



# Financial Statement Discussion & Analysis

FOR THE YEAR ENDED  
JUNE 30, 2022

School District No. 52 (Prince Rupert)  
Financial Statement Discussion & Analysis  
Year ended June 30, 2022

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**Introduction**

This report is a discussion and analysis of the School District's financial performance for the fiscal year ended June 30, 2022, based on currently known facts, decisions, and conditions. The results of the current year are discussed in comparison with the prior year and the budget, with an emphasis placed on the current year.

The financial statements illustrate, in financial terms, how resources have been allocated and used during the year. This report should be read in conjunction with the School District's Enhancing Student Learning Report and the audited financial statements for the same period.

## Summary

Key points identified in this document are:

### Enrolment and revenue decreased.

2021-2022 continued a long trend of declining student enrolment for the district. This declining enrolment is the main factor resulting in declining revenue for the district.

### Impact of Funding Protection

Over 4% of the district's operating funding from the Ministry of Education and Child Care is in a category called "Funding Protection". The positive impact of this funding category is that the district's decline in operating funding is limited to a maximum decline of 1.5% per year. The reality is that the district will need to make cuts in future budgets until funding protection is gone.

### Increasing Costs

There are many operating costs that are increasing. This includes utility and fuel costs, the purchase of supplies, and salary and benefit increases. Additional funding is received to address salary increases for unionized employees. Most other cost increases must be absorbed within the existing funding.

### Budget Cuts

In response to the declining revenue and increasing costs, the Board of Education made a number of cuts to the budget for the 2021-2022 school year. Additional cuts were approved for the 2022-23 school year.

### The District continues to maintain a contingency reserve below the recommended range.

The district's surplus policy states that the contingency reserve should be between 2% and 4% of the operating budget. The district continues to operate with a reserve below 1%.

### Strategic Priorities

The strategic priorities of the district are set out in the Strategic Plan and the Framework for Enhancing Student Learning. These priorities include:

- Equity for all students in completion rates and literacy;
- truth and reconciliation; and
- mental health literacy.

The Board continues to emphasize the use of discretionary funds to support these strategic priorities.

## About BC School District Financial Statements

As described in note 2(a) on pages 9-10 of the financial statements, the financial statements have been prepared in accordance with Section 23.1 of the Budget Transparency and Accountability Act 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. School District Financial Statements have a prescribed common format and they are consolidated into the Financial Statements of the Province of British Columbia.

The financial statements are reported as a consolidation of three separate funds: Operating; Special Purpose; and Capital. In the financial statements, these three separated funds are reported collectively in statements 1 through 5. Additional information is provided in 4 schedules to the financial statements.

Schedule 1 identifies the changes to the accumulated surplus (deficit) of each fund. Schedule 2 reports the results of the Operating Fund. Schedule 3 reports the results of the Special Purpose Funds. Schedule 4 reports the results of the Capital Fund. To gain a full understanding of statements 1 through 5, it is important to review each of the funds separately.

## Composition of the Financial Statements

The Statement of Financial Position (Statement 1, page 5) presents the assets, liabilities and accumulated surplus at June 30th. This provides an indication of the financial health of the District.

The Statement of Operations (Statement 2, page 6) presents the revenues received and expenses incurred for the year ending June 30, 2022. This statement summarizes the funding received by the District and how that funding was spent.

The Statement of Changes in Net Debt (Statement 4, Page 7) is another required statement. The district has no borrowings, but Deferred Capital Revenue is classified as debt.

The Statement of Cash Flows (Statement 5, page 8) classifies the sources and use of cash between Operating, Capital and Financing transactions.

The notes to the financial statements (pages 9 to 26) provide additional details and are an integral part of the financial statements.

Schedule 1 (page 27) identifies the allocation of accumulated surplus between operating, special purpose and capital funds.

Schedule 2 (page 28) is the statement of operations for the **Operating Fund**. The Operating Fund accounts for the District's use of operating grants and other operating revenues. Legislation requires that the District present a balanced budget for the Operating Fund, whereby budgeted expenditure does not exceed the total of budgeted revenue and any accumulated operating surplus carried forward from previous years.

Schedule 3 (page 33) is the statement of operations for the **Special Purpose Funds**. Special Purpose Funds account for grants and contributions that must be used for specific activities in accordance with an agreement with the party providing those funds. As these are restricted contributions, any unspent funding appears on the statement of financial position as deferred revenue.

