	(61,477)
<b>Total Operating Transactions</b>	<b>7,383,487</b>	<b>(1,427,657)</b>
<b>Capital Transactions</b>		
Tangible Capital Assets Purchased	(551,766)	(6,216,399)
Tangible Capital Assets -WIP Purchased	(44,278,893)	(25,770,798)
Acquisition of Other Assets	(1,150,132)	
<b>Total Capital Transactions</b>	<b>(45,980,791)</b>	<b>(31,987,197)</b>
<b>Financing Transactions</b>		
Capital Revenue Received	47,708,492	32,376,539
<b>Total Financing Transactions</b>	<b>47,708,492</b>	<b>32,376,539</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>9,111,188</b>	<b>(1,038,315)</b>
<b>Cash and Cash Equivalents, beginning of year</b>	<b>24,981,797</b>	<b>26,020,112</b>
<b>Cash and Cash Equivalents, end of year</b>	<b>34,092,985</b>	<b>24,981,797</b>
<b>Cash and Cash Equivalents, end of year, is made up of:</b>		
Cash	22,928,792	6,644,585
Cash Equivalents	11,164,193	18,337,212
	<b>34,092,985</b>	<b>24,981,797</b>

## **SCHOOL DISTRICT NO. 62 (SOOKE)**

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2022

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### **NOTE 1      AUTHORITY AND PURPOSE**

The School District, established on April 12, 1946 operates under authority of the *School Act* of British Columbia as a corporation under the name of "The Board of Education of School District No. 62 (Sooke)", and operates as "School District No. 62 (Sooke)." 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. 62 (Sooke) is exempt from federal and provincial corporate income taxes.

### **NOTE 2      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

#### **a) Basis of Accounting**

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

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

#### **b) Basis of Consolidation**

The School District does not control any significant external entities and accordingly no entities have been consolidated with the financial statements.

The School District has entered into trust activities with some employees; these are described in Note 13.

## **SCHOOL DISTRICT NO. 62 (SOOKE)**

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2022

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

#### **c) Cash and Cash Equivalents**

Cash and cash equivalents include cash and highly liquid securities that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value. These cash equivalents generally have a maturity of three months or less at acquisition and are held for the purpose of meeting short-term cash commitments rather than for investing.

#### **d) Accounts Receivable**

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

#### **e) Portfolio Investments**

Portfolio investments include investments in GIC's that have a maturity of greater than 3 months at the time of acquisition. GIC's are reported at cost.

#### **f) Unearned Revenue**

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

#### **g) 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(n).

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

# SCHOOL DISTRICT NO. 62 (SOOKE)

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022

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

### h) 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, retirement/severance, and death benefits. The benefits cost is actuarially determined using the projected unit credit method pro-rated on service and using management's best estimate of expected salary escalation, termination rates, retirement rates and mortality. The discount rate used to measure obligations is based on the cost of borrowing. The cumulative unrecognized actuarial gains and losses are amortized over the expected average remaining service lifetime (EARSLS) of active employees covered under the plan.

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

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

### i) 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. A liability for remediation of contaminated sites is recognized when a site is not in productive use and all the following criteria are met:

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

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

# SCHOOL DISTRICT NO. 62 (SOOKE)

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2022

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

### j) 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 of the asset.
- Donated tangible capital assets from non-related parties are recorded at their fair market value on the date of donation.
- 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

### k) Capital Leases

Leases that, from the point of view of the lessee, transfer substantially all the benefits and risks incident to ownership of the property to the School District are considered capital leases. These are accounted for as an asset and an obligation. Capital lease obligations are recorded at the present value of the minimum lease payments excluding executor costs, e.g., insurance, maintenance costs, etc. The discount rate used to determine the present value of the lease payments is the lower of the School District's rate for incremental borrowing or the interest rate implicit in the lease.

All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

### l) Prepaid Expenses

Payments for insurance, leases, subscriptions and maintenance contracts for use within the School District in the future period are included as a prepaid expense and stated at acquisition cost and are charged to expense over the periods expected to benefit from it.

## SCHOOL DISTRICT NO. 62 (SOOKE)

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2022

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

#### m) Funds and Reserves

Certain amounts, as approved by the Board are set aside in accumulated surplus for future operating and capital purposes. Transfers to and from funds and reserves are an adjustment to the respective fund when approved (see Note 14 – Interfund Transfers and Note 22 – Accumulated Surplus).

#### n) 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.

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.

## **SCHOOL DISTRICT NO. 62 (SOOKE)**

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2022

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

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

##### Allocation of Costs

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

#### **p) Endowment Contributions**

Endowment contributions are reported as revenue on the Statement of Operations when received. Investment income earned on endowment principal is recorded as deferred revenue if it meets the definition of a liability and is recognized as revenue in the year related expenses (disbursements) are incurred. If the investment income earned does not meet the definition of a liability, it is recognized as revenue in the year it is earned. Endowment assets are reported as restricted non-financial assets on the Statement of Financial Position.

## **SCHOOL DISTRICT NO. 62 (SOOKE)**

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022

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

#### **q) Financial Instruments**

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

Financial instruments consist of cash and cash equivalents, accounts receivable, portfolio investments, accounts payable and accrued liabilities. The School District does not have any derivative financial instruments.

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. The School District has not invested in any equity instruments that are actively quoted in the market and has not designated any financial instruments to be recorded at fair value. The School District has no instruments in the fair value category.

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.

#### **r) Measurement Uncertainty**

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

# SCHOOL DISTRICT NO. 62 (SOOKE)

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2022

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

### s) Future Changes in Accounting Policies

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

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

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

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

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

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

	June 30, 2022	June 30, 2021
Due from Federal Government	\$ 472,425	\$ 126,816
Payroll accounts receivable	785	40,964
School site acquisition charges receivable	153,306	95,694
Other accounts receivable	352,783	220,747
	<hr/>	<hr/>
	\$ 979,299	\$ 484,221

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**SCHOOL DISTRICT NO. 62 (SOOKE)**NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022**NOTE 4      PREPAID LEASE**

The School District prepaid a long-term lease to the Federal Government for the use of the John Stubbs Memorial School site for 50 years. This lease started on July 1, 2005 and ends on June 30, 2055.

The unamortized balance of the lease represents \$2,033,863 (2021: \$2,095,340) of the prepaid expenses.

