

Audited Financial Statements of

School District No. 35 (Langley)

And Independent Auditors' Report thereon

June 30, 2023

School District No. 35 (Langley)

June 30, 2023

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School District No. 35 (Langley)

MANAGEMENT REPORT

Version: 4064-3318-1336

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 35 (Langley) 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. 35 (Langley) (called the "Board") is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Board. The Board reviews internal financial statements on a monthly basis and externally audited financial statements yearly.

The external auditors, KPMG, 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. 35 (Langley) 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. 35 (Langley)

Candy Ashdown

Signature of the Chairperson of the Board of Education

Sept 19/23
Date Signed

Mal Gill

Signature of the Superintendent

Sept 20/23
Date Signed

Brian Iseli

Signature of the Secretary Treasurer

Sept 20/23
Date Signed



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INDEPENDENT AUDITOR'S REPORT

To the Board of Education of School District No. 35 (Langley), and

To the Minister of Education and Child Care, Province of British Columbia

Opinion

We have audited the financial statements of School District No. 35 (Langley), (the "Entity"), which comprise:

- the statement of financial position as at June 30, 2023
- the statement of operations for the year then ended
- the statement of changes in net debt for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

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

In our opinion, the accompanying financial statements as at and for the year ended June 30, 2023 of the Entity are prepared, in all material respects, in accordance with the financial reporting provisions of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

Basis for Opinion

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

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

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



Emphasis of Matter – Financial Reporting Framework

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

Our opinion is not modified in respect of this matter.

Emphasis of Matter – Comparative Information

We draw attention to Note 21 to the financial statements which explains that certain comparative information presented for the year ended June 30, 2022 has been restated. Note 21 explains the reason for the restatement and also explains the adjustments that were applied to restate certain comparative information.

Our opinion is not modified in respect of this matter.

Other Matter – Comparative Information

As part of our audit of the financial statements for the year ended June 30, 2023, we also audited the adjustments that were applied to restate certain comparative information presented for the year ended June 30, 2022. In our opinion, such adjustments are appropriate and have been properly applied.

Other Information

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

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

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

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

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

We have nothing to report in this regard.



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

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

We 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

KPMG LLP

Langley, Canada

September 19, 2023

School District No. 35 (Langley)

Statement of Financial Position

As at June 30, 2023

Statement 1

	2023 Actual	2022 Actual (Restated - Note 21)
	\$	\$
Financial Assets		
Cash and Cash Equivalents	80,535,166	68,626,554
Accounts Receivable		
Due from Province - Ministry of Education and Child Care	2,277,133	1,363,027
Other (Note 3)	2,081,178	1,745,281
Total Financial Assets	84,893,477	71,734,862
Liabilities		
Accounts Payable and Accrued Liabilities		
Other (Note 4)	40,002,764	33,489,412
Unearned Revenue (Note 6)	14,753,661	12,568,131
Deferred Revenue (Note 7)	5,941,626	4,821,535
Deferred Capital Revenue (Note 8)	239,899,125	236,606,509
Employee Future Benefits (Note 9)	6,802,763	6,432,552
Asset Retirement Obligation (Note 17, 21)	31,631,664	31,631,664
Total Liabilities	339,031,603	325,549,803
Net Debt	(254,138,126)	(253,814,941)
Non-Financial Assets		
Tangible Capital Assets (Note 5)	392,966,928	387,805,305
Prepaid Expenses	2,544,785	2,075,699
Total Non-Financial Assets	395,511,713	389,881,004
Accumulated Surplus (Deficit) (Note 12)	141,373,587	136,066,063
Accumulated Surplus (Deficit) is comprised of:		
Accumulated Surplus (Deficit) from Operations	141,373,587	136,066,063
Accumulated Remeasurement Gains (Losses)		
	141,373,587	136,066,063

Contractual Obligations (Note 15, 19)

Contingent Liabilities (Note 15)

Approved by the Board

Candy Ashdown

Signature of the Chairperson of the Board of Education

Sept. 19/23
Date Signed

Mal Gill

Signature of the Superintendent

Sept 20/23
Date Signed

Brian Iseli

Signature of the Secretary Treasurer

Sept 20/23
Date Signed

School District No. 35 (Langley)

Statement 2

Statement of Operations

Year Ended June 30, 2023

	2023 Budget (Note 16)	2023 Actual	2022 Actual (Restated - Note 21)
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	286,665,694	283,438,451	292,198,273
Other	835,136	940,323	918,768
Municipal Grants Spent on Sites		49,187	4,450,813
Tuition	14,452,808	14,525,986	14,722,703
Other Revenue	7,853,958	9,288,257	6,109,294
Rentals and Leases	906,278	958,124	803,541
Investment Income	1,862,856	2,371,074	555,606
Amortization of Deferred Capital Revenue	11,112,533	11,802,330	11,234,927
Total Revenue	323,689,263	323,373,732	330,993,925
Expenses			
Instruction	267,861,134	262,010,856	232,564,170
District Administration	9,086,790	9,764,110	9,169,967
Operations and Maintenance	42,699,762	43,212,268	40,217,515
Transportation and Housing	2,846,436	3,078,974	2,772,716
Total Expense	322,494,122	318,066,208	284,724,368
Surplus (Deficit) for the year	1,195,141	5,307,524	46,269,557
Accumulated Surplus (Deficit) from Operations, beginning of year		136,066,063	89,796,506
Accumulated Surplus (Deficit) from Operations, end of year		141,373,587	136,066,063

School District No. 35 (Langley)

Statement 4

Statement of Changes in Net Debt

Year Ended June 30, 2023

	2023 Budget (Note 16)	2023 Actual	2022 Actual (Restated - Note 21)
	\$	\$	\$
Surplus (Deficit) for the year	<u>1,195,141</u>	<u>5,307,524</u>	<u>46,269,557</u>
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets (Note 5)	(31,520,195)	(21,277,376)	(66,482,670)
Amortization of Tangible Capital Assets (Note 5)	14,970,766	16,115,753	14,886,863
Total Effect of change in Tangible Capital Assets	<u>(16,549,429)</u>	<u>(5,161,623)</u>	<u>(51,595,807)</u>
Acquisition of Prepaid Expenses	-	(2,544,787)	(2,075,701)
Use of Prepaid Expenses	-	2,075,701	2,235,188
Total Effect of change in Other Non-Financial Assets	<u>-</u>	<u>(469,086)</u>	<u>159,487</u>
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	<u>(15,354,288)</u>	<u>(323,185)</u>	<u>(5,166,763)</u>
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Debt		<u>(323,185)</u>	<u>(5,166,763)</u>
Net Debt, beginning of year		<u>(253,814,941)</u>	<u>(248,648,178)</u>
Net Debt, end of year		<u><u>(254,138,126)</u></u>	<u><u>(253,814,941)</u></u>

School District No. 35 (Langley)

