Consolidated
Summary Financial Statements

Province of British Columbia

For the Fiscal Year Ended
March 31, 2024

BRITISH
COLUMBIA

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Statement of Responsibility for the Summary Financial Statements of the Government of the Province of British Columbia

Responsibility for the integrity and objectivity of the Summary Financial Statements for the Government of the Province of British Columbia rests with the government. The Comptroller General prepares these financial statements in accordance with the *Budget Transparency and Accountability Act* (BTAA), which requires generally accepted accounting principles (GAAP) for senior governments in Canada, supported by regulations of Treasury Board under the BTAA. The fiscal year of the government is from April 1 to March 31 of the following year.

To fulfill its accounting and reporting responsibilities, the government maintains financial management and internal control systems. These systems give due consideration to costs, benefits and risks, and are designed to provide reasonable assurance that transactions are properly authorized by the Legislative Assembly, are executed in accordance with prescribed regulations and are properly recorded. This is done to maintain accountability of public money and safeguard the assets and properties of the Province of British Columbia under government administration. The Comptroller General of British Columbia maintains the accounts of British Columbia, a centralized record of the government's financial transactions, and obtains additional information as required from ministries, Crown corporations, agencies, school districts, universities, colleges, institutes and health organizations to meet accounting and reporting requirements.

The Auditor General of British Columbia provides an independent opinion on the financial statements prepared by the government. The duties of the Auditor General in that respect are contained in section 11 of the *Auditor General Act*.

Annually, the financial statements are tabled in the legislature as part of the Public Accounts, and are referred to the Select Standing Committee on Public Accounts of the Legislative Assembly. The Select Standing Committee on Public Accounts reports to the Legislative Assembly with the results of its examination and any recommendations it may have with respect to the financial statements and accompanying audit opinions.

Approved on behalf of the Government of the Province of British Columbia:

Katrine Conroy

KATRINE CONROY
Chair, Treasury Board

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Independent Auditor's Report

To the Legislative Assembly of the Province of British Columbia:

Qualified Opinion

I have audited the Summary Financial Statements of the Government of the Province of British Columbia ("government") using my staff and resources. The Engagement Leader, Molly Pearce, CPA, CA is responsible for this audit and its performance. The Summary Financial Statements of government comprise the consolidated statement of financial position as at March 31, 2024, and the consolidated statements of operations, change in net liabilities, remeasurement gains and losses and cash flows for the year then ended, and notes to the Summary Financial Statements including a summary of significant accounting policies.

In my opinion, except for the effects of the matters described in the basis for qualified opinion section of my report, the Summary Financial Statements present fairly, in all material respects, the financial position of government as at March 31, 2024, and the results of its operations, change in its net liabilities, remeasurement gains and losses, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Summary Financial Statements* section of my report. I am independent of government in accordance with the ethical requirements that are relevant to my audit of the Summary Financial Statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements.

Deferral of Revenues

Government's accounting treatment for funds received from other governments, and for externally restricted funds received from non-government sources, is to initially record them as deferred revenue (a liability) and then recognize revenue in the statement of operations either on the same basis as the related expenditures occur or, in the case of funds for the purchase or construction of capital assets, to recognize revenue on the same basis as the related assets are amortized.

Under Canadian public sector accounting standards, government's method of accounting for contributions is only appropriate in circumstances where the funding meets the definition of a liability. Otherwise, the appropriate accounting treatment is to record contributions as revenue when they are received or receivable. In my opinion, certain contributions from others do not meet the definition of a liability, and as such government's method of accounting for those contributions represents a departure from Canadian public sector accounting standards.

This departure has existed since the inception of the standard, which applies to periods beginning on or after April 1, 2012. Had government made an adjustment to correct for this departure in the current year, the liability for deferred revenue as at March 31, 2024 would have been lower by $7.67 billion, contribution revenue, surplus for the year, and accumulated surplus would have been higher by $7.67 billion, and net liabilities would have been lower by $7.67 billion.

Incomplete Contractual Obligations Disclosure

Under Canadian public sector accounting standards, contractual obligations that commit government to make certain expenditures, for a considerable period into the future, are required to be disclosed so that financial statement users understand the nature and extent to which government's resources are already committed to meet its future obligations. The Summary Financial Statements do not provide the required disclosures in relation to certain contracts, such as many contracts below the $50 million threshold noted in Note 28 – Contingent Liabilities and Contractual Obligations as well as some larger contracts omitted from the disclosure provided. In my opinion, this represents a departure from Canadian public sector accounting standards. The following table, derived from historical information and management's records, sets out the estimated effect of this departure on Note 28 – Contingent Liabilities and Contractual Obligations.

Understatement of Contractual Obligations	In Millions						
	2025 $	2026 $	2027 $	2028 $	2029 $	2030 and beyond $	Total $
Consolidated Revenue Fund and Taxpayer-supported Crown corporations and agencies	1,284	905	604	504	499	1,911	5,707

Key Audit Matters

Key audit matters are those that, in my professional judgment, were of most significance in my audit of the Summary Financial Statements of the current period. These matters were addressed in the context of my audit of the Summary Financial Statements as a whole and in forming my opinion thereon and I do not provide a separate opinion on these matters. In addition to the matters described in the basis for qualified opinion section, I have determined the matters described below to be the key audit matters to be communicated in my report.