**NOTE 5      ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	June 30, 2022	June 30, 2021
Trade payables	\$ 11,230,416	\$ 6,877,656
Salaries and benefits payable	5,288,686	4,755,245
Accrued vacation pay	823,964	868,941
	<u>\$ 17,343,066</u>	<u>\$ 12,501,842</u>

**NOTE 6      UNEARNED REVENUE**

	June 30, 2022	June 30, 2021
Balance, beginning of year	\$ 4,940,497	\$ 3,327,542
Increase:		
Tuition fees collected	7,039,307	5,118,181
	<u>7,039,307</u>	<u>5,118,181</u>
Decrease:		
Tuition fees recognized	(6,637,196)	(3,505,226)
	<u>(6,637,196)</u>	<u>(3,505,226)</u>
Net change for the year	402,111	1,612,955
Balance, end of year	<u>\$ 5,342,608</u>	<u>\$ 4,940,497</u>

**SCHOOL DISTRICT NO. 62 (SOOKE)**NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022**NOTE 7 DEFERRED REVENUE**

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

	June 30, 2022	June 30, 2021
Balance, beginning of year	\$ 1,358,545	\$ 1,408,495
Increase:		
Provincial Grants - Ministry of Education and Child Care	20,649,732	22,328,793
Other revenue	3,375,948	1,998,242
Investment income	13,818	11,957
	<u>24,039,498</u>	<u>24,338,992</u>
Decrease:		
Transfers to revenue	(23,751,617)	(24,388,942)
Grants recovered	(20,406)	-
	<u>(23,772,023)</u>	<u>(24,388,942)</u>
Net change for the year	267,475	(49,950)
Balance, end of year	<u>\$ 1,626,020</u>	<u>\$ 1,358,545</u>

**SCHOOL DISTRICT NO. 62 (SOOKE)**NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022**NOTE 8 DEFERRED CAPITAL REVENUE**

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

	June 30, 2022	June 30, 2021
<b>Deferred Capital Revenue Subject to Amortization</b>		
Balance, beginning of year	\$ 192,140,028	\$ 171,528,750
Increases:		
Transfer from deferred capital revenue – capital additions	-	977,172
Transfer from deferred capital revenue – work in progress	2,320,615	27,611,630
	<u>2,320,615</u>	<u>28,588,802</u>
Decreases:		
Amortization of deferred capital revenue	(8,447,330)	(7,916,047)
Amortization of long term lease	(61,477)	(61,477)
	<u>(8,508,807)</u>	<u>(7,977,524)</u>
Net change for the year	(6,188,192)	20,611,278
<b>Balance, end of year</b>	<b>\$ 185,951,836</b>	<b>\$ 192,140,028</b>
<b>Deferred Capital Revenue - Work In Progress</b>		
Balance, beginning of year	\$ 21,595,619	\$ 24,165,683
Increases:		
Transfer from deferred capital revenue - unspent	44,043,020	25,041,566
	<u>44,043,020</u>	<u>25,041,566</u>
Decreases:		
Transfer to deferred capital revenue subject to amortization	(2,320,615)	(27,611,630)
	<u>(2,320,615)</u>	<u>(27,611,630)</u>
Net change for the year	41,722,405	(2,570,064)
<b>Balance, end of year</b>	<b>\$ 63,318,024</b>	<b>\$ 21,595,619</b>

**SCHOOL DISTRICT NO. 62 (SOOKE)**

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2022

**NOTE 8 DEFERRED CAPITAL REVENUE (continued)**

	June 30, 2022	June 30, 2021
<b>Deferred Capital Revenue - Unspent</b>		
Balance, beginning of year	\$ 2,241,195	\$ 2,017,619
Increases:		
Provincial Grants - Ministry of Education and Child Care	44,617,191	30,874,648
Provincial Grants – Other	1,150,132	-
Other	1,938,639	1,495,652
Investment income	2,530	6,239
	47,708,492	32,376,539
Decreases:		
Transfer to deferred capital revenue – capital additions	-	(977,172)
Transfer to deferred capital revenue – work in progress	(44,043,020)	(25,041,566)
Transfer to revenue – site purchases	(367,285)	(4,983,532)
Transfer to revenue – expensed costs	(935,069)	(1,150,693)
	(45,345,374)	(32,152,963)
Net change for the year	2,363,118	223,576
Balance, end of year	\$ 4,604,313	\$ 2,241,195
<b>Total Deferred Capital Revenue Balance, end of year</b>	<b>\$ 253,874,173</b>	<b>\$ 215,976,842</b>

**NOTE 9 EMPLOYEE FUTURE BENEFITS**

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

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

	June 30, 2022	June 30, 2021
Discount rate - April 1	2.50%	2.25%
Discount rate - March 31	3.25%	2.50%
Long-term salary growth - April 1	2.50% + seniority	2.50% + seniority
Long-term salary growth - March 31	2.50% + seniority	2.50% + seniority
EARSL - March 31	10.2 years	9.6 years

**SCHOOL DISTRICT NO. 62 (SOOKE)**

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2022

**NOTE 9 EMPLOYEE FUTURE BENEFITS (continued)**

	June 30, 2022	June 30, 2021
<b>Reconciliation of Accrued Benefit Obligation</b>		
Accrued benefit obligation - April 1	\$ 5,329,627	\$ 5,224,414
Service cost	503,896	505,381
Interest cost	139,605	124,055
Benefit payments	(360,208)	(282,372)
Increase (Decrease) in obligation due to Plan Amendment	8,844	-
Actuarial loss (gain)	802,758	(241,851)
Accrued benefit obligation - March 31	\$ 6,424,522	\$ 5,329,627
<b>Reconciliation of Funded Status at End of Fiscal Year</b>		
Accrued benefit obligation - March 31	\$ 6,424,522	\$ 5,329,627
Market value of Plan Assets - March 31	-	-
Funded Status - Deficit	(6,424,522)	(5,329,627)
Employer contributions after measurement date	82,234	53,302
Benefits expense after measurement date	(216,925)	(160,875)
Unamortized net actuarial loss	1,033,773	400,252
Accrued benefit liability - June 30	\$ (5,525,440)	\$ (5,036,948)
<b>Reconciliation of Change in Accrued Benefit Liability</b>		
Accrued benefit liability - July 1	\$ 5,036,948	\$ 4,513,102
Net expense for fiscal year	877,631	827,381
Employer contributions	(389,139)	(303,535)
Accrued benefit liability - June 30	\$ 5,525,440	\$ 5,036,948
<b>Components of Net Benefit Expense</b>		
Service cost	\$ 540,297	\$ 505,010
Interest cost	159,254	127,943
Immediate Recognition of Plan Amendment	8,844	-
Amortization of net actuarial loss	169,236	194,429
Net benefit expense for fiscal year	\$ 877,631	\$ 827,381

The impact of changes in assumptions between the March 31, 2022 measurement date and June 30, 2022 reporting date have been considered and are not considered to be material.

**SCHOOL DISTRICT NO. 62 (SOOKE)**

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2022

**NOTE 10 TANGIBLE CAPITAL ASSETS**

Net Book Value	June 30, 2022	June 30, 2021
Sites	\$ 118,046,890	\$ 117,679,605
Buildings	186,683,275	193,650,538
Buildings – WIP	62,253,615	21,398,399
Furniture & Equipment	10,047,251	9,217,619
Furniture & Equipment - WIP	1,064,409	197,221
Vehicles	2,796,606	3,226,615
Computer Software	-	-
Computer Hardware	65,918	68,887
<b>Total</b>	<b>\$ 380,957,964</b>	<b>\$ 345,438,884</b>

**June 30, 2022**

<b>Cost:</b>	Balance at July 1, 2021	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2022
Sites	\$ 117,679,605	\$ 367,285	\$ -	\$ -	\$ 118,046,980
Buildings	299,179,326	-	-	129,583	299,308,909
Buildings – WIP	21,398,399	40,984,799	-	(129,583)	62,253,615
Furniture & Equipment	14,959,274	-	(399,968)	2,426,906	16,986,212
Furniture – WIP	197,221	3,294,094	-	(2,426,906)	1,064,409
Vehicles	5,610,053	135,182	(51,476)	-	5,693,759
Computer Software	-	-	-	-	-
Computer Hardware	257,817	49,299	(42,257)	-	264,859
Computer Hardware - WIP	-	-	-	-	-
<b>Total</b>	<b>\$ 459,281,695</b>	<b>\$ 44,830,659</b>	<b>\$ (493,701)</b>	<b>\$ -</b>	<b>\$ 503,618,653</b>