Statement 5

Statement of Cash Flows

Year Ended June 30, 2023

	2023 Actual	2022 Actual (Restated - Note 21)
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	5,307,524	46,269,557
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(1,250,003)	3,855,923
Inventories for Resale	(469,086)	159,487
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	6,513,352	666,670
Unearned Revenue	2,185,530	683,684
Deferred Revenue	1,120,091	3,266,175
Employee Future Benefits	370,211	288,537
Amortization of Tangible Capital Assets (Note 5)	16,115,753	14,886,863
Amortization of Deferred Capital Revenue (Note 8)	(11,802,330)	(11,234,927)
Recognition of Deferred Capital Revenue Spent on Sites (Note 8)	(645)	(46,568,773)
Total Operating Transactions	18,090,397	12,273,196
Capital Transactions		
Tangible Capital Assets Purchased	(7,891,951)	(53,204,691)
Tangible Capital Assets -WIP Purchased	(13,385,425)	(13,277,979)
Total Capital Transactions	(21,277,376)	(66,482,670)
Financing Transactions		
Capital Revenue Received	15,095,591	53,270,841
Total Financing Transactions	15,095,591	53,270,841
Net Increase (Decrease) in Cash and Cash Equivalents	11,908,612	(938,633)
Cash and Cash Equivalents, beginning of year	68,626,554	69,565,187
Cash and Cash Equivalents, end of year	80,535,166	68,626,554
Cash and Cash Equivalents, end of year, is made up of:		
Cash	43,343,545	32,984,557
Cash Equivalents	37,191,621	35,641,997
	80,535,166	68,626,554

School District No. 35 (Langley)

Notes to the Financial Statements

Year Ended June 30, 2023

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. 35 (Langley)" and operates as "School District No. 35 (Langley)". A Board of Education (Board) is elected for a four-year term and 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. 35 (Langley) is exempt from federal and provincial income taxes.

2. Summary of Significant Accounting Policies

a) Basis of Accounting

These financial statements have been prepared in accordance with Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board. The Budget Transparency and Accountability Act requires that the financial statements be prepared in accordance with the set of standards and guidelines that comprise generally accepted accounting principles for senior governments in Canada, or if the Treasury Board makes a regulation, the set of standards and guidelines that comprise generally accepted accounting principles for senior governments in Canada as modified by the alternate standard or guideline or part thereof adopted in the regulation.

Regulation 257/2010 requires all taxpayer supported organizations in the schools, universities, colleges, and hospital sectors to adopt Canadian public sector accounting standards without any PS4200 elections.

Regulation 198/2011 requires that restricted contributions received or receivable for acquiring or developing a depreciable tangible capital asset or contributions in the form of a depreciable tangible capital asset are to be deferred and recognized in revenue at the same rate that amortization of the related tangible capital asset is recorded.

For British Columbia taxpayer supported organizations, these contributions include government transfers and externally restricted contributions.

The accounting policy requirements under Regulation 198/2011 are significantly different from the requirements of Canadian public sector accounting standards which requires that:

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

As a result, revenue recognized in the statement of operations and certain related deferred capital revenue would be recorded differently under Canadian public sector accounting standards.

b) Cash and Cash Equivalents

Cash and cash equivalents include cash in the bank and deposits in the Provincial Ministry of Finance Central Deposit Program which are readily convertible to cash and that are not subject to

School District No. 35 (Langley)
Notes to the Financial Statements
Year Ended June 30, 2023

2. Summary of Significant Accounting Policies (continued)

b) Cash and Equivalents (continued)

a significant risk of change in value. The deposits with the Ministry of Finance can be withdrawn from the program with three days of notice.

c) Accounts Receivable

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

d) Prepaid Expenses

Prepaid expenses include costs prepaid for insurance, equipment and software maintenance, and other fees. These prepaid expenses are stated at acquisition cost and are charged to expense over the future periods expected to benefit from them.

e) 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.

f) Deferred Revenue and Deferred Capital Revenue

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

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. 35 (Langley)
Notes to the Financial Statements
Year Ended June 30, 2023

2. Summary of Significant Accounting Policies (continued)

g) Tangible Capital Assets

Tangible capital assets acquired or constructed are recorded at cost which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost also includes overhead directly attributable to construction as well as interest costs that are directly attributable to the acquisition or construction of the asset.

Donated tangible capital assets are recorded at their fair market value on the date of donation, if available. Otherwise, a nominal value is used.

Work-in-progress is recorded as an acquisition to the applicable asset class at substantial completion.

Tangible capital assets that no longer contribute to the ability of the School District to provide services are written down to residual value and accounted for as expenses in the statement of operations.

Buildings that are demolished or destroyed are written-off.

The cost, less any residual value, of tangible capital assets (excluding sites) is amortized on a straight-line basis over the estimated useful life of the asset. Estimated useful lives for the School District's tangible capital assets, as determined by management, are as follows:

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

Amortization of tangible capital assets are taken at one-half the normal annual rate in the year of acquisition and in the year of disposal.

h) Internally Restricted 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 12: Accumulated Surplus and Note 13: Interfund Transfers).

i) Revenue Recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

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.

School District No. 35 (Langley)
Notes to the Financial Statements
Year Ended June 30, 2023

2. Summary of Significant Accounting Policies (continued)

i) Revenue Recognition (continued)

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, if available, 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 the 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 the service performed.

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

j) Expenses

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

Allocation of Costs

- Operating expenses are reported by function, program, and object. Whenever possible, expenses 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.
- Principals, Vice-Principals, and Directors of Instruction employed under an administrative officer contract are categorized as Principals and Vice-Principals.
- Superintendents, Secretary-Treasurers, Trustees and other employees excluded from union contracts are categorized as Other Professionals.
- Employee benefits and allowances are allocated to the same programs, and in the same proportions, as the individual's salary.
- Supplies and services are allocated based on actual program identification.

School District No. 35 (Langley)
Notes to the Financial Statements
Year Ended June 30, 2023

2. Summary of Significant Accounting Policies (continued)

k) Financial Instruments

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

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

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.

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

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

All financial assets except derivatives are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations.

l) 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. Benefits include vested sick leave, accumulating non-vested sick leave, retirement allowances, vacation pay and life insurance.

The School District accrues its obligations and related costs under employee future benefit plans. The future benefits cost is actuarially determined using the projected unit credit method pro-rata on service and using management's best estimate of expected salary escalation, termination and retirement rates, and mortality. The discount rate used to measure obligations is based on the cost of borrowing.

The cumulative unrecognized actuarial gains (losses) are amortized over the expected average remaining service lifetime (EARS�) of active employees covered under the plan. The EARS� for employees of the School District is 11.2 years.

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

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

School District No. 35 (Langley)
Notes to the Financial Statements
Year Ended June 30, 2023

2. Summary of Significant Accounting Policies (continued)

m) Measurement Uncertainty

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

n) Asset Retirement Obligations

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

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

The liability for the removal of asbestos and other hazardous material in several of the buildings owned by the School District has been initially recognized using the modified retroactive method. The liability has been measured at current cost as the timing and amounts of future cash flows cannot be estimated. The resulting costs have been capitalized into the carrying amount of tangible capital assets and are being amortized on the same basis as the related tangible capital asset (see note 2 g). Assumptions used in the calculations are reviewed annually.

o) Liability for Contaminated Sites

A liability for contaminated sites is recognized when a site is not in productive use and the following criteria are met:

- An environmental standard exists;
- Contamination exceeds the environmental standard;
- The School District is directly responsible or accepts responsibility for the contamination;
- 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.

p) Future Changes in Accounting Policies

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

School District No. 35 (Langley)
Notes to the Financial Statements
Year Ended June 30, 2023

2. Summary of Significant Accounting Policies (continued)

p) Future Changes in Accounting Policies (continued)

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

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

- has the authority to claim or retain an inflow of economic resources; and
- 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.