Schedule 4 (page 38) is the statement of operations for the **Capital Fund**. All capital assets (including sites, buildings, leasehold improvements, furniture & equipment, vehicles, and computer software and hardware) are recorded in the Capital fund, along with deferred capital revenue. The Capital Fund statement reflects the amortization of deferred capital revenue, the amortization of capital assets and amounts transferred from other funds for the purchase of capital assets.

**Statement of Financial Position (All funds)**

Cash and cash equivalents

At June 30, 2022, the District held \$5.9m in cash, deposited in financial institutions and the Province’s central deposit system. This compares with \$5.2m at June 30, 2021. This cash balance is sufficient to pay the district’s accounts payable and accrued liabilities (\$2.9m), and also includes unearned revenue (\$0.2m) and the deferred revenue associated with special purpose funds (\$1.7m).

Accounts receivable

The District’s accounts receivable represent amounts owed to the district for services provided. They include receivables for all three funds. There was a small decrease in accounts receivable at June 30, 2022.

Accounts payable and accrued liabilities

The District’s accounts payable and accrued liabilities represent expenses and capital asset purchases which have been incurred but not yet paid. They include liabilities for all three funds. There was a 13% decrease in accounts payable and accrued liabilities at June 30, 2022.

They comprise the following amounts:

	June 30, 2022	June 30, 2021
Trade and other amounts payable	\$2,248,825	\$2,567,158
Salaries and benefits payable	\$458,354	\$506,988
Accrued vacation pay	\$158,247	\$211,423
Total accounts payable and accrued liabilities	\$2,865,426	\$3,285,569

Deferred revenue<sup>8</sup>

Deferred revenue at June 30, 2022 was \$1.7m and at June 30, 2021 was \$1.4m. The list of all special purpose funds is on pages 34 to 37 of the financial statements. Principal funds include Annual Facilities Grant; School Generated Funds; Community Link; and Classroom Enhancement Funds.

During the year ended June 30, 2022 the district received and spent \$0.1m in funding to address specific district needs during the COVID-19 pandemic. This compares with \$0.9m for the year ended June 30, 2021.

### Deferred capital revenue and tangible capital assets

Tangible capital assets have a lifespan of more than one year. The majority of the District's capital expenditure, such as the construction of new schools and renovation of existing schools, is funded through specific grants provided by the Ministry of Education and Child Care. Once an asset is in use, the cost of that asset is amortized over the expected life of that asset.

Any grants associated with tangible capital assets are recorded as deferred capital revenue and are also amortized over the expected life of the related asset.

The net book value of the District's tangible capital assets was \$34.9m at June 30, 2022 compared with \$34.5m at June 30, 2021. The deferred capital revenue balance associated with these assets was \$24.8m at June 30, 2022 compared with \$23.5m at June 30, 2021. The remainder of the district's capital assets were funded through operating revenues and special purpose funds.

The comparative numbers at June 30, 2021 have been restated to reflect a change to the way amortization costs are calculated. In prior years, no amortization of capital assets or deferred capital revenue was recorded in the year the asset was acquired and put into use. The new policy requires one half of the annual amortization to be recorded in that first year. This change in policy was applied retroactively.

The deferral of capital revenue is not consistent with generally accepted accounting principles. The deferral is a requirement of the Provincial Government. This is explained in more detail in note 2(a) to the financial statements (pages 9 and 10).

The capital fund section, included later in this document, provides a more detailed explanation of the accounting for capital assets and associated grants.

### Net financial debt

Net debt is the total of the District's financial assets and liabilities. The balance at June 30, 2022 is a debt of \$23.1m, including \$24.8m of deferred capital revenue. As there is no future cash flow associated with the deferred capital revenue balance, a more meaningful measure of net financial assets or debt excludes the deferred capital revenue on Schedule 4C. This would result in a revised figure of net financial assets of \$0.9m compared with net financial assets at June 30, 2021 of \$0.6m.

### Accumulated surplus

The majority of accumulated surplus, or \$10.9m, is in the district's capital fund and is equivalent to the difference between tangible capital assets and deferred capital revenue.

The remaining accumulated surplus of \$1.1m is in the operating fund.