<b>Accumulated Amortization:</b>	Balance at July 1, 2021	Amortization	Disposals	Transfers (WIP)	Balance at June 30, 2022
Sites	\$ -	\$ -	\$ -	\$ -	\$ -
Buildings	105,528,788	7,096,846	-	-	112,625,634
Furniture & Equipment	5,741,655	1,597,274	(399,968)	-	6,938,961
Vehicles	2,383,438	565,191	(51,476)	-	2,897,153
Computer software	-	-	-	-	-
Computer hardware	188,930	52,268	(42,257)	-	198,941
<b>Total</b>	<b>\$ 113,842,811</b>	<b>\$ 9,311,579</b>	<b>\$ (493,701)</b>	<b>\$ -</b>	<b>\$ 122,660,689</b>

**SCHOOL DISTRICT NO. 62 (SOOKE)**NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022**NOTE 10 TANGIBLE CAPITAL ASSETS (continued)****June 30, 2021**

<b>Cost:</b>	Balance at July 1, 2020	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2021
Sites	\$ 112,696,073	\$ 4,983,532	\$ -	\$ -	\$ 117,679,605
Buildings	273,772,065	-	-	25,407,261	299,179,326
Buildings – WIP	23,761,543	23,044,117	-	(25,407,261)	21,398,399
Furniture & Equipment	12,154,403	-	(128,729)	2,933,600	14,959,274
Furniture – WIP	404,140	2,726,681	-	(2,933,600)	197,221
Vehicles	4,574,310	1,232,867	(197,124)	-	5,610,053
Computer Software	-	-	-	-	-
Computer Hardware	691,419	-	(433,602)	-	257,817
Computer Hardware - WIP	-	-	-	-	-
<b>Total</b>	<b>\$ 428,053,953</b>	<b>\$ 31,987,197</b>	<b>\$ (759,455)</b>	<b>\$ -</b>	<b>\$ 459,281,695</b>

<b>Accumulated Amortization:</b>	Balance at July 1, 2020	Amortization	Disposals	Transfers (WIP)	Balance at June 30, 2021
Sites	\$ -	\$ -	\$ -	\$ -	\$ -
Buildings	98,738,532	6,790,256	-	-	105,528,788
Furniture & Equipment	4,514,700	1,355,684	(128,729)	-	5,741,655
Vehicles	2,071,344	509,218	(197,124)	-	2,383,438
Computer Software	-	-	-	-	-
Computer Hardware	527,608	94,924	(433,602)	-	188,930
<b>Total</b>	<b>\$ 105,852,184</b>	<b>\$ 8,750,082</b>	<b>\$ (759,455)</b>	<b>\$ -</b>	<b>\$ 113,842,811</b>

Work in progress (WIP) includes buildings, furniture and equipment and computer hardware that have not been amortized. Amortization of these assets will commence when the assets are put into service.

**Contributed tangible capital assets**

Contributed capital assets are recognized at fair market value at the date of contribution. The value of contributed assets received during the year is \$0 (2021 - \$0).

## **SCHOOL DISTRICT NO. 62 (SOOKE)**

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022

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### **NOTE 11      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 \$11,110,448 for employer contributions to the plans for the year ended June 30, 2022 (2021: \$10,478,086).

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

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

**SCHOOL DISTRICT NO. 62 (SOOKE)**NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022**NOTE 12 RESTRICTED ASSETS – ENDOWMENT FUNDS**

Donors have provided endowment contributions with a restriction that the original contribution should not be spent. These endowments have been invested in high interest savings accounts bearing interest at 0.95%.

Other than the Victor Chen Memorial endowment, the endowments were established to provide scholarships and bursaries for one or more deserving graduate or undergraduate students in full time attendance at Edward Milne Community School. The Victor Chen Memorial endowment was established to provide annual scholarships in perpetuity to a student or students from the Westshore planning to study engineering.

Name of Endowment	Balance July 1, 2021	Contributions	Balance June 30, 2022
Cal Meyer	\$ 609,285	\$ -	\$ 609,285
Sooke Women's Institute	17,554	-	17,554
Derochie	10,000	-	10,000
STARR	6,000	-	6,000
Victor Chen Memorial	30,610	-	30,610
<b>Total</b>	<b>\$ 673,449</b>	<b>\$ -</b>	<b>\$ 673,449</b>

**NOTE 13 TRUSTS UNDER ADMINISTRATION**

The School District is in a trustee relationship with employees under the deferred salary leave plan and the teachers' summer savings plan.

As at June 30, 2022, the District held the following funds in place, as directed by agreement with the employees. These amounts have not been included in the cash or accounts payable balances in the financial statements:

	June 30, 2022	June 30, 2021
Deferred Salary Leave Plan	\$ 286,370	\$ 186,950
Teachers' Summer Savings Plan	1,753,966	1,556,852
<b>Total</b>	<b>\$ 2,040,336</b>	<b>\$ 1,743,802</b>

**NOTE 14 INTERFUND TRANSFERS**

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

- Transfer to the capital fund for tangible capital assets purchased from the operating fund \$184,481
- Transfer to the capital fund for tangible capital assets work in progress from the operating fund \$102,132
- Transfer to the capital fund for tangible capital assets work in progress from the special purpose fund \$133,741

**SCHOOL DISTRICT NO. 62 (SOOKE)**

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2022

**NOTE 15 RELATED PARTY TRANSACTIONS**

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

**NOTE 16 CONTRACTUAL OBLIGATIONS**

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

	2023	2024	2025	2026	2027	Thereafter
Premises leases	\$ 28,386	\$ -	\$ -	\$ -	\$ -	\$ -
Copier leases	127,731	102,518	65,690	50,832	45,649	-
<b>Total</b>	<b>\$ 156,117</b>	<b>\$ 102,518</b>	<b>\$ 65,690</b>	<b>\$ 50,832</b>	<b>\$ 45,649</b>	<b>\$ -</b>

The School District has entered into contracts related to capital projects with a remaining cost of approximately \$14,277,011.

**NOTE 17 CONTRACTUAL RIGHTS**

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

	2023	2024	2025	2026	2027	Thereafter
Future lease/rental revenue	\$123,710	\$72,960	\$72,960	\$72,960	\$72,960	\$54,720
<b>Total</b>	<b>\$123,710</b>	<b>\$72,960</b>	<b>\$72,960</b>	<b>\$72,960</b>	<b>\$72,960</b>	<b>\$54,720</b>

**NOTE 18 CONTINGENT ASSETS**

Contingent assets are possible assets arising from existing conditions or situations involving uncertainty. That uncertainty will ultimately be resolved when one or more future events not wholly within the School District's control occurs, or fails to occur. Resolution of the uncertainty will confirm the existence or non-existence of an asset.

At this time the School District has determined that there are no contingent assets.

**SCHOOL DISTRICT NO. 62 (SOOKE)**

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2022

**NOTE 19      CONTINGENT LIABILITIES**

The nature of the School District's activities is such that there is usually litigation pending or in process at any time. With respect to unsettled claims at June 30, 2022, management believes the School District has valid defenses and appropriate insurance coverage in place. In the event any claims are successful, management believes that such claims are not expected to have a material effect on the School District's financial position.

**NOTE 20      BUDGET FIGURES**

Budget figures included in the financial statements were approved by the Board through the adoption of an amended annual budget bylaw on February 22, 2022. The original budget was adopted on June 22, 2021. The original and amended budgets are presented below.