3. Accounts Receivable – Other

	June 30, 2023	June 30, 2022
Due from Federal Government	\$ 183,226	\$ 306,506
Other Accounts Receivable	1,897,242	1,438,775
Due from Langley School District Foundation	710	-
	<u>\$ 2,081,178</u>	<u>\$ 1,745,281</u>

4. Accounts Payable and Accrued Liabilities - Other

	June 30, 2023	June 30, 2022
Trade Payables	\$ 7,937,356	\$ 4,093,554
Salaries and Benefits Payable	24,527,462	22,164,833
Accrued Vacation Pay	4,650,373	4,471,882
Other	2,887,573	2,759,143
	<u>\$40,002,764</u>	<u>\$33,489,412</u>

School District No. 35 (Langley)
Notes to the Financial Statements
Year Ended June 30, 2023

5. Tangible Capital Assets

June 30, 2023	Balance July 1, 2022 (Restated - Note 21)	PPA (Note 21)	Additions	Disposals	Transfers (WIP)	Balance Jun 30, 2023
Cost:						
Sites	\$ 103,276,028	\$ -	\$ 645	\$ -	\$ -	\$ 103,276,673
Buildings	477,718,888	-	2,532,461	-	10,458,725	490,710,074
Building - work in progress	5,300,000	-	12,093,357	-	(10,458,725)	6,934,632
Furniture & equipment	35,282,617	-	2,946,304	1,823,546	-	36,405,375
Vehicles	6,201,589	-	1,413,756	280,999	-	7,334,346
Computer software	125,019	-	33,128	91,067	-	67,080
Computer hardware	6,286,243	-	2,257,725	39,003	-	8,504,965
	\$ 634,190,384	\$ -	\$ 21,277,376	\$ 2,234,615	\$ -	\$ 653,233,145
Accumulated Amortization:						
Sites	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Buildings	227,208,102	-	10,374,205	-	-	237,582,307
Furniture & equipment	14,486,312	-	3,566,421	1,823,546	-	16,229,187
Vehicles	2,614,260	-	676,797	280,999	-	3,010,058
Computer software	95,955	-	19,209	91,067	-	24,097
Computer hardware	1,980,450	-	1,479,121	39,003	-	3,420,568
	\$ 246,385,079	\$ -	\$ 16,115,753	\$ 2,234,615	\$ -	\$ 260,266,217
June 30, 2022	Balance July 1, 2021	PPA (Note 21)	Additions	Disposals	Transfers (WIP)	Balance Jun 30, 2022 (Restated - Note 21)
Cost:						
Sites	\$ 56,707,255	\$ -	\$ 46,568,773	\$ -	\$ -	\$ 103,276,028
Buildings	413,823,472	31,631,664	1,304,758	-	30,958,994	477,718,888
Building - work in progress	25,158,808	-	11,100,186	-	(30,958,994)	5,300,000
Furniture & equipment	31,977,171	-	4,387,892	1,082,446	-	35,282,617
Vehicles	5,206,517	-	995,072	-	-	6,201,589
Computer software	201,610	-	-	76,591	-	125,019
Computer hardware	4,327,289	-	2,125,989	167,035	-	6,286,243
	\$ 537,402,122	\$ 31,631,664	\$ 66,482,670	\$ 1,326,072	\$ -	\$ 634,190,384
Accumulated Amortization:						
Sites	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Buildings	186,221,344	31,219,375	9,767,383	-	-	227,208,102
Furniture & equipment	12,227,006	-	3,341,752	1,082,446	-	14,486,311
Vehicles	2,043,855	-	570,405	-	-	2,614,261
Computer software	139,884	-	32,662	76,591	-	95,955
Computer hardware	1,086,132	-	1,061,353	167,035	-	1,980,449
	\$ 201,718,221	\$ 31,219,375	\$ 14,773,555	\$ 1,326,072	\$ -	\$ 246,385,078

School District No. 35 (Langley)
Notes to the Financial Statements
Year Ended June 30, 2023

5. Tangible Capital Assets (continued)

Net Book Value	June 30, 2023	June 30, 2022 (Restated—Note 21)
Sites	\$ 103,276,673	\$ 103,276,028
Buildings	253,127,767	250,510,786
Building - work in progress	6,934,632	5,300,000
Furniture & equipment	20,176,188	20,796,305
Vehicles	4,324,288	3,587,329
Computer software	42,983	29,064
Computer hardware	5,084,397	4,305,793
	<u>\$ 392,966,928</u>	<u>\$ 387,805,305</u>

Buildings – work in progress have not been amortized. Amortization of these assets will commence when the asset is put into service.

6. Unearned Revenue

	June 30, 2023	June 30, 2022
Balance, Beginning of Year	<u>\$ 12,568,131</u>	<u>\$ 11,884,447</u>
Changes for the Year		
Increase:		
Tuition fees	14,637,234	12,505,662
Rentals	20,925	10,859
Transportation	-	2,880
Grants	95,501	49,000
	<u>14,753,660</u>	<u>12,568,131</u>
Decrease:		
Tuition fees	12,505,662	11,865,920
Rentals	10,589	1,727
Transportation	2,880	1,800
Grants	49,000	15,000
	<u>12,568,131</u>	<u>11,884,447</u>
Balance, End of Year	<u>\$ 14,753,661</u>	<u>\$ 12,568,131</u>

School District No. 35 (Langley)

Notes to the Financial Statements

Year Ended June 30, 2023

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, 2023	June 30, 2022
Balance, Beginning of Year	\$ 4,821,535	\$ 1,555,360
Changes for the year:		
Increase:		
Provincial Grants - MECC	47,832,801	38,030,635
Provincial Grants - Other	795,531	620,626
Other revenue	7,983,372	5,142,176
	56,611,704	43,793,437
Decrease:		
Transferred to revenue	(55,491,613)	(40,527,262)
	(55,491,613)	(40,527,262)
Balance, End of Year	\$ 5,941,626	\$ 4,821,535

8. Deferred Capital Revenue

	June 30, 2023	June 30, 2022
Balance, Beginning of Year	\$ 236,606,509	\$ 241,139,368
Increase:		
Provincial Grants - MECC	13,724,907	52,945,328
Provincial Grants - Other	-	(12,445)
Other revenue	1,329,123	550,242
Investment income	41,561	23,478
Transfer to income statement for AFG	-	(235,762)
	15,095,591	53,270,841
Decrease:		
Amortization	(11,802,330)	(11,234,927)
Site purchase	(645)	(46,568,773)
	(11,802,975)	(57,803,700)
Balance, End of Year	\$ 239,899,125	\$ 236,606,509

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.

School District No. 35 (Langley)

Notes to the Financial Statements

Year Ended June 30, 2023

9. Employee Future Benefits

Benefits include vested sick leave, accumulating non-vested sick leave, retirement allowances, vacation pay and life insurance. The accrued benefit obligation for employee future benefits is not funded as funding is provided when the benefits are paid. Accordingly, there are no plan assets. Although no plan assets are uniquely identified, the School District has provided for the payment of these benefits.