Estimate of Personal and Corporate Income Taxation Revenue

Personal and corporate income tax are two of government's largest tax revenue streams, estimated at more than $16.4 billion and $6.1 billion respectively, for fiscal 2024. These two revenue streams are included in Note 29 – Taxation Revenue with further information included in Note 2 - Measurement Uncertainty.

Personal and corporate income tax revenue in a fiscal year is derived from management's estimate of income tax for two separate calendar years. For the fiscal year ending March 31, 2024, government records nine months of revenue for calendar year 2023 and three months of revenue for calendar year 2024. However, the tax assessments for the 2023 calendar year will not be finalized until many months later, and the 2024 tax assessments won't be available until one year later. This means precise income tax revenue figures cannot be determined until at least 21 months after the fiscal year-end date. As a result, government is required to estimate these revenues based on the best information available at the time of reporting. For the current year, this included ensuring the estimates incorporated information received in the most recent tax sharing statements received in late July. Both the estimates are complex and include several inputs and assumptions and as a result have collectively been identified as a key audit matter.

Audit work to address this key audit matter included assessing the appropriateness of the methods used to make the estimates and performing a retrospective review to evaluate the accuracy of the models used. Audit work was also performed to ensure the underlying data supporting management's estimates were correct, testing the accuracy of management's calculations supporting the estimates and developing range estimates to assess against management's estimates. Audit procedures also included a review of the estimates for indications of management bias, an evaluation of the quality of the measurement uncertainty disclosure in the Summary Financial Statements and obtaining written representations from management related to estimates.

An auditor's specialist was engaged to assist with the audit of these complex estimates.

Financial Instruments and Related Standards

Financial instruments accounting is governed by a suite of public sector accounting standards. These standards include PS3450: *Financial Instruments*, PS3041: *Portfolio Investments*, PS2601: *Foreign Currency Translation*, and PS1201: *Financial Statement Presentation*. As described in Note 1(d), government's financial instruments include cash, receivables, investments, payables, and debt, and derivative instruments such as interest rate swaps and currency swaps. Government has over $107 billion in long-term debt. Government hedges the risks that arise related to their debt borrowing using the aforementioned derivative instruments. Financial instruments can be difficult to measure and can expose government to risks. These standards are designed to provide financial statement users with information about how the instruments were measured, and the extent to which government is exposed to risks arising from the financial instruments it holds.

These standards also require government to include key disclosures relating to its financial instruments, such as the value for government's $7.9 billion investments, including distinguishing between three categories of fair value measurement to help financial statement users understand the level of subjectivity associated with their measurement. Furthermore, government is required to make certain disclosures related to the risk exposure associated with their use of financial instruments, including disclosures relating to liquidity risk, interest rate risk, foreign exchange risk, credit risk and other market risks. The valuation of financial instruments is complex and involves significant judgments and estimates, and there are extensive disclosure requirements on the risks associated with government's use of these instruments. As a result, the application of these standards has been identified as a key audit matter.

Audit work to address this key audit matter included assessing government's accounting policy for compliance with these standards, evaluating the completeness of the scoped in financial instruments, assessing the appropriateness of government's methodology, data, and assumptions to value derivative financial instruments, assessing significant contracts for embedded derivatives, reviewing documents to assess the appropriateness of the statement of remeasurement gains and losses, and evaluating the presentation and disclosure of financial instruments in accordance with the requirements of Canadian public sector accounting standards.

An auditor's specialist was engaged to assist with the audit of fair values of the derivative financial instruments.

Valuation of Plan Assets and Pension Benefits for Pension Plans

Government participates in four jointly trusteed pension plans that include a joint defined benefit component for most British Columbia public servants. The estimated plan assets and accrued benefit obligations of these plans both exceed $95 billion.

Pension plan accounting values plan assets at market-related value for funded plans. Market-related value is derived from the fair value of plan assets reported in the pension plan financial statements. When observable market data is not available for investments, estimates of fair value are required. Fair value estimates require significant management judgment.

Government relies on a third-party actuarial specialist to estimate the accrued benefit obligation and other information for financial statement note disclosures. These calculations rely on management's assumptions for significant economic and demographic assumptions.

Valuing pension benefits is a complex area requiring significant judgement and estimates. Given the magnitude of the accrued benefit obligation, small changes to the long-term assumptions can have a material impact on the liability, or asset, and expenses. As a result, pension plan accounting has been identified as a key audit matter.

Audit work to address this key audit matter included performing procedures to rely on the pension plan auditor's reports for the plan assets used in the estimates, as well as their work over the data provided by management to the actuary for making the estimate. Audit work also included assessing the qualifications of management's actuarial expert, gaining an understanding of the assumptions and methods used by the actuary in determining the accrued benefit obligation for pension benefits, obtaining the actuarial report, audited pension plan financial statements and other supporting documentation to test management's assumptions, calculations and journal entries for pension accounting, and evaluating the presentation and disclosure of pension plans in accordance with the requirements of Canadian public sector accounting standards.