	2022 Amended Annual Budget \$	2022 Annual Budget \$
<b>Revenues</b>		
Provincial Grants		
Ministry of Education and Child Care	144,598,542	134,155,881
Tuition	6,712,900	5,356,782
Other Revenue	4,835,368	4,910,369
Rentals and Leases	388,500	388,500
Investment Income	378,090	363,875
Amortization of Deferred Capital Revenue	8,440,864	7,456,368
Amortization of Deferred Capital Revenue - for long term lease	61,477	61,477
<b>Total Revenue</b>	<u>165,415,741</u>	<u>152,693,252</u>
<b>Expenses</b>		
Instruction	135,346,792	124,959,277
District Administration	6,302,624	5,627,040
Operations and Maintenance	21,822,891	20,364,021
Transportation and Housing	3,316,396	3,193,109
<b>Total Expense</b>	<u>166,788,703</u>	<u>154,143,447</u>
Net Revenue (Expense)	<u>(1,372,962)</u>	<u>(1,450,195)</u>
Budgeted Allocation (Retirement) of Surplus (Deficit)	1,416,139	1,496,000
Budgeted Surplus (Deficit), for the year	<u>43,177</u>	<u>45,805</u>

**SCHOOL DISTRICT NO. 62 (SOOKE)**NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022**NOTE 21 EXPENSE BY OBJECT**

	June 30, 2022	June 30, 2021
Salaries and benefits	\$ 135,058,442	\$ 128,330,235
Services and supplies	19,766,894	17,107,129
Amortization	9,311,579	8,750,082
<b>Total</b>	<b>\$ 164,136,915</b>	<b>\$ 154,187,446</b>

**NOTE 22 ACCUMULATED SURPLUS**

	June 30, 2022	June 30, 2021
Total Internally Restricted Fund Balances	\$ 5,576,128	\$ 4,787,255
Special Purpose Fund – endowments	673,449	673,449
Invested in Tangible Capital Assets	133,722,074	133,798,684
<b>Total Accumulated Surplus</b>	<b>\$ 139,971,651</b>	<b>\$ 139,259,388</b>

The Internally Restricted Fund Balances are composed of an Internally Restricted Operating Fund balance and an Internally Restricted Capital Fund balance. The Internally Restricted Operating Fund balance represents the amount of funds committed for planned future years' operating activities. The Internally Restricted Capital Fund balance represents the balance from the Local Capital Reserve. The use of Local Capital is entirely at the discretion of the School District. Appropriations from Local Capital are made to finance projects as determined by the Board.

	June 30, 2022	June 30, 2021
Internally Restricted Surplus – Operating Fund		
Restricted Due to the Nature of Constraints on the Funds	\$ 525,166	\$ 2,249,153
Restricted for Operations Spanning Multiple School Years	1,742,922	844,986
Restricted for Anticipated Unusual Expenses Identified by the Board	3,308,040	1,693,116
<b>Total Internally Restricted Surplus – Operating Fund</b>	<b>5,576,128</b>	<b>4,787,225</b>
Internally Restricted Surplus – Capital Fund		
Local capital reserve	-	-
<b>Total Internally Restricted Surplus – Capital Fund</b>	<b>-</b>	<b>-</b>
<b>Total Internally Restricted Surplus</b>	<b>\$ 5,576,128</b>	<b>\$ 4,787,255</b>

**NOTE 23 ECONOMIC DEPENDENCE**

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

## SCHOOL DISTRICT NO. 62 (SOOKE)

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2022

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### NOTE 24 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 borrower. This risk is mitigated as most amounts receivable are due from the Province and are collectible.

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

**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.

**i. Currency 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.

**ii. 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. The School District is exposed to interest rate risk through its investments. It is management's opinion that the School District is not exposed to significant interest rate risk as it invests solely in Guaranteed Investment Certificates that have a fixed maturity.

**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 exposures from 2021 related to credit, market or liquidity risks.

# School District No. 62 (Sooke)

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

	<b>Operating Fund</b>	<b>Special Purpose Fund</b>	<b>Capital Fund</b>	<b>2022 Actual</b>	2021 Actual
	\$	\$	\$	\$	\$
<b>Accumulated Surplus (Deficit), beginning of year</b>	4,787,255	673,449	133,798,684	<b>139,259,388</b>	136,530,601
<b>Changes for the year</b>					
Surplus (Deficit) for the year	1,075,486	133,741	(496,964)	<b>712,263</b>	2,728,787
Interfund Transfers					
Tangible Capital Assets Purchased	(184,481)		184,481	-	
Tangible Capital Assets - Work in Progress	(102,132)	(133,741)	235,873	-	
<b>Net Changes for the year</b>	<b>788,873</b>	<b>-</b>	<b>(76,610)</b>	<b>712,263</b>	<b>2,728,787</b>
<b>Accumulated Surplus (Deficit), end of year - Statement 2</b>	<b>5,576,128</b>	<b>673,449</b>	<b>133,722,074</b>	<b>139,971,651</b>	139,259,388

# School District No. 62 (Sooke)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2022

	2022 Budget (Note 20) \$	2022 Actual \$	2021 Actual \$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education and Child Care	121,975,601	<b>122,740,094</b>	113,365,893
Other		<b>730</b>	26,509
Tuition	6,712,900	<b>6,637,195</b>	3,505,226
Other Revenue	930,565	<b>1,273,555</b>	997,217
Rentals and Leases	388,500	<b>393,661</b>	230,065
Investment Income	353,875	<b>241,165</b>	290,632
<b>Total Revenue</b>	<b>130,361,441</b>	<b>131,286,400</b>	<b>118,415,542</b>
<b>Expenses</b>			
Instruction	111,108,643	<b>109,785,484</b>	101,010,417
District Administration	6,302,624	<b>5,841,891</b>	5,413,425
Operations and Maintenance	11,444,136	<b>11,488,295</b>	10,780,579
Transportation and Housing	2,750,872	<b>3,095,244</b>	3,097,339
<b>Total Expense</b>	<b>131,606,275</b>	<b>130,210,914</b>	<b>120,301,760</b>
<b>Operating Surplus (Deficit) for the year</b>	<b>(1,244,834)</b>	<b>1,075,486</b>	<b>(1,886,218)</b>
<b>Budgeted Appropriation (Retirement) of Surplus (Deficit)</b>	<b>1,416,139</b>		
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased	(171,305)	<b>(184,481)</b>	(255,695)
Tangible Capital Assets - Work in Progress		<b>(102,132)</b>	(263,722)
<b>Total Net Transfers</b>	<b>(171,305)</b>	<b>(286,613)</b>	<b>(519,417)</b>
<b>Total Operating Surplus (Deficit), for the year</b>	<b>-</b>	<b>788,873</b>	<b>(2,405,635)</b>
<b>Operating Surplus (Deficit), beginning of year</b>		<b>4,787,255</b>	7,192,890
<b>Operating Surplus (Deficit), end of year</b>		<b>5,576,128</b>	<b>4,787,255</b>
<b>Operating Surplus (Deficit), end of year</b>			
Internally Restricted		<b>5,576,128</b>	4,787,255
<b>Total Operating Surplus (Deficit), end of year</b>		<b>5,576,128</b>	<b>4,787,255</b>