### Statement of Operations (All funds)

The surplus (deficit) for the year is the net total of the revenues and expenses of the District's three funds.

Year Ended	June 30, 2022	June 30, 2021	Increase (Decrease)
Total Revenue	\$32.1m	\$32.5m	\$(0.4)m
Total Expense	\$32.0m	\$32.7m	\$(0.7)m
Surplus (Deficit) for the year	\$0.1m	\$(0.2)m	\$0.3m

Total Revenues decreased from 2021 by \$0.4m. This included an increase in the operating fund, and decreases in the special purpose and capital funds.

Fund	Annual Change in Revenue
Operating	\$0.1m
Special Purpose	\$(0.4)m
Capital	\$(0.1)m
Total	\$(0.4)m

Total Expenses decreased from 2021 by \$0.7m. The changes in each fund are as follows:

Fund	Annual Change in Expenses
Operating	\$(0.5)m
Special Purpose	\$(0.2)m
Capital	\$(0.0)m
Total	\$(0.7)m

Changes in the Operating Fund expenses reflect budget cuts made in the Annual Budget and the Amended Annual Budget to balance the budget. In the Special Purpose Funds, the decrease was primarily related to the decreased spending to address the COVID-19 pandemic.

Overall, the District's revenues exceeded its expenses by \$0.1m, with a surplus in the Operating Fund offsetting deficits in the Special Purpose and Capital Funds.

Revenues and expenses of the individual funds are discussed in more detail below.

### Statement of Cash Flows

Operating cash flows improved to a net increase of \$0.2m, compared to a net decrease in the prior year of \$0.3m. The improvement in financial results in the operating fund, and a net increase in deferred revenue for the special purpose funds are the primary reasons for this improvement.

The district's capital transactions are primarily funded by capital revenue received from the Ministry of Education and Child Care and other third parties. Most years, the financing received is very close to the amount of capital spent – as in the year ended June 30, 2021, where \$2.2m will was received and \$2.4 million was spent.

In the year ended June 30, 2022, the district received \$2.4 million and capital spending was \$1.8 million. The difference, of \$0.6m, represents funds received prior to June 30, 2022 which will be spent in the 2022-2023 school year.

**Schedule of Changes in Accumulated Surplus by Fund**

Schedule 1 is very important, in that it identifies the allocation of accumulated surplus funds between the operating fund and the capital fund. Over 90% of the district’s accumulated surplus is in the capital fund. This surplus shows the district’s net historic investment in capital assets. It is not available for operating purposes.

The district’s operating surplus includes funds reserved for future use, and unreserved funds which are available as contingency funds for unforeseen events.

Operating surplus is also required for capital transactions with are not funded by the Ministry of Education and Child Care. Ministry capital funding is for schools and school busses. Any other capital needs, including operations vehicles, technology and district administrative and operations buildings, comes from accumulated operating surplus.

**Operating Fund**

Overview

Operating fund transactions are reported in the following schedules in the financial statements. Columns show the amended annual budget, the year ended June 30, 2022 and the year ended June 30, 2021.

Schedule	Page	Overview
2	28	Summarizes the revenues and expenses of the operating fund. Amounts transferred to other funds are indicated.
2A	29	Provides details of the operating revenues earned by the District.
2B	30	Summarizes salaries by employee group and other operating costs by category.
2C	31-32	Outlines salary, benefit, service and supply spending on each program.

Actual operating results from Schedule 2 on page 28 were:

	Budget	Actual
Operating Surplus (Deficit) for the year	\$(33,008)	\$456,804
Budgeted Appropriation of Surplus	405,299	0
Transfer to the Capital Fund	(226,590)	0
Transfer to Special Purpose Fund	0	(121,178)
Total Operating Surplus for the year	\$145,701	\$335,626

The district finished the year ahead of its budget by \$189,925. The use of these surplus funds are detailed below in the section on Accumulated Operating Surplus.

Further details on changes to the districts revenue and expenses are provided below.

## Revenue

Schedule 2A on page 29 breaks down operating revenue by source.

98.0% (98.0% in the prior year) of the District's operating funding is from Provincial Ministry of Education and Child Care ('MECC') and direct funding from two First Nation Bands through Local Education Agreements ('LEAs'). The majority of this funding is based on student enrolment, certain identified needs of students and unique geographic factors.