	2023	2022
Reconciliation of Accrued Benefit Obligation		
Accrued benefit obligation, April 1	\$ 6,962,509	\$ 5,990,892
Service cost	603,429	573,916
Interest cost	229,556	156,463
Benefit payments – April 1 to March 31	(634,539)	(583,756)
Actuarial gain (loss)	(447,060)	824,994
Accrued benefit obligation, March 31	\$ 6,713,895	\$ 6,962,509
Reconciliation of Funded Status at End of Fiscal Year		
Accrued benefit obligation – March 31	\$ 6,713,895	\$ 6,962,509
Employer contributions after measurement date	21,622	110,014
Benefits expense after measurement date	(216,163)	(208,246)
Unamortized net actuarial (gain) loss	105,673	628,189
Accrued benefit liability - June 30	\$ (6,802,763)	\$ (6,432,552)
Reconciliation of Change in Accrued Benefit Liability		
Accrued benefit liability – July 1	\$ 6,432,552	\$ 6,144,015
Net expense for fiscal year	916,358	838,918
Employer contributions	(546,147)	(550,381)
Accrued benefit liability - June 30	\$ 6,802,763	\$ 6,432,552
Components of Net Benefit Expense		
Service cost	\$ 599,453	\$ 581,294
Interest cost	241,448	174,736
Amortization of actuarial (gain) loss	75,457	82,887
Net Benefit Expense	\$ 916,358	\$ 838,917

School District No. 35 (Langley)
Notes to the Financial Statements
Year Ended June 30, 2023

9. Employee Future Benefits (continued)

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

	<u>2023</u>	<u>2022</u>
Discount rate - April 1	3.25%	2.50%
Discount rate - March 31	4.00%	3.25%
Long term salary growth - April 1	2.50% + seniority	2.50% + seniority
Long term salary growth - March 31	2.50% + seniority	2.50% + seniority
EARSL – March 31	11.2 years	11.2 years

10. Employee Pension Plans

a) Teachers' Pension Plan and Municipal Pension Plan

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 represent plan members and employers and are responsible for managing the pension plans including investing assets and administering benefits. The pension plans are multi-employer defined benefit pension plans. Basic pension benefits provided are based on a formula. As at December 31, 2022, the Teachers' Pension Plan has about 51,000 active members and approximately 41,000 retired members. As at December 31, 2022 the Municipal Pension Plan has about 240,000 active members, of which approximately 30,000 are from school districts.

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

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

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2021, indicated a \$3,761 million funding surplus for basic pension benefits on a going concern basis.

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

Employers participating in the plans record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting).

School District No. 35 (Langley)
Notes to the Financial Statements
Year Ended June 30, 2023

10. Employee Pension Plans (continued)

a) Teachers' Pension Plan and Municipal Pension Plan (continued)

This is because the plans record accrued liabilities and accrued assets for each plan in aggregate with the result that there is no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plans.

The School District's employer contributions to these plans in the fiscal year ended June 30, 2023 were \$21,419,643 (2022: \$19,655,654).

11. Expense by Object

	June 30, 2023	June 30, 2022 (Restated-Note 21)
Salaries and Benefits	\$262,152,460	\$240,478,348
Services and Supplies	32,678,322	23,251,765
Interest	76,005	11,273
Amortization	16,115,753	14,886,863
Other	7,043,668	6,096,119
	<u>\$318,066,208</u>	<u>\$284,724,368</u>

12. Accumulated Surplus

The School District's accumulated surplus consists of balances in its internal capital and internal operating funds. The balance in the internal capital fund consists of amounts invested in tangible capital assets and local capital. The balance in the internal operating fund consists of amounts restricted for various specific purposes and an unrestricted amount.

School District No. 35 (Langley)
Notes to the Financial Statements
Year Ended June 30, 2023

12. Accumulated Surplus (continued)

	June 30, 2023	June 30, 2022 (Restated - Note 21)
Total Capital Fund Surplus	\$123,978,463	\$120,838,955
Restricted Operating Surplus		
Constraints on Funds:		
Internally restricted for commitments 2022/2023	2,937,040	1,233,788
Internally restricted for initiatives not completed 2022/2023	125,000	-
Internally restricted for Indigenous Education 2022/2023	77,271	167,804
School Generated Funds	2,695,414	2,622,054
Anticipated Unusual Expenses:		
Internally restricted for COVID-19 contingency	-	283,393
Operations Spanning Multiple Years:		
Internally restricted to balance 2023/2024 budget	2,565,672	-
Internally restricted to balance 2022/2023 budget	-	770,673
Internally restricted to balance future budgets	1,981,482	2,489,351
Internally restricted for infrastructure replacement	-	107,804
Internally restricted for student capacity needs	1,747,329	1,500,000
School surpluses	264,997	421,322
Internally restricted for classroom furniture	270,000	250,000
Internally restricted for projector replacements	350,000	750,000
Future Capital Cost Share:		
Restricted for Future District Capital Contribution	30,919	630,919
Total Restricted Operating Surplus	13,045,124	11,227,108
Unrestricted Operating Surplus	4,350,000	4,000,000
Total Operating Surplus	17,395,124	15,227,108
Accumulated Surplus	\$141,373,587	\$136,066,063

13. Interfund Transfers

The School District manages its accounts using three different funds – Operating, Special Purpose and Capital. Transfers between these funds during the year ended June 30, 2023, were as follows:

- A transfer in the amount of \$109,461 (2022: \$443,540) was made from the special purpose fund to the capital fund for payment of capital assets purchased.
- A transfer in the amount of \$7,307,635 (2022: \$5,666,140) was made from the operating fund to the capital fund for payment of capital assets purchased.

School District No. 35 (Langley)
Notes to the Financial Statements
Year Ended June 30, 2023

14. 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 generally considered to be in the normal course of operations and are recorded at the exchange amount.

The School District has an economic interest in the Langley School District Foundation (Foundation) which acts as a fundraising agency for the School District. The Foundation is a separate legal entity and is a registered charity under the provisions of the *Income Tax Act* of Canada. The Foundation has its own board of directors who approve grants to support various initiatives of the School District.

During the year, the School District received \$674,258 (2022: \$637,996) in contributions from the Foundation to support and promote programs not funded by the Ministry of Education. The School District made contributions to the Foundation to support its operations of \$100,000 (2022: \$100,000). The School District also has \$710 in amounts receivable from the Foundation (2022: nil).

15. Contractual Obligations and Contingent Liabilities

- a) In the normal course of business, lawsuits and claims have been brought against the School District. The School District contests these lawsuits and claims. Management believes that the results of any pending legal proceedings will not have a material effect on the financial position of the School District.
- b) 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.

	2024	2025	2026
Various AFG projects	\$1,126,996	-	-
	\$1,126,996	-	-

School District No. 35 (Langley)

Notes to the Financial Statements

Year Ended June 30, 2023

16. Budget Figures

Budget figures were approved by the Board of Education through the adoption of an annual amended budget bylaw on February 21, 2023.

Budget figures included in the financial statements reflect the amended planned budget approved by the Board. The School District has elected to present the amended budget as it reflects a budget based on funding as a result of final enrollment numbers versus estimated enrollment projections.

Revenues	Annual Budget	Amended Budget	Change
Ministry of Education	\$ 254,502,989	\$ 286,665,694	\$ 32,162,705
Other - Provincial Grants	797,445	835,136	37,691
Tuition	13,858,070	14,452,808	594,738
Other revenue	8,901,555	7,853,958	(1,047,597)
Rentals and leases	797,681	906,278	108,597
Investment income	451,000	1,862,856	1,411,856
Amort. of deferred capital revenue	10,748,866	11,112,533	363,667
	<u>290,057,606</u>	<u>323,689,263</u>	<u>33,631,657</u>
Expenses			
Instruction	240,149,169	267,861,134	27,711,965
District administration	9,082,179	9,086,790	4,611
Operations and maintenance	39,830,379	42,699,762	2,869,383
Transportation and housing	2,768,086	2,846,436	78,350
	<u>291,829,813</u>	<u>322,494,122</u>	<u>30,664,309</u>
Net Expense	<u>(1,772,207)</u>	<u>1,195,141</u>	<u>2,967,348</u>
Budgeted Allocation of Surplus	<u>770,673</u>	<u>3,906,980</u>	<u>3,136,307</u>
Surplus (Deficit) for the Year	<u>(\$1,001,534)</u>	<u>\$ 5,102,121</u>	<u>\$ 6,103,655</u>

Significant changes between the original and amended budgets are as follows:

- Ministry grants – Reflects increased funding for Classroom Enhancement Fund and Student Affordability Fund, increased Operating Grant for enrollment increase and labour settlement funding.
- Tuition revenue is higher due to increased number of International Students.
- Investment income increase due to interest rate increases.
- Other revenue decrease reflects School Generated Fund budget estimate reduction.
- Instruction expenses – Reflects increase in Classroom Enhancement Fund teachers and increased number of teachers and education assistants in operating due to increased enrollment. Also increased labour costs for ratified collective agreements.
- Operations and maintenance expenses – Reflects increased labour costs for ratified collective agreements and increased amortization expense for capital assets.