# School District No. 62 (Sooke)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2022

	2022 Budget (Note 20)	2022 Actual	2021 Actual
	\$	\$	\$
<b>Provincial Grants - Ministry of Education and Child Care</b>			
Operating Grant, Ministry of Education and Child Care	120,951,499	<b>121,840,185</b>	109,163,647
ISC/LEA Recovery	(509,565)	<b>(515,866)</b>	(509,565)
Other Ministry of Education and Child Care Grants			
Pay Equity	931,052	<b>931,052</b>	931,052
Funding for Graduated Adults	40,000	<b>103,744</b>	163,544
Student Transportation Fund	358,365	<b>358,365</b>	358,365
Teachers' Labour Settlement Funding			3,007,718
Early Career Mentorship Funding			235,000
FSA Scorer Grant	12,000	<b>12,964</b>	12,964
Child Care Funding		<b>6,482</b>	
Early Learning Framework Implementation		<b>3,168</b>	3,168
Anticipated Enrolment Increase	192,250		
<b>Total Provincial Grants - Ministry of Education and Child Care</b>	<b>121,975,601</b>	<b>122,740,094</b>	<b>113,365,893</b>
<b>Provincial Grants - Other</b>		<b>730</b>	<b>26,509</b>
<b>Tuition</b>			
Continuing Education	110,000	<b>95,598</b>	93,874
International and Out of Province Students	6,602,900	<b>6,541,597</b>	3,411,352
<b>Total Tuition</b>	<b>6,712,900</b>	<b>6,637,195</b>	<b>3,505,226</b>
<b>Other Revenues</b>			
Funding from First Nations	509,565	<b>515,866</b>	509,565
Miscellaneous			
Grants for Crossing Guards	70,000	<b>106,000</b>	88,000
Miscellaneous	100,000	<b>122,573</b>	98,064
Rebates	51,000	<b>77,971</b>	44,847
Reclassified from SGF Discretionary	200,000	<b>174,691</b>	134,314
Careers Program		<b>189,904</b>	122,427
Transportation Safety Enhancement Fees		<b>86,550</b>	
<b>Total Other Revenue</b>	<b>930,565</b>	<b>1,273,555</b>	<b>997,217</b>
<b>Rentals and Leases</b>	<b>388,500</b>	<b>393,661</b>	<b>230,065</b>
<b>Investment Income</b>	<b>353,875</b>	<b>241,165</b>	<b>290,632</b>
<b>Total Operating Revenue</b>	<b>130,361,441</b>	<b>131,286,400</b>	<b>118,415,542</b>

**School District No. 62 (Sooke)**

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2022

	2022 Budget (Note 20) \$	2022 Actual \$	2021 Actual \$
<b>Salaries</b>			
Teachers	50,731,418	<b>49,878,807</b>	48,393,009
Principals and Vice Principals	8,648,042	<b>8,513,507</b>	8,085,645
Educational Assistants	10,979,163	<b>11,477,073</b>	10,136,051
Support Staff	12,837,058	<b>12,454,246</b>	12,221,148
Other Professionals	4,726,417	<b>4,770,015</b>	4,226,866
Substitutes	5,626,091	<b>5,215,605</b>	3,808,405
<b>Total Salaries</b>	<b>93,548,189</b>	<b>92,309,253</b>	86,871,124
<b>Employee Benefits</b>	22,822,078	<b>22,819,832</b>	21,108,220
<b>Total Salaries and Benefits</b>	<b>116,370,267</b>	<b>115,129,085</b>	107,979,344
<b>Services and Supplies</b>			
Services	6,546,701	<b>6,604,171</b>	5,573,755
Professional Development and Travel	1,116,517	<b>934,188</b>	659,429
Rentals and Leases	355,391	<b>411,859</b>	379,508
Dues and Fees	214,991	<b>161,730</b>	192,150
Insurance	514,545	<b>429,514</b>	311,885
Supplies	4,768,219	<b>4,770,322</b>	3,601,625
Utilities	1,693,844	<b>1,770,045</b>	1,602,549
Bad Debt	25,800		1,515
<b>Total Services and Supplies</b>	<b>15,236,008</b>	<b>15,081,829</b>	12,322,416
<b>Total Operating Expense</b>	<b>131,606,275</b>	<b>130,210,914</b>	120,301,760

# School District No. 62 (Sooke)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2022

	Teachers Salaries	Principals and Vice Principals Salaries	Educational Assistants Salaries	Support Staff Salaries	Other Professionals Salaries	Substitutes Salaries	Total Salaries
	\$	\$	\$	\$	\$	\$	\$
<b>1 Instruction</b>							
1.02 Regular Instruction	42,499,477	304,626	166,207	1,681,277	451,185	3,562,036	48,664,808
1.03 Career Programs	220,765			194,449		11,183	426,397
1.07 Library Services	1,371,683			240,343		71,583	1,683,609
1.08 Counselling	1,968,631					34,801	2,003,432
1.10 Special Education	1,241,314	256,748	10,998,337	96,302	1,122,419	668,699	14,383,819
1.30 English Language Learning	1,174,679			34,898		5,408	1,214,985
1.31 Indigenous Education	610,681	258,114	312,529	68,707		17,743	1,267,774
1.41 School Administration		7,274,453		2,308,387		241,324	9,824,164
1.61 Continuing Education				32,499			32,499
1.62 International and Out of Province Students	789,943	273,468		344,868		880	1,409,159
<b>Total Function 1</b>	<b>49,877,173</b>	<b>8,367,409</b>	<b>11,477,073</b>	<b>5,001,730</b>	<b>1,573,604</b>	<b>4,613,657</b>	<b>80,910,646</b>
<b>4 District Administration</b>							
4.11 Educational Administration		145,836			834,049	26,485	1,006,370
4.40 School District Governance					122,494		122,494
4.41 Business Administration	1,634	262		580,125	1,724,819	67,723	2,374,563
<b>Total Function 4</b>	<b>1,634</b>	<b>146,098</b>	<b>-</b>	<b>580,125</b>	<b>2,681,362</b>	<b>94,208</b>	<b>3,503,427</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration				116,317	137,883		254,200
5.50 Maintenance Operations				4,532,743	283,705	390,981	5,207,429
5.52 Maintenance of Grounds				544,237			544,237
5.56 Utilities							-
<b>Total Function 5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,193,297</b>	<b>421,588</b>	<b>390,981</b>	<b>6,005,866</b>
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration				123,256	93,461	304	217,021
7.70 Student Transportation				1,555,838		116,455	1,672,293
<b>Total Function 7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,679,094</b>	<b>93,461</b>	<b>116,759</b>	<b>1,889,314</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>49,878,807</b>	<b>8,513,507</b>	<b>11,477,073</b>	<b>12,454,246</b>	<b>4,770,015</b>	<b>5,215,605</b>	<b>92,309,253</b>