In 2021 Ministry funding included specific funding for the teacher's labour settlement. In the current year, those funds were included in the base operating grant.

A number of years ago the Provincial Government undertook a review of the funding formula. Some of the recommendations from that review have been implemented. Implementation of the remaining recommendations have not yet been announced. If the remaining recommendations are implemented, they may result in substantial changes to the District's funding for the 2023/24 school year and beyond.

## Operating expenditure

The table below compares total expense by function for the years ended June 30, 2022 and June 30, 2021:

Function	June 30, 2022	June 30, 2021
Instruction	79.7%	80.5%
District Administration	6.4%	6.7%
Operations and Maintenance	12.7%	12.0%
Transportation	1.1%	0.8%
Total	100.0%	100.0%

The decreases in Instruction and District Administration reflect budget reductions approved by the Board.

Operations and Maintenance costs increased because of higher utility costs, additional snow removal costs and energy consulting costs. Grant money was received for the energy consulting.

Transportation costs increased from the prior year due to two factors. First, in 2020-21 very little was spent on extracurricular travel because of the restrictions imposed by public health in response to the pandemic. In 2021-22 these costs resumed. The second difference was the cost to rent a full-sized school bus. The district was approved for purchase of a bus, but delays in the delivery of the bus required the district to rent a replacement bus.

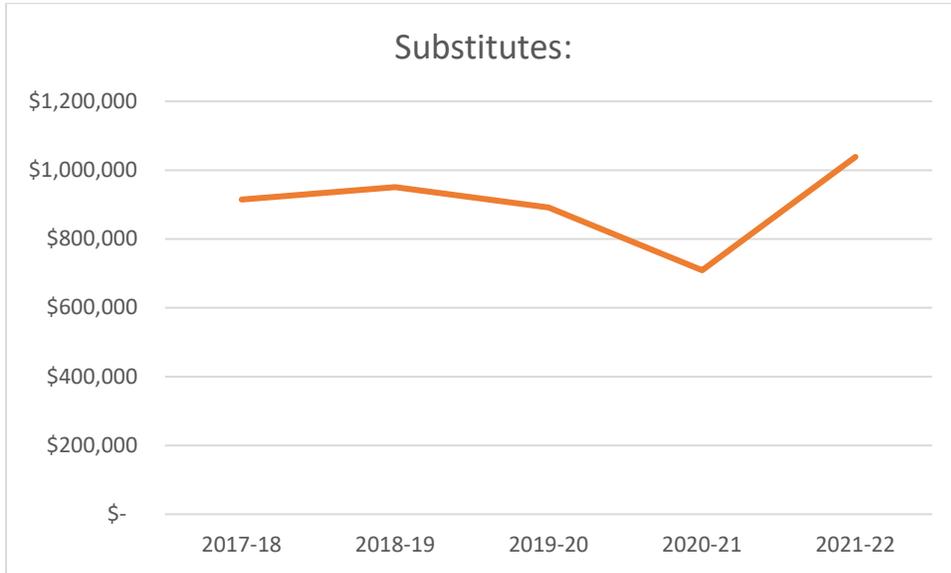
Schedule 2B on page 30 outlines operating expenses in relation to salaries and benefits, as well as services and supplies. Schedule 2C provides further detail, presenting operating expenses by function, program and object.

## Staff

88.5%, or \$23.2m, of the District's operating expenditure is spent on salaries and benefits. As would be expected for a school district, over half of this staff cost is spent on teacher salaries and benefits.