School District No. 35 (Langley)
Notes to the Financial Statements
Year Ended June 30, 2023

17. Asset Retirement Obligation

Legal liabilities exist for the removal and disposal of asbestos and other environmentally hazardous materials, such as lead paint, within some district owned buildings that will undergo major renovations or demolition in the future. A reasonable estimate of the fair value of the obligation has been recognized using the modified retroactive approach as at July 1, 2022 (see Note 21 – Prior Period Adjustment – Change in Accounting Policy). The obligation has been measured at current cost as the timing of future cash flows cannot be reasonably determined. These costs have been capitalized as part of the assets' carrying value and are amortized over the assets' estimated useful lives.

Asset Retirement Obligation, July 1, 2022 (see Note 21)	\$31,631,664
Settlements during the year	-
Asset Retirement Obligation, closing balance	<u>\$31,631,664</u>

18. Risk Management

The School District has exposure to the following risks from its use of financial instruments: credit risk, market risk and liquidity risk. The Board ensures that the School District has identified its risks and ensures that management monitors and controls them.

a) Credit risk:

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

The School District is exposed to credit risk in the event of non-performance by a 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 the Central Deposit Program with the Province and in recognized British Columbia institutions and the School District invests solely in term deposits and guaranteed investment certificates.

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 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 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 they invest solely in term deposits and guaranteed investment certificates that have a maturity date of no more than 3 years.

School District No. 35 (Langley)

Notes to the Financial Statements

Year Ended June 30, 2023

18. Risk Management (continued)

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 the risk exposures from 2022.

19. Economic Dependence

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.

20. Future Capital Transactions

On May 4, 2021, the Ministry announced the approval of the seismic project for Vanguard Secondary. The project will provide new, modern classrooms, while ensuring all students and staff are safe at school. The total value of the project is \$3.33 million. The addition is completed and occupied by the staff and students. The old house will be demolished during summer closure. The School District has estimated costs remaining of \$0.75 million as at June 30, 2023.

On June 16, 2022 the Ministry approved \$37.8 million for a seismic upgrade and a 11-classroom expansion at Peter Ewart Middle school. The Langley School District is contributing an additional \$1 million. The project will add 275 student seats, creating a total of 900 safer seats at the school. There will be minimal impact to student learning during construction as the expansion will make use of repurposing underutilized space. Construction is expected to start in summer 2023 and to be complete in fall 2024. Students will be accommodated on site during construction through the use of portables.

On May 18, 2023 the Ministry announced approval for a new 555-seat elementary school in the northeast Latimer neighbourhood. The school will include a neighbourhood learning centre that will offer services, such as child care, to benefit families in the broader community. The project is in design, and construction is scheduled to start in spring 2024. The school is expected to be ready for students in fall 2025.

On June 9, 2023 the Ministry announced the approval of a 300-seat addition at Langley Secondary school to help meet current enrolment and future growth. Funding for as much as \$27.9 million from the Province has been approved. The addition will include general instruction classrooms, foods classrooms, a science lab and special education rooms. The Langley School District is contributing an additional \$1 million to the project. Construction is scheduled to begin in spring 2024. The addition is expected to be ready for students in fall 2025.

School District No. 35 (Langley)
Notes to the Financial Statements
Year Ended June 30, 2023

21. Prior Period Adjustment – Change in Accounting Policy

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

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

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

	<u>Increase (Decrease)</u>
Asset Retirement Obligation (liability)	\$31,631,664
Tangible Capital Assets – Cost	31,631,664
Tangible Capital Assets – Accumulated Amortization	31,219,375
Operations & Maintenance Expense – Asset Amortization (2022)	113,308
Accumulated Surplus – Invested in Capital Assets	(31,106,067)

School District No. 35 (Langley)

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

Schedule 1 (Unaudited)

	Operating Fund	Special Purpose Fund	Capital Fund	2023 Actual	2022 Actual (Restated - Note 21)
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	15,227,108		120,838,955	136,066,063	120,902,573
Prior Period Adjustments					(31,106,067)
Accumulated Surplus (Deficit), beginning of year, as restated	15,227,108	-	120,838,955	136,066,063	89,796,506
Changes for the year					
Surplus (Deficit) for the year	9,475,651	109,461	(4,277,588)	5,307,524	46,269,557
Interfund Transfers		(109,461)	109,461	-	-
Tangible Capital Assets Purchased	(7,307,635)		7,307,635	-	-
Local Capital	2,168,016	-	3,139,508	5,307,524	46,269,557
Net Changes for the year	17,395,124	-	123,978,463	141,373,587	136,066,063

School District No. 35 (Langley)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2023

	2023 Budget (Note 16)	2023 Actual	2022 Actual (Restated - Note 21)
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	236,341,453	236,831,188	214,797,458
Other	192,400	195,400	361,844
Tuition	14,452,808	14,525,986	14,722,703
Other Revenue	853,958	1,197,372	1,186,049
Rentals and Leases	906,278	958,124	803,541
Investment Income	1,823,041	2,335,884	542,083
Total Revenue	254,569,938	256,043,954	232,413,678
Expenses			
Instruction	211,886,851	207,962,634	194,303,220
District Administration	8,488,936	9,190,467	8,743,150
Operations and Maintenance	27,174,189	27,013,025	24,269,340
Transportation and Housing	2,207,116	2,402,177	2,202,311
Total Expense	249,757,092	246,568,303	229,518,021
Operating Surplus (Deficit) for the year	4,812,846	9,475,651	2,895,657
Budgeted Appropriation (Retirement) of Surplus (Deficit)	3,906,980		
Net Transfers (to) from other funds			
Local Capital	(8,719,826)	(7,307,635)	(5,666,140)
Total Net Transfers	(8,719,826)	(7,307,635)	(5,666,140)
Total Operating Surplus (Deficit), for the year	-	2,168,016	(2,770,483)
Operating Surplus (Deficit), beginning of year		15,227,108	17,997,591
Operating Surplus (Deficit), end of year		17,395,124	15,227,108
Operating Surplus (Deficit), end of year			
Internally Restricted (Note 12)		17,395,124	15,227,108
Total Operating Surplus (Deficit), end of year		17,395,124	15,227,108

School District No. 35 (Langley)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2023