# School District No. 62 (Sooke)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2022

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2022 Actual	2022 Budget (Note 20)	2021 Actual
	\$	\$	\$	\$	\$	\$	\$
<b>1 Instruction</b>							
1.02 Regular Instruction	48,664,808	12,615,510	61,280,318	3,383,703	64,664,021	65,807,898	59,095,256
1.03 Career Programs	426,397	103,448	529,845	424,466	954,311	850,568	857,444
1.07 Library Services	1,683,609	419,790	2,103,399	55,378	2,158,777	2,123,043	2,187,368
1.08 Counselling	2,003,432	486,657	2,490,089	4,716	2,494,805	2,499,222	2,495,964
1.10 Special Education	14,383,819	3,592,635	17,976,454	563,489	18,539,943	18,418,862	18,271,957
1.30 English Language Learning	1,214,985	299,010	1,513,995	33,847	1,547,842	1,571,272	1,475,236
1.31 Indigenous Education	1,267,774	310,000	1,577,774	347,332	1,925,106	1,995,865	1,863,360
1.41 School Administration	9,824,164	2,077,835	11,901,999	567,200	12,469,199	12,759,955	12,171,602
1.61 Continuing Education	32,499	2,288	34,787	86,280	121,067	91,555	75,124
1.62 International and Out of Province Students	1,409,159	336,499	1,745,658	3,164,755	4,910,413	4,990,403	2,517,106
<b>Total Function 1</b>	<b>80,910,646</b>	<b>20,243,672</b>	<b>101,154,318</b>	<b>8,631,166</b>	<b>109,785,484</b>	111,108,643	101,010,417
<b>4 District Administration</b>							
4.11 Educational Administration	1,006,370	184,692	1,191,062	569,914	1,760,976	1,826,046	1,425,168
4.40 School District Governance	122,494	6,245	128,739	117,499	246,238	254,088	256,331
4.41 Business Administration	2,374,563	501,049	2,875,612	959,065	3,834,677	4,222,490	3,731,926
<b>Total Function 4</b>	<b>3,503,427</b>	<b>691,986</b>	<b>4,195,413</b>	<b>1,646,478</b>	<b>5,841,891</b>	6,302,624	5,413,425
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration	254,200	57,096	311,296	264,596	575,892	725,805	596,760
5.50 Maintenance Operations	5,207,429	1,236,218	6,443,647	1,657,917	8,101,564	8,029,036	7,059,706
5.52 Maintenance of Grounds	544,237	144,986	689,223	351,571	1,040,794	995,451	1,521,564
5.56 Utilities	-	-	-	1,770,045	1,770,045	1,693,844	1,602,549
<b>Total Function 5</b>	<b>6,005,866</b>	<b>1,438,300</b>	<b>7,444,166</b>	<b>4,044,129</b>	<b>11,488,295</b>	11,444,136	10,780,579
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration	217,021	49,951	266,972	72,232	339,204	305,481	336,974
7.70 Student Transportation	1,672,293	395,923	2,068,216	687,824	2,756,040	2,445,391	2,760,365
<b>Total Function 7</b>	<b>1,889,314</b>	<b>445,874</b>	<b>2,335,188</b>	<b>760,056</b>	<b>3,095,244</b>	2,750,872	3,097,339
<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>92,309,253</b>	<b>22,819,832</b>	<b>115,129,085</b>	<b>15,081,829</b>	<b>130,210,914</b>	131,606,275	120,301,760

# School District No. 62 (Sooke)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2022

	2022 Budget (Note 20) \$	2022 Actual \$	2021 Actual \$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education and Child Care	20,638,840	<b>20,419,963</b>	22,275,012
Other Revenue	3,904,803	<b>3,314,054</b>	2,095,681
Investment Income	24,215	<b>17,600</b>	18,249
<b>Total Revenue</b>	<u>24,567,858</u>	<u><b>23,751,617</b></u>	<u>24,388,942</u>
<b>Expenses</b>			
Instruction	24,238,149	<b>22,965,526</b>	22,650,013
District Administration			19,900
Operations and Maintenance	329,709	<b>652,350</b>	965,874
Transportation and Housing			287,645
<b>Total Expense</b>	<u>24,567,858</u>	<u><b>23,617,876</b></u>	<u>23,923,432</u>
<b>Special Purpose Surplus (Deficit) for the year</b>	<u>-</u>	<u><b>133,741</b></u>	<u>465,510</u>
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets - Work in Progress		<b>(133,741)</b>	(465,510)
<b>Total Net Transfers</b>	<u>-</u>	<u><b>(133,741)</b></u>	<u>(465,510)</u>
<b>Total Special Purpose Surplus (Deficit) for the year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Special Purpose Surplus (Deficit), beginning of year</b>		<b>673,449</b>	673,449
<b>Special Purpose Surplus (Deficit), end of year</b>		<u><b>673,449</b></u>	<u>673,449</u>
<b>Special Purpose Surplus (Deficit), end of year</b>			
Endowment Contributions		<b>673,449</b>	673,449
<b>Total Special Purpose Surplus (Deficit), end of year</b>		<u><b>673,449</b></u>	<u>673,449</u>

**School District No. 62 (Sooke)**

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

	Annual Facility Grant	Learning Improvement Fund	Scholarships and Bursaries	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK	Classroom Enhancement Fund - Overhead
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Deferred Revenue, beginning of year</b>			14,215	710,044	4,130	32,265	24,249	81,413	
<b>Add:</b> Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	329,709	401,652			192,000	44,100	279,366	768,299	1,429,873
Other				2,331,709				31,936	
Investment Income			8,705		100	400		600	
	329,709	401,652	8,705	2,331,709	192,100	44,500	279,366	800,835	1,429,873
<b>Less:</b> Allocated to Revenue	329,709	401,652	17,600	2,337,129	176,453	42,380	194,540	852,582	1,429,873
Recovered							20,406		
<b>Deferred Revenue, end of year</b>	-	-	<b>5,320</b>	<b>704,624</b>	<b>19,777</b>	<b>34,385</b>	<b>88,669</b>	<b>29,666</b>	-
<b>Revenues</b>									
Provincial Grants - Ministry of Education and Child Care	329,709	401,652			176,453	42,380	194,540	820,646	1,429,873
Other Revenue				2,337,129				31,936	
Investment Income			17,600						
	329,709	401,652	17,600	2,337,129	176,453	42,380	194,540	852,582	1,429,873
<b>Expenses</b>									
Salaries									
Teachers							22,655		27,541
Principals and Vice Principals								43,138	
Educational Assistants		313,792							170,000
Support Staff				6,213	131,046	470	561	52,417	120,000
Other Professionals								159,904	
Substitutes				14,058		17,318	34,365	12,242	795,210
	-	313,792	-	20,271	131,046	17,788	57,581	267,701	1,112,751
Employee Benefits		87,860		578	39,399	3,381	13,110	58,180	246,022
Services and Supplies	329,709		17,600	2,316,280	6,008	21,211	123,849	526,701	71,100
	329,709	401,652	17,600	2,337,129	176,453	42,380	194,540	852,582	1,429,873
<b>Net Revenue (Expense) before Interfund Transfers</b>	-	-	-	-	-	-	-	-	-
<b>Interfund Transfers</b>									
Tangible Capital Assets - Work in Progress	-	-	-	-	-	-	-	-	-
<b>Net Revenue (Expense)</b>	-	-	-	-	-	-	-	-	-