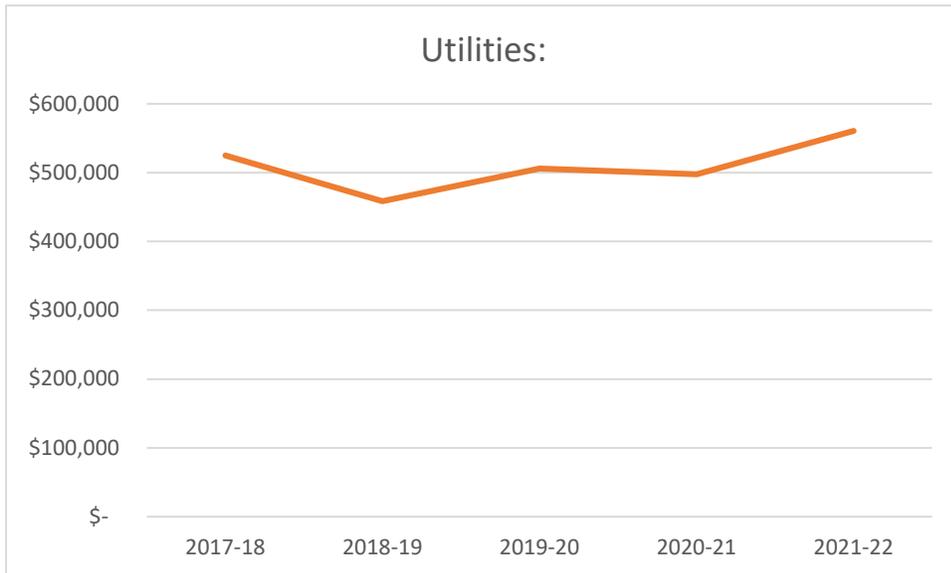
Salary costs were overbudget for education assistants and support staff. Benefit costs were also over budget.

Substitute costs were under budget by a small amount, but were at the highest level in the last five years:



### Services and Supplies

Most service and supply categories finished the year under budget. The one notable exception is utility costs which were over budget by 24%. The history of utility costs is as follows:



The significant increase was in Natural Gas costs. This increase was a combination of a long cold stretch of weather in December and rising natural gas prices.

### Transfers to other funds

Capital funding from the Ministry of Education and Child Care is almost exclusively for school buildings and busses. Districts use local capital (discussed further in the Capital Fund section) for other capital purchases such as operations vehicles, computer networks, and district administrative and maintenance buildings. Operating funding is one of the district's sources for local capital.

There were no capital assets purchased during the year from the operating fund, compared with \$92,777 in the year ended June 30, 2021. Details of transfers between funds can be found in Note 12 (page 22) of the financial statements.

\$121,178 was transferred from the operating to special purpose funds for the Classroom Enhancement Fund, compared with \$84,837 in the year ended June 30, 2021. This increase is primarily due to much higher substitute teacher costs than in the prior year.

### Operating surplus/deficit

The operating surplus for the year to June 30, 2022 was \$456,804, compared with a deficit of \$(152,687) for the year ended June 30, 2021. This is calculated on Schedule 2, on page 28 of the financial statements. The total operating surplus (after transfers to other funds) was \$335,626. This total annual surplus increased the accumulated operating fund surplus from \$0.7m at the beginning of the year to \$1.1m at June 30, 2022.

Note 18, on page 24 of the financial statements, outlines the restrictions on the use of the accumulated operating surplus. The funds are restricted at the Board's discretion. The Board's approval of these restrictions is through approval of the financial statements.

Changes to surplus amounts by category, and future planned use of these funds, are set out below:

Accumulated Operating Surplus  
(000's)

Category	July 1, 2021	Addition	Use/ Change	June 30, 2022	Planned for Year Ended:			Expected Balance	Comment
					June 30, 2023	June 30, 2024	June 30, 2025		
<b>RESTRICTED</b>									
Next Year's Budget	21	0	21	0				0	
Capital Purchases	227	0	0	227	90	100	37	0	\$126,590 for vehicles \$100,000 for SDS replacement
School Generated Funds	174	104	93	185	60	60	65	0	School generated funds that are not restricted as to their use
School Carry-Over Funds	0	85	0	85	30	30	25	0	Unspent school budgeted funds that are carried over to the next year
Indigenous Education – Targeted	\$72	\$1,812	\$1,746	\$138	138			0	Ministry targeted funds
Indigenous Education – Language Authority	91	3	6	89	30	30	29	0	Funds from sales of resources of the Ts'msyen Sm'algyax Language Authority
Planned Projects	0	128	0	128	128			0	\$100,000 for PRMS Replacement \$ 25,000 for IT Renewal \$ 3,000 for Summer Read & Play
Training	39	0	14	25	13	12		0	Flex funds provided to schools for training initiatives
Learning Impact	81		81	0				0	2021-21 Holdback, address learning impact of the pandemic
<b>Total Restricted</b>				<b>877</b>					
<b>UNRESTRICTED</b>									
Contingency	38	164	0	202	0	0	0	202	
<b>Total</b>	<b>\$743</b>	<b>\$2,269</b>	<b>\$1,961</b>	<b>\$1,079</b>	<b>\$489</b>	<b>\$232</b>	<b>\$156</b>	<b>\$202</b>	

## Special Purpose Funds

### Overview

Transactions within the special purpose funds are reported in two schedules in the financial statements. Schedule 3 on page 33 summarizes the total revenues and expenses of all the special purpose funds. This schedule indicates amounts spent on capital assets and transferred to the Capital Fund, and amounts transferred from the Operating Fund to Special Purpose Funds.