	2023 Budget (Note 16)	2023 Actual	2022 Actual (Restated - Note 21)
	\$	\$	\$
Provincial Grants - Ministry of Education and Child Care			
Operating Grant, Ministry of Education and Child Care	225,666,579	226,131,471	213,286,836
ISC/LEA Recovery	(104,122)	(105,642)	(101,997)
Other Ministry of Education and Child Care Grants			
Pay Equity	551,875	551,875	551,875
Funding for Graduated Adults	500,000	312,804	281,679
Student Transportation Fund	260,000	260,000	260,000
Support Staff Benefits Grant	325,200	325,200	496,739
FSA Scorer Grant	17,740	17,740	17,740
Child Care Funding	53,959	53,959	-
Early Learning Framework (ELF) Implementation	3,385	3,385	4,586
Labour Settlement Funding	8,878,846	9,089,765	-
Support Staff Funding EHB	166,534	177,750	-
Additional Support Staff Funding	11,457	-	-
Policing and Security Branch Funding	10,000	10,500	-
Equity Scan Implementation	-	2,381	-
Total Provincial Grants - Ministry of Education and Child Care	236,341,453	236,831,188	214,797,458
Provincial Grants - Other	192,400	195,400	361,844
Tuition			
Summer School Fees	95,715	95,715	151,920
Continuing Education	53,000	40,017	59,700
International and Out of Province Students	14,304,093	14,390,254	14,511,083
Total Tuition	14,452,808	14,525,986	14,722,703
Other Revenues			
Funding from First Nations	104,122	105,642	101,997
Miscellaneous			
Other Revenue	242,836	398,983	429,734
Transportation	40,000	50,370	50,180
BC Hydro Grant	47,000	60,000	50,000
Salary Recoveries	420,000	509,017	543,093
School Generated Funds	-	73,360	11,045
Total Other Revenue	853,958	1,197,372	1,186,049
Rentals and Leases	906,278	958,124	803,541
Investment Income	1,823,041	2,335,884	542,083
Total Operating Revenue	254,569,938	256,043,954	232,413,678

School District No. 35 (Langley)

Schedule 2B (Unaudited)

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

	2023 Budget (Note 16)	2023 Actual	2022 Actual (Restated - Note 21)
	\$	\$	\$
Salaries			
Teachers	113,071,232	108,327,190	102,335,468
Principals and Vice Principals	13,374,955	13,532,809	12,657,068
Educational Assistants	23,732,377	22,000,428	19,843,362
Support Staff	18,538,599	18,848,163	16,858,777
Other Professionals	5,740,045	5,849,060	5,475,566
Substitutes	9,482,849	12,149,778	10,553,864
Total Salaries	183,940,057	180,707,428	167,724,105
Employee Benefits	42,926,295	42,590,107	40,303,347
Total Salaries and Benefits	226,866,352	223,297,535	208,027,452
Services and Supplies			
Services	6,221,913	6,472,735	6,240,858
Student Transportation	162,484	215,255	118,415
Professional Development and Travel	1,491,201	1,452,758	924,383
Rentals and Leases	52,100	71,923	37,874
Dues and Fees	1,548,010	1,532,113	1,399,363
Insurance	577,854	567,777	431,084
Interest	-	76,005	11,273
Supplies	8,935,178	9,678,360	9,378,081
Utilities	3,900,000	3,203,842	2,949,238
Bad Debts	2,000		
Total Services and Supplies	22,890,740	23,270,768	21,490,569
Total Operating Expense	249,757,092	246,568,303	229,518,021

School District No. 35 (Langley)
Operating Expense by Function, Program and Object
Year Ended June 30, 2023

	Teachers Salaries	Principals and Vice Principals Salaries	Educational Assistants Salaries	Support Staff Salaries	Other Professionals Salaries	Substitutes Salaries	Total Salaries
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	85,846,020	1,759,089	770,795	1,197,130	2,570	8,319,225	97,894,829
1.03 Career Programs	406,188		207,650	134,078		25,242	773,158
1.07 Library Services	1,046,344		615,337	1,475		10,172	1,673,328
1.08 Counselling	3,527,555			47,702		17,638	3,592,895
1.10 Special Education	12,940,347	808,523	18,472,985	74,063	231,453	2,057,447	34,584,818
1.30 English Language Learning	1,834,141	105,087	92,807	588		2,071	2,034,694
1.31 Indigenous Education	432,053	152,975	1,274,808	71,851		24,771	1,956,458
1.41 School Administration		9,852,615	2,535	2,946,221	87,378	159,274	13,048,023
1.60 Summer School	654,386	138,297	143,124	20,273			956,080
1.61 Continuing Education							-
1.62 International and Out of Province Students	1,640,156	291,335	393,262	187,254	387,083	64,852	2,963,942
Total Function 1	108,327,190	13,107,921	21,973,303	4,680,635	708,484	10,680,692	159,478,225
4 District Administration							
4.11 Educational Administration		279,011		43,496	1,198,772		1,521,279
4.40 School District Governance					221,654		221,654
4.41 Business Administration		145,877		1,360,923	2,115,393	25,531	3,647,724
Total Function 4	-	424,888	-	1,404,419	3,535,819	25,531	5,390,657
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				77,901	1,197,729		1,275,630
5.50 Maintenance Operations				11,156,020	357,127	1,142,953	12,656,100
5.52 Maintenance of Grounds				367,983		119,525	487,508
5.56 Utilities							-
Total Function 5	-	-	-	11,601,904	1,554,856	1,262,478	14,419,238
7 Transportation and Housing							
7.41 Transportation and Housing Administration				131,626	49,901	30,087	211,614
7.70 Student Transportation			27,125	1,029,579		150,990	1,207,694
Total Function 7	-	-	27,125	1,161,205	49,901	181,077	1,419,308
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	108,327,190	13,532,809	22,000,428	18,848,163	5,849,060	12,149,778	180,707,428

School District No. 35 (Langley)

Operating Expense by Function, Program and Object

Year Ended June 30, 2023

Schedule 2C (Unaudited)

	Total Salaries \$	Employee Benefits \$	Total Salaries and Benefits \$	Services and Supplies \$	2023 Actual \$	2023 Budget (Note 16) \$	2022 Actual (Restated - Note 21) \$
1 Instruction							
1.02 Regular Instruction	97,894,829	23,612,040	121,506,869	5,433,646	126,940,515	128,016,261	120,097,982
1.03 Career Programs	773,158	177,469	950,627	165,371	1,115,998	1,179,649	1,181,574
1.07 Library Services	1,673,328	241,551	1,914,879	159,919	2,074,798	2,294,068	2,060,108
1.08 Counselling	3,592,895	795,593	4,388,488	134,924	4,523,412	4,486,077	4,051,686
1.10 Special Education	34,584,818	8,470,194	43,055,012	963,254	44,018,266	45,248,376	39,717,076
1.30 English Language Learning	2,034,694	384,428	2,419,122	62,503	2,481,625	2,846,368	2,414,310
1.31 Indigenous Education	1,956,458	447,073	2,403,531	700,374	3,103,905	3,181,176	2,911,870
1.41 School Administration	13,048,023	2,748,181	15,796,204	628,113	16,424,317	16,871,292	15,114,061
1.60 Summer School	956,080	197,537	1,153,617	24,125	1,177,742	1,093,620	1,067,175
1.61 Continuing Education	-	-	-	-	-	-	417,161
1.62 International and Out of Province Students	2,963,942	684,557	3,648,499	2,453,557	6,102,056	6,669,964	5,270,217
Total Function 1	159,478,225	37,758,623	197,236,848	10,725,786	207,962,634	211,886,851	194,303,220
4 District Administration							
4.11 Educational Administration	1,521,279	333,494	1,854,773	454,441	2,309,214	2,051,145	1,896,971
4.40 School District Governance	221,654	14,206	235,860	157,113	392,973	357,808	1,623,630
4.41 Business Administration	3,647,724	810,651	4,458,375	2,029,905	6,488,280	6,079,983	5,222,549
Total Function 4	5,390,657	1,158,351	6,549,008	2,641,459	9,190,467	8,488,936	8,743,150
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	1,275,630	265,867	1,541,497	1,154,451	2,695,948	2,938,217	2,451,981
5.50 Maintenance Operations	12,656,100	3,002,364	15,658,464	4,357,348	20,015,812	19,496,022	18,068,863
5.52 Maintenance of Grounds	487,508	109,592	597,100	518,260	1,115,360	864,950	821,365
5.56 Utilities	-	-	-	3,185,905	3,185,905	3,875,000	2,927,131
Total Function 5	14,419,238	3,377,823	17,797,061	9,215,964	27,013,025	27,174,189	24,269,340
7 Transportation and Housing							
7.41 Transportation and Housing Administration	211,614	44,067	255,681	5,243	260,924	220,326	229,999
7.70 Student Transportation	1,207,694	251,243	1,458,937	682,316	2,141,253	1,986,790	1,972,312
Total Function 7	1,419,308	295,310	1,714,618	687,559	2,402,177	2,207,116	2,202,311
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	180,707,428	42,590,107	223,297,535	23,270,768	246,568,303	249,757,092	229,518,021