**School District No. 62 (Sooke)**

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

	Classroom Enhancement Fund - Staffing	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	Seamless Day Kindergarten	Early Childhood Education Dual Credit Program	Nature K
<b>Deferred Revenue, beginning of year</b>	\$ 28,147	\$ 13,105	\$ 19,246	\$ 17,792	\$	\$	\$	\$	\$ 4,953
<b>Add:</b> Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	16,526,931	27,149	120,483	24,999	279,148	176,023	50,000	25,000	
Other									
Investment Income		200	600	200				100	
	16,526,931	27,349	121,083	25,199	279,148	176,023	50,000	25,100	-
<b>Less:</b> Allocated to Revenue	16,555,078	21,535	40,270	16,525	277,641	57,947	49,334	2,948	-
Recovered									
<b>Deferred Revenue, end of year</b>	<b>-</b>	<b>18,919</b>	<b>100,059</b>	<b>26,466</b>	<b>1,507</b>	<b>118,076</b>	<b>666</b>	<b>22,152</b>	<b>4,953</b>
<b>Revenues</b>									
Provincial Grants - Ministry of Education and Child Care	16,555,078	21,535	40,270	16,525	277,641	57,947	49,334		
Other Revenue								2,948	
Investment Income									
	16,555,078	21,535	40,270	16,525	277,641	57,947	49,334	2,948	-
<b>Expenses</b>									
Salaries									
Teachers	13,288,713								
Principals and Vice Principals									
Educational Assistants									
Support Staff					57,000	4,965	36,764		
Other Professionals									
Substitutes			8,863	2,901			705		
	13,288,713	-	8,863	2,901	57,000	4,965	37,469	-	-
Employee Benefits	3,266,365		1,634	646	16,148	1,136	6,682		
Services and Supplies		21,535	29,773	12,978	99,493	30,436	5,183	2,948	
	16,555,078	21,535	40,270	16,525	172,641	36,537	49,334	2,948	-
<b>Net Revenue (Expense) before Interfund Transfers</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>105,000</b>	<b>21,410</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Interfund Transfers</b>									
Tangible Capital Assets - Work in Progress					(105,000)	(21,410)			
	-	-	-	-	(105,000)	(21,410)	-	-	-
<b>Net Revenue (Expense)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**School District No. 62 (Sooke)**

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

	ACE-IT	Academies	Art Starts	Donations	Theaters	Horner	SEY2K	Kidsport	BCSSA Island Chapter
<b>Deferred Revenue, beginning of year</b>	\$	\$ 279,698	\$ 6,642	\$ 59,418	\$ 42,194	\$	\$ 6,380	\$ 14,654	\$
<b>Add:</b> Restricted Grants									
Provincial Grants - Ministry of Education and Child Care									
Other	37,500	867,417	7,600	39,363	969	6,273			28,181
Investment Income			100	1,513	1,200				100
	37,500	867,417	7,700	40,876	2,169	6,273	-	-	28,281
<b>Less:</b> Allocated to Revenue	37,500	826,778	10,677	39,687	916	3,115	6,380	13,215	10,153
Recovered									
<b>Deferred Revenue, end of year</b>	-	<b>320,337</b>	<b>3,665</b>	<b>60,607</b>	<b>43,447</b>	<b>3,158</b>	-	<b>1,439</b>	<b>18,128</b>
<b>Revenues</b>									
Provincial Grants - Ministry of Education and Child Care							6,380		
Other Revenue	37,500	826,778	10,677	39,687	916	3,115		13,215	10,153
Investment Income									
	37,500	826,778	10,677	39,687	916	3,115	6,380	13,215	10,153
<b>Expenses</b>									
Salaries									
Teachers	31,250	45,421							
Principals and Vice Principals		17,820							
Educational Assistants									
Support Staff		57,168			251		93		
Other Professionals									
Substitutes		2,136					5,192		
	31,250	122,545	-	-	251	-	5,285	-	-
Employee Benefits	6,250	32,630			2		998		
Services and Supplies		664,272	10,677	39,687	663	3,115	97	13,215	10,153
	37,500	819,447	10,677	39,687	916	3,115	6,380	13,215	10,153
<b>Net Revenue (Expense) before Interfund Transfers</b>	-	7,331	-	-	-	-	-	-	-
<b>Interfund Transfers</b>									
Tangible Capital Assets - Work in Progress		(7,331)							
	-	(7,331)	-	-	-	-	-	-	-
<b>Net Revenue (Expense)</b>	-	-	-	-	-	-	-	-	-

# School District No. 62 (Sooke)

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

	<u>TOTAL</u>
	\$
<b>Deferred Revenue, beginning of year</b>	1,358,545
<b>Add:</b> Restricted Grants	
Provincial Grants - Ministry of Education and Child Care	20,649,732
Other	3,375,948
Investment Income	13,818
	<u>24,039,498</u>
<b>Less:</b> Allocated to Revenue	23,751,617
Recovered	20,406
<b>Deferred Revenue, end of year</b>	<u><u>1,626,020</u></u>
<b>Revenues</b>	
Provincial Grants - Ministry of Education and Child Care	20,419,963
Other Revenue	3,314,054
Investment Income	17,600
	<u>23,751,617</u>
<b>Expenses</b>	
Salaries	
Teachers	13,415,580
Principals and Vice Principals	60,958
Educational Assistants	483,792
Support Staff	466,948
Other Professionals	159,904
Substitutes	892,990
	<u>15,480,172</u>
Employee Benefits	3,781,021
Services and Supplies	4,356,683
	<u>23,617,876</u>
<b>Net Revenue (Expense) before Interfund Transfers</b>	<u>133,741</u>
<b>Interfund Transfers</b>	
Tangible Capital Assets - Work in Progress	<u>(133,741)</u>
	<u>(133,741)</u>
<b>Net Revenue (Expense)</b>	<u><u>-</u></u>

# School District No. 62 (Sooke)

Schedule 4 (Unaudited)

## Schedule of Capital Operations

Year Ended June 30, 2022

	2022	2022 Actual			2021
	Budget (Note 20)	Invested in Tangible Capital Assets	Local Capital	Fund Balance	Actual
	\$	\$	\$	\$	\$
<b>Revenues</b>					
Provincial Grants					
Ministry of Education and Child Care	1,984,101	1,302,354		1,302,354	6,134,225
Amortization of Deferred Capital Revenue	8,440,864	8,447,330		8,447,330	7,916,047
Amortization of Deferred Capital Revenue - for lease	61,477	61,477		61,477	61,477
<b>Total Revenue</b>	<b>10,486,442</b>	<b>9,811,161</b>	<b>-</b>	<b>9,811,161</b>	<b>14,111,749</b>
<b>Expenses</b>					
Operations and Maintenance	1,319,392	996,546		996,546	1,212,172
Amortization of Tangible Capital Assets					
Operations and Maintenance	8,729,654	8,746,388		8,746,388	8,240,864
Transportation and Housing	565,524	565,191		565,191	509,218
<b>Total Expense</b>	<b>10,614,570</b>	<b>10,308,125</b>	<b>-</b>	<b>10,308,125</b>	<b>9,962,254</b>
<b>Capital Surplus (Deficit) for the year</b>	<b>(128,128)</b>	<b>(496,964)</b>	<b>-</b>	<b>(496,964)</b>	<b>4,149,495</b>
<b>Net Transfers (to) from other funds</b>					
Tangible Capital Assets Purchased	171,305	184,481		184,481	255,695
Tangible Capital Assets - Work in Progress		235,873		235,873	729,232
<b>Total Net Transfers</b>	<b>171,305</b>	<b>420,354</b>	<b>-</b>	<b>420,354</b>	<b>984,927</b>
<b>Total Capital Surplus (Deficit) for the year</b>	<b>43,177</b>	<b>(76,610)</b>	<b>-</b>	<b>(76,610)</b>	<b>5,134,422</b>
<b>Capital Surplus (Deficit), beginning of year</b>		<b>133,798,684</b>		<b>133,798,684</b>	<b>128,664,262</b>
<b>Capital Surplus (Deficit), end of year</b>		<b>133,722,074</b>	<b>-</b>	<b>133,722,074</b>	<b>133,798,684</b>