Schedule 3A on pages 34 to 37 outlines, for each fund, the grants received and expenses incurred for the year ended June 30, 2022. Surplus at the end of the year for each fund is included in Deferred Revenue on the statement of financial position.

	June 30, 2022	June 30, 2021
Deferred Revenue, Beginning of year	1,367,242	1,387,369
Grants Received	4,492,679	4,543,961
Expenses Incurred	(4,310,303)	(4,547,192)
Transfers from Operating Fund	121,178	84,837
Transfers to Capital Fund	0	(101,733)
Total	1,670,796	1,367,242

In total, the district received \$4.5m and recognized as revenue \$4.2m in Special Purpose Funds. That revenue was spent on \$4.3m in expenses, with the balance funded by a transfer of \$0.1m from the operating fund.

Further information on highlighted funds is provided below:

### Annual Facility Grant

The district received \$695,612 from the Ministry of Education and Child Care for the 2021-2022 Annual Facility Grant. \$132, 772 was provided as a Special Purpose Fund, with the remaining \$562,840 received as a Capital Grant. The Ministry of Education and Child Care withheld \$11,545 of the special purpose fund as the district's share of the operating costs for the capital asset management system operated by the Ministry.

The balance of this special purpose fund was used for wages and benefits of tradesmen in the Operations Department.

### School Generated Funds; Scholarships and Bursaries

School Generated Funds that are restricted in their use are included in this Special Purpose Fund. Examples include: school supply fees; book deposits; scholarships and bursaries; graduation celebration fundraising; and funds raised for individual sports team travel. These amounts are targeted, and they were used for the purpose that they were provided to the school. School Generated Funds that are not restricted in their use are included in the Operating Fund.

### StrongStart

Early learning is supported through StrongStart programs led by early childhood educators. The district receives \$32,000 per year for each of the four StrongStart locations. These programs run in Pineridge Elementary School, Lax Kxeen Elementary School, Conrad Street Elementary School and an outreach location in the Rupert Square Shopping Mall. Funding has not increased for many years, so some costs are covered from other funding sources.

### CommunityLINK

The CommunityLINK grant from the Ministry of Education and Child Care supports programs and services to improve the educational performance of vulnerable students. The goal to improve academic achievement is supported by activities that model and support appropriate social functioning. These funds are principally used for after-school activities and the school district lunch program.

Donations and costs for the school district breakfast program are also included in this fund. These funds are donated by local companies to the Breakfast Club of Canada, who then provides the funds to the school district.

### Classroom Enhancement Funds

Classroom enhancement funds began in the 2017/18 year and are a core part of the District's funding. This funding is tied to the restoration of historical language to the teacher collective agreement regarding class size and composition. Approximately 12% of the District's teachers are staffed through this funding.

The Ministry of Education and Child Care grants for the Classroom Enhancement Funds are made up of three components: Overhead; Staffing; and Remedies.

The 'Classroom Enhancement Fund – Overhead' provides additional release time for principals to administer the staffing requirements of the restored language in their schools. As this funding increased the number of classrooms being used regularly in the district, overhead funds are also used for an additional custodial position.

Direct costs associated with required staffing levels that address class size and composition are accounted for within the 'Classroom Enhancement Fund – Staffing'. They include 11.92 FTE additional classroom teachers as well as 6.73 FTE non-enrolling teacher-librarians and learning services teachers.

As set out in the teacher collective agreement, the district is required to make best efforts to comply with the restored class size and composition language. Where the district has not been able to do so, the collective agreement provides for remedies. Remedies generally consist of additional preparation time or co-teaching time for individual teachers. The cost of remedies is provided in the 'Classroom Enhancement Fund – Remedies.'