School District No. 35 (Langley)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2023

	2023 Budget (Note 16)	2023 Actual	2022 Actual (Restated - Note 21)
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	49,974,241	46,655,805	35,047,093
Other	642,736	744,923	556,924
Other Revenue	7,000,000	8,090,885	4,923,245
Total Revenue	<u>57,616,977</u>	<u>55,491,613</u>	<u>40,527,262</u>
Expenses			
Instruction	55,974,283	54,048,222	38,260,950
District Administration	597,854	573,643	426,817
Operations and Maintenance	844,127	760,287	1,395,955
Total Expense	<u>57,416,264</u>	<u>55,382,152</u>	<u>40,083,722</u>
Special Purpose Surplus (Deficit) for the year	<u>200,713</u>	<u>109,461</u>	<u>443,540</u>
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(200,713)	(109,461)	(443,540)
Total Net Transfers	<u>(200,713)</u>	<u>(109,461)</u>	<u>(443,540)</u>
Total Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>-</u>	<u>-</u>
Special Purpose Surplus (Deficit), beginning of year			
Special Purpose Surplus (Deficit), end of year		<u>-</u>	<u>-</u>

School District No. 35 (Langley)

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

Schedule 3A (Unaudited)

Deferred Revenue, beginning of year

Add: Restricted Grants
Provincial Grants - Ministry of Education and Child Care
Provincial Grants - Other
Other

Less: Allocated to Revenue
Deferred Revenue, end of year

Revenues
Provincial Grants - Ministry of Education and Child Care
Provincial Grants - Other
Other Revenue

Expenses
Salaries
Teachers
Principals and Vice Principals
Educational Assistants
Support Staff
Other Professionals
Substitutes

Employee Benefits
Services and Supplies

Net Revenue (Expense) before Interfund Transfers

Interfund Transfers
Tangible Capital Assets Purchased

Net Revenue (Expense)

Annual Facility Grant	Learning Improvement Fund	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	Community/LINK Fund - Overhead	Classroom Enhancement Fund - Staffing
\$	\$	\$	\$	\$	\$	\$	\$
680,305	8,657	1,253,366	190	11,893	84,738	4,077	3,089,567
680,305	766,557	7,983,372	288,000	75,950	213,005	2,178,546	34,281,164
680,305	766,619	8,090,885	287,419	41,974	259,159	2,182,623	33,493,840
-	8,595	1,145,853	771	45,869	38,584	-	3,876,891
680,305	766,619	8,090,885	287,419	41,974	259,159	2,182,623	33,493,840
680,305	766,619	8,090,885	287,419	41,974	259,159	2,182,623	33,493,840
95,920	643,004	208,812	162	24,906	25,530	283,432	26,269,318
					47,213	1,402,259	142,987
	433	2,039	2,039		20,494	51,970	77,209
95,920	643,437	-	211,013	24,906	93,237	1,737,661	554,348
15,078	123,182		51,397	5,875	17,542	444,962	774,544
569,307		8,090,885	25,009	11,193	148,380		165,425
680,305	766,619	8,090,885	287,419	41,974	259,159	2,182,623	33,493,840
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-

School District No. 35 (Langley)

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

Schedule 3A (Unaudited)

	Classroom Enhancement Fund - Remedies	First Nation Student Transportation	Mental Health in Schools	Changing Results for Young Children	Federal Safe Return to Class / Ventilation Fund	Seamless Day Kindergarten	Early Childhood Education Dual Credit Program	Student & Family Affordability	JUST B4
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year		11,985	70,042	2,990	59,713	17,134	69,899		
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	5,805,121	37,144	48,000	6,000		110,800	20,000	2,163,240	25,000
Provincial Grants - Other									
Less: Allocated to Revenue	5,805,121	37,144	48,000	6,000		110,800	20,000	2,163,240	25,000
Deferred Revenue, end of year	-	15,597	57,642	4,552	-	98	69,136	474,932	-
Revenues									
Provincial Grants - Ministry of Education and Child Care	5,805,121	33,532	60,400	4,438	59,713	127,836	20,763	1,688,308	25,000
Provincial Grants - Other									
Other Revenue	5,805,121	33,532	60,400	4,438	59,713	127,836	20,763	1,688,308	25,000
Expenses									
Salaries									
Teachers	40,702	-	-	-	-	87,997	-	-	14,061
Principals and Vice Principals	40,702	-	-	-	-	26,150	-	-	3,709
Educational Assistants			225			13,689	20,763	1,578,847	7,230
Support Staff	5,764,419	33,532	60,175	4,438	59,713	127,836	20,763	1,578,847	25,000
Other Professionals	5,805,121	33,532	60,400	4,438	59,713	127,836	20,763	1,578,847	25,000
Substitutes									
Employee Benefits									
Services and Supplies									
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	109,461	-
Interfund Transfers									
Tangible Capital Assets Purchased								(109,461)	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 35 (Langley)

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

	SEY2KT (Early Years to Kindergarten)	ECL (Early Care & Learning)	SWIS	TOTAL
	\$	\$	\$	\$
Deferred Revenue, beginning of year			137,284	4,821,535
Add: Restricted Grants	19,000	175,000		47,832,801
Provincial Grants - Ministry of Education and Child Care			795,531	795,531
Provincial Grants - Other				7,983,372
Other				
	19,000	175,000	795,531	56,611,704
Less: Allocated to Revenue	3,786	175,000	744,923	55,491,613
Deferred Revenue, end of year	15,214	-	187,892	5,941,626
Revenues				
Provincial Grants - Ministry of Education and Child Care	3,786	175,000		46,655,805
Provincial Grants - Other			744,923	744,923
Other Revenue				8,090,885
	3,786	175,000	744,923	55,491,613
Expenses				
Salaries				
Teachers			67,003	26,670,351
Principals and Vice Principals		145,894		193,107
Educational Assistants			390,226	2,746,359
Support Staff			8,160	247,067
Other Professionals			85,896	163,105
Substitutes			3,075	1,560,357
	-	145,894	554,360	31,580,346
Employee Benefits		29,106	133,906	7,353,783
Services and Supplies	3,786		56,657	16,448,023
	3,786	175,000	744,923	55,382,152
Net Revenue (Expense) before Interfund Transfers	-	-	-	109,461
Interfund Transfers				
Tangible Capital Assets Purchased	-	-	-	(109,461)
	-	-	-	(109,461)
Net Revenue (Expense)	-	-	-	-