# School District No. 62 (Sooke)

Tangible Capital Assets  
Year Ended June 30, 2022

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
<b>Cost, beginning of year</b>	117,679,605	299,179,326	14,959,274	5,610,053		257,817	<b>437,686,075</b>
<b>Changes for the Year</b>							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw	367,285						<b>367,285</b>
Operating Fund				135,182		49,299	<b>184,481</b>
Transferred from Work in Progress		129,583	2,426,906				<b>2,556,489</b>
	<u>367,285</u>	<u>129,583</u>	<u>2,426,906</u>	<u>135,182</u>	<u>-</u>	<u>49,299</u>	<b><u>3,108,255</u></b>
Decrease:							
Deemed Disposals			399,968	51,476		42,257	<b>493,701</b>
	<u>-</u>	<u>-</u>	<u>399,968</u>	<u>51,476</u>	<u>-</u>	<u>42,257</u>	<b><u>493,701</u></b>
<b>Cost, end of year</b>	118,046,890	299,308,909	16,986,212	5,693,759	-	264,859	<b>440,300,629</b>
<b>Work in Progress, end of year</b>		62,253,615	1,064,409				<b>63,318,024</b>
<b>Cost and Work in Progress, end of year</b>	<u>118,046,890</u>	<u>361,562,524</u>	<u>18,050,621</u>	<u>5,693,759</u>	<u>-</u>	<u>264,859</u>	<b><u>503,618,653</u></b>
<b>Accumulated Amortization, beginning of year</b>		105,528,788	5,741,655	2,383,438		188,930	<b>113,842,811</b>
<b>Changes for the Year</b>							
Increase: Amortization for the Year		7,096,846	1,597,274	565,191		52,268	<b>9,311,579</b>
Decrease:							
Deemed Disposals			399,968	51,476		42,257	<b>493,701</b>
			<u>-</u>	<u>399,968</u>	<u>-</u>	<u>42,257</u>	<b><u>493,701</u></b>
<b>Accumulated Amortization, end of year</b>		<u>112,625,634</u>	<u>6,938,961</u>	<u>2,897,153</u>	<u>-</u>	<u>198,941</u>	<b><u>122,660,689</u></b>
<b>Tangible Capital Assets - Net</b>	<u><b>118,046,890</b></u>	<u><b>248,936,890</b></u>	<u><b>11,111,660</b></u>	<u><b>2,796,606</b></u>	<u><b>-</b></u>	<u><b>65,918</b></u>	<u><b>380,957,964</b></u>

# School District No. 62 (Sooke)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2022

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
<b>Work in Progress, beginning of year</b>	21,398,399	197,221			21,595,620
<b>Changes for the Year</b>					
Increase:					
Deferred Capital Revenue - Bylaw	40,984,799	2,445,868			43,430,667
Deferred Capital Revenue - Other		612,353			612,353
Operating Fund		102,132			102,132
Special Purpose Funds		133,741			133,741
	40,984,799	3,294,094	-	-	44,278,893
Decrease:					
Transferred to Tangible Capital Assets	129,583	2,426,906			2,556,489
	129,583	2,426,906	-	-	2,556,489
<b>Net Changes for the Year</b>	40,855,216	867,188	-	-	41,722,404
<b>Work in Progress, end of year</b>	<b>62,253,615</b>	<b>1,064,409</b>	-	-	<b>63,318,024</b>

# School District No. 62 (Sooke)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2022

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
<b>Deferred Capital Revenue, beginning of year</b>	171,419,232	19,890,509	830,287	<b>192,140,028</b>
<b>Changes for the Year</b>				
Increase:				
Transferred from Work in Progress	2,288,262		32,353	<b>2,320,615</b>
	<u>2,288,262</u>	-	<u>32,353</u>	<u><b>2,320,615</b></u>
Decrease:				
Amortization of Deferred Capital Revenue	7,611,061	769,136	67,133	<b>8,447,330</b>
Amortization of Deferred Capital Revenue - for long term lease	61,477			<b>61,477</b>
	<u>7,672,538</u>	<u>769,136</u>	<u>67,133</u>	<u><b>8,508,807</b></u>
<b>Net Changes for the Year</b>	<u>(5,384,276)</u>	<u>(769,136)</u>	<u>(34,780)</u>	<u><b>(6,188,192)</b></u>
<b>Deferred Capital Revenue, end of year</b>	<u>166,034,956</u>	<u>19,121,373</u>	<u>795,507</u>	<u><b>185,951,836</b></u>
<b>Work in Progress, beginning of year</b>	21,595,619			<b>21,595,619</b>
<b>Changes for the Year</b>				
Increase				
Transferred from Deferred Revenue - Work in Progress	43,430,667		612,353	<b>44,043,020</b>
	<u>43,430,667</u>	-	<u>612,353</u>	<u><b>44,043,020</b></u>
Decrease				
Transferred to Deferred Capital Revenue	2,288,262		32,353	<b>2,320,615</b>
	<u>2,288,262</u>	-	<u>32,353</u>	<u><b>2,320,615</b></u>
<b>Net Changes for the Year</b>	<u>41,142,405</u>	-	<u>580,000</u>	<u><b>41,722,405</b></u>
<b>Work in Progress, end of year</b>	<u>62,738,024</u>	-	<u>580,000</u>	<u><b>63,318,024</b></u>
<b>Total Deferred Capital Revenue, end of year</b>	<u><b>228,772,980</b></u>	<u><b>19,121,373</b></u>	<u><b>1,375,507</b></u>	<u><b>249,269,860</b></u>

# School District No. 62 (Sooke)

Schedule 4D (Unaudited)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2022

	Bylaw Capital	MECC Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
<b>Balance, beginning of year</b>	497,600	213,594	-	1,483,318	46,683	<b>2,241,195</b>
<b>Changes for the Year</b>						
Increase:						
Provincial Grants - Ministry of Education and Child Care	44,617,191					<b>44,617,191</b>
Provincial Grants - Other			1,150,132			<b>1,150,132</b>
Other				1,358,639	580,000	<b>1,938,639</b>
Investment Income		2,530				<b>2,530</b>
Transfer project surplus to MECC Restricted (from) Bylaw	(239,926)	239,926				<b>-</b>
	<u>44,377,265</u>	<u>242,456</u>	<u>1,150,132</u>	<u>1,358,639</u>	<u>580,000</u>	<u><b>47,708,492</b></u>
Decrease:						
Transferred to DCR - Work in Progress	43,430,667				612,353	<b>44,043,020</b>
Transferred to Revenue - Site Purchases	367,285					<b>367,285</b>
Transferred to Revenue - Expensed Costs	935,069					<b>935,069</b>
	<u>44,733,021</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>612,353</u>	<u><b>45,345,374</b></u>
<b>Net Changes for the Year</b>	<u>(355,756)</u>	<u>242,456</u>	<u>1,150,132</u>	<u>1,358,639</u>	<u>(32,353)</u>	<u><b>2,363,118</b></u>
<b>Balance, end of year</b>	<u><b>141,844</b></u>	<u><b>456,050</b></u>	<u><b>1,150,132</b></u>	<u><b>2,841,957</b></u>	<u><b>14,330</b></u>	<u><b>4,604,313</b></u>