### First Nation Student Transportation

The First Nations Education Steering Committee, the Province of British Columbia and the Government of Canada entered into the British Columbia Tripartite Education Agreement (BCTEA) on July 1, 2018. BCTEA is a five-year agreement focused on changes to support the BC First Nations education system. Schedule G of this agreement provides support for transportation of First Nation on-reserve students attending BC public schools.

Funds received by the district were used for the cost of the ferry that transports students from Metlakatla to Prince Rupert. The ferry ran for regular classes and some extra ferry runs supported students in extra-curricular activities.

### Mental Health

The ongoing impact of the pandemic has had an impact on the mental health of staff and students. Additional funds received from the Ministry of Education and Child Care were primarily used to provide additional teachers and other staff to support students.

### Safe Return to School Grants

The district received \$116,572 in funding to address the impact of the COVID-19 pandemic, compared with \$939,436 in the 2020-2021 school year. Examples of items these funds were used for include masks, additional custodial staffing, and costs of increased building ventilation.

## **Capital Fund**

### Overview

The capital fund accounts for assets owned by the District and the funds used to acquire them.

Provincial grants targeted for the purchase of assets – for example, a grant to renovate a school – are recorded in the capital fund. If an asset is purchased using operating funds or special purpose funds, then those funds are transferred to the capital fund.

### Local Capital

The Province does not normally provide capital grants for asset acquisitions such as computer equipment, school furniture and equipment, vehicles, maintenance equipment, or district administration and operations buildings. The typical source of funding available for these assets is operating funds. To set aside funds to allow the future purchase of major assets, the Board may reserve accumulated surplus in the operating fund, or transfer funds from the operating fund to the local capital fund.

### Schedule Page Overview

Schedule 4 (page 38) summarizes amortization of deferred capital revenue, amortization of tangible capital assets, and transfers to the capital fund from other funds.

Schedule 4A (page 39) outlines changes to the cost and accumulated amortization of the district's capital assets.

Schedule 4B (page 40) is a summary of costs spent on capital projects not yet completed – referred to as work-in-progress.

Schedule 4C (page 41) accounts for deferred capital revenue spent on the acquisition of capital assets.

Schedule 4D (page 42) accounts for funding received which is targeted towards capital asset purchases and which has not yet been spent.

### Capital assets

Schedule 4A summarizes the capital assets owned by the District:

- The original cost of assets owned by the District, by asset class.
- The cost of assets acquired, and disposed of, during the year.
- The accumulated amortization of assets, by asset class.
- The amortization of each asset class, during the year. This is an estimate of the decline in value as a result of the wear-and-tear of assets over their lifetime.
- The net book value of assets, being the cost less accumulated amortization.

The cost of land owned and developed by the District is \$6.7m. In the prior year, \$175,263 of revenue was received and used for the remediation of land at an elementary school.

The net book value of the district's buildings (cost less accumulated depreciation) is \$27.6m.

The District's remaining capital assets are vehicles, furniture and equipment, and computer software and hardware.

Significant asset purchases during the year were:

- Work in progress to replace unit ventilators in the heating systems at an elementary school and the secondary school.
- Ongoing work upgrading district washrooms.
- New playground installation at École Roosevelt Park Community School.
- Completion of the conversion of a part of the Booth Operations Building to a before-and-after school childcare site.

#### Deferred capital revenue

Schedule 4C shows the changes in deferred capital revenue. This includes deferred capital revenue spent on new asset purchases, and the annual amortization of deferred capital revenue.

Deferred capital revenue balances on Schedule 4C are accumulated over the years. The balance is amortized over the estimated lifespan of the assets acquired with the grant money. The deferred capital revenue balance was reduced by \$1.1m in the year ended June 30, 2022 to reflect this amortization.

Schedule 4D shows the use of unspent capital revenue during the year. It shows the unspent capital revenue at the end of last year, the capital revenue received and used during the year, and the unspent capital revenue available at the end of the year.

In the year ended June 30, 2022 \$2.2m of capital grants were received from the Ministry of Education and Child Care in the form of bylaw capital. This includes the capital portion of the annual facilities grant. \$1.5m of this revenue was used in the acquisition of capital assets during the year.

#### **Contacting Management**

This financial report is designed to provide the School District's stakeholders with a general overview of the School District's finances and to demonstrate the School District's accountability for the money it receives. If you have questions about this report or need additional information, please contact the Secretary Treasurer's office.