School District No. 35 (Langley)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2023

	2023 Budget (Note 16)	2023 Actual			2022 Actual (Restated - Note 21)
	\$	Invested in Tangible Capital Assets \$	Local Capital \$	Fund Balance \$	\$
Revenues					
Provincial Grants					
Ministry of Education and Child Care	350,000	(48,542)		(48,542)	42,353,722
Municipal Grants Spent on Sites	-	49,187		49,187	4,450,813
Investment Income	39,815		35,190	35,190	13,523
Amortization of Deferred Capital Revenue	11,112,533	11,802,330		11,802,330	11,234,927
Total Revenue	11,502,348	11,802,975	35,190	11,838,165	58,052,985
Expenses					
Operations and Maintenance	350,000			-	235,762
Amortization of Tangible Capital Assets					
Operations and Maintenance	14,331,446	15,438,956		15,438,956	14,316,458
Transportation and Housing	639,320	676,797		676,797	570,405
Total Expense	15,320,766	16,115,753	-	16,115,753	15,122,625
Capital Surplus (Deficit) for the year	(3,818,418)	(4,312,778)	35,190	(4,277,588)	42,930,360
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	200,713	109,461		109,461	443,540
Tangible Capital Assets - Work in Progress	8,719,826			-	
Local Capital			7,307,635	7,307,635	5,666,140
Total Net Transfers	8,920,539	109,461	7,307,635	7,417,096	6,109,680
Other Adjustments to Fund Balances					
Tangible Capital Assets Purchased from Local Capital		6,944,433	(6,944,433)	-	
Tangible Capital Assets WIP Purchased from Local Capital		167,850	(167,850)	-	
Total Other Adjustments to Fund Balances		7,112,283	(7,112,283)	-	
Total Capital Surplus (Deficit) for the year	5,102,121	2,908,966	230,542	3,139,508	49,040,040
Capital Surplus (Deficit), beginning of year		120,652,104	186,851	120,838,955	102,904,982
Prior Period Adjustments					
To Recognize Asset Retirement Obligation					(31,106,067)
Capital Surplus (Deficit), beginning of year, as restated		120,652,104	186,851	120,838,955	71,798,915
Capital Surplus (Deficit), end of year		123,561,070	417,393	123,978,463	120,838,955

School District No. 35 (Langley)

Tangible Capital Assets

Year Ended June 30, 2023

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	103,276,028	446,087,224	35,256,695	6,201,589	125,019	6,286,243	597,232,798
Prior Period Adjustments		31,631,664					31,631,664
To Recognize Asset Retirement Obligation		477,718,888	35,256,695	6,201,589	125,019	6,286,243	628,864,462
Cost, beginning of year, as restated	103,276,028	477,718,888	35,256,695	6,201,589	125,019	6,286,243	628,864,462
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw	(48,542)			496,151			447,609
Deferred Capital Revenue - Other	49,187	8,746	282,016	50,499			390,448
Special Purpose Funds			109,461				109,461
Local Capital		2,523,715	1,262,759	867,106	33,128	2,257,725	6,944,433
Transferred from Work in Progress		10,458,725	984,330				11,443,055
	645	12,991,186	2,638,566	1,413,756	33,128	2,257,725	19,335,006
Decrease:							
Deemed Disposals			1,823,546	280,999	91,067	39,003	2,234,615
	-	-	1,823,546	280,999	91,067	39,003	2,234,615
Cost, end of year	103,276,673	490,710,074	36,071,715	7,334,346	67,080	8,504,965	645,964,853
Work in Progress, end of year		6,934,632	333,660				7,268,292
Cost and Work in Progress, end of year	103,276,673	497,644,706	36,405,375	7,334,346	67,080	8,504,965	653,233,145
Accumulated Amortization, beginning of year		195,988,727	14,486,312	2,614,260	95,955	1,980,450	215,165,704
Prior Period Adjustments		31,219,375					31,219,375
To Recognize Asset Retirement Obligation		227,208,102	14,486,312	2,614,260	95,955	1,980,450	246,385,079
Accumulated Amortization, beginning of year, as restated		227,208,102	14,486,312	2,614,260	95,955	1,980,450	246,385,079
Changes for the Year							
Increase: Amortization for the Year		10,374,205	3,566,421	676,797	19,209	1,479,121	16,115,753
Decrease:							
Deemed Disposals			1,823,546	280,999	91,067	39,003	2,234,615
	-	-	1,823,546	280,999	91,067	39,003	2,234,615
Accumulated Amortization, end of year	237,582,307	16,229,187	3,010,058	24,097	3,420,568	260,266,217	
Tangible Capital Assets - Net	103,276,673	260,062,399	20,176,188	4,324,288	42,983	5,084,397	392,966,928

School District No. 35 (Langley)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2023

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
Work in Progress, beginning of year	5,300,000	25,922			5,325,922
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	11,848,752	1,292,068			13,140,820
Deferred Capital Revenue - Other	76,755				76,755
Local Capital	167,850				167,850
	12,093,357	1,292,068	-	-	13,385,425
Decrease:					
Transferred to Tangible Capital Assets	10,458,725	984,330			11,443,055
	10,458,725	984,330	-	-	11,443,055
Net Changes for the Year	1,634,632	307,738	-	-	1,942,370
Work in Progress, end of year	6,934,632	333,660	-	-	7,268,292

School District No. 35 (Langley)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2023

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	205,186,159	22,108,444	3,309,254	230,603,857
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	496,151		341,261	837,412
Transferred from Work in Progress	11,244,457	76,755		11,321,212
	11,740,608	76,755	341,261	12,158,624
Decrease:				
Amortization of Deferred Capital Revenue	10,746,513	674,025	381,792	11,802,330
	10,746,513	674,025	381,792	11,802,330
Net Changes for the Year	994,095	(597,270)	(40,531)	356,294
Deferred Capital Revenue, end of year	206,180,254	21,511,174	3,268,723	230,960,151
Work in Progress, beginning of year	4,917,680			4,917,680
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	13,140,820	76,755		13,217,575
	13,140,820	76,755	-	13,217,575
Decrease				
Transferred to Deferred Capital Revenue	11,244,457	76,755		11,321,212
	11,244,457	76,755	-	11,321,212
Net Changes for the Year	1,896,363	-	-	1,896,363
Work in Progress, end of year	6,814,043	-	-	6,814,043
Total Deferred Capital Revenue, end of year	212,994,297	21,511,174	3,268,723	237,774,194

School District No. 35 (Langley)

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

Schedule 4D (Unaudited)

	Bylaw Capital	MECC Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year		679,326		405,646		1,084,972
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education and Child Care	13,724,907					13,724,907
Other				987,862	341,261	1,329,123
Investment Income	(136,478)	22,278		19,283		41,561
Transfer project surplus to MECC Restricted (from) Bylaw	13,588,429	136,478				-
		158,756	-	1,007,145	341,261	15,095,591
Decrease:						
Transferred to DCR - Capital Additions	496,151				341,261	837,412
Transferred to DCR - Work in Progress	13,140,820	76,755				13,217,575
Transferred to Revenue - Site Purchases	(48,542)			49,187		645
	13,588,429	76,755	-	49,187	341,261	14,055,632
Net Changes for the Year	-	82,001	-	957,958	-	1,039,959
Balance, end of year	-	761,327	-	1,363,604	-	2,124,931