Other accompanying information

Government is responsible for the information they report in the annual Public Accounts. My opinion on the Summary Financial Statements does not cover other information included in the annual Public Accounts that accompanies the Summary Financial Statements and, except for my independent auditor's report on the debt-related statements, I do not express any form of assurance conclusion thereon.

In connection with my audit of the Summary Financial Statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Summary Financial Statements or my knowledge obtained during the audit or otherwise appears to be materially misstated.

Prior to the date of my auditor's report, I obtained a copy of the Public Accounts. If, based on the work I have performed on the other information, I conclude that there is a material misstatement therein, I am required to report that fact in this auditor's report.

As described in the basis for qualified opinion section above, I believe there are material misstatements in government's accounting for deferral of revenues. I have concluded that the other information is materially misstated for the same reason with respect to the amounts or other items in the annual report affected by this departure from Canadian public sector accounting standards.

Responsibilities of Treasury Board for the Summary Financial Statements

The Treasury Board of British Columbia is responsible for the oversight of the financial reporting process including the approval of significant accounting policies. The Comptroller General of British Columbia (comptroller general) is responsible for the preparation and fair presentation of the Summary Financial Statements in accordance with the *Budget Transparency and Accountability Act*, and for such internal control as the comptroller general determines is necessary to enable the preparation of the Summary Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Summary Financial Statements, the comptroller general is responsible for assessing government's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting when government will continue its operations for the foreseeable future.

Auditor's responsibilities for the audit of the Summary Financial Statements

My objectives are to obtain reasonable assurance about whether the Summary Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with generally accepted accounting principles, being public sector accounting standards for senior governments in Canada. 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Summary Financial Statements.

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

- Identify and assess the risks of material misstatement of the Summary 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 my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than 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 government's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the comptroller general.
- Conclude on the appropriateness of the comptroller general'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 government's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the Summary Financial Statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause government to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Summary Financial Statements, including the disclosures, and whether the Summary Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

The audit of the Summary Financial Statements is a group audit engagement. As such I also obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the Summary Financial Statements. I am responsible for the direction, supervision and performance of the group audit and I remain solely responsible for my audit opinion.

I communicate with the Chair of Treasury Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the Chair of Treasury Board with a statement that I have complied with relevant ethical requirements regarding independence, and communicated with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

Michael A. Pickup, FCPA, FCA
Auditor General of British Columbia

Victoria, British Columbia, Canada
August 15, 2024

Summary Financial Statements
Consolidated Statement of Financial Position
as at March 31, 2024

	Note	In Millions 2024	2023
			as restated
Financial Assets		$	$
Cash and cash equivalents		6,308	7,833
Temporary investments		460	414
Accounts receivable	3	8,130	7,398
Inventories for resale	4	148	103
Due from other governments	5	2,597	1,360
Due from self–supported Crown corporations and agencies	6	557	421
Equity in self–supported Crown corporations and agencies	7	14,677	12,926
Loans, advances and mortgages receivable	8	5,359	4,763
Other investments	9	4,568	4,366
Sinking fund investments	10	491	521
Derivative financial instruments	20	698	663
Loans for purchase of assets, recoverable from agencies	11	30,572	28,037
		74,565	68,805
Liabilities			
Accounts payable and accrued liabilities	12	16,835	17,384
Employee future benefits	13	3,568	3,234
Due to other governments	14	1,526	3,108
Due to Crown corporations, agencies and trust funds	15	632	643
Deferred revenue	16	15,053	14,494
Taxpayer–supported debt	18	76,002	60,518
Self–supported debt	19	30,969	28,332
Derivative financial instruments	20	1,237	1,031
		145,822	128,744
Net assets (liabilities)	21	(71,257)	(59,939)
Non–financial Assets			
Tangible capital assets	22	65,583	59,818
Restricted assets	23	2,352	2,224
Prepaid program costs	24	1,233	1,104
Other assets	25	468	243
		69,636	63,389
Accumulated surplus (deficit)	26	**(1,621)**	**3,450**
Measurement uncertainty	2		
Employee pension plans	17		
Contingent assets and contractual rights	27		
Contingent liabilities and contractual obligations	28		

The accompanying notes and supplementary statements are an integral part of these consolidated financial statements.

Prepared in accordance with Canadian generally accepted accounting principles.

NICOLE WRIGHT
Comptroller General

Summary Financial Statements
Consolidated Statement of Operations
for the Fiscal Year Ended March 31, 2024

	In Millions 2024 Estimates (Note 34) $	2024 Actual $	2023 Actual as restated $
Revenue			
Taxation (Note 29)	45,324	46,296	49,025
Contributions from the federal government	13,593	13,734	12,527
Fees and licenses	5,182	5,267	4,936
Natural resources (Note 30)	4,764	3,143	6,117
Miscellaneous	3,989	4,988	4,445
Net earnings of self–supported Crown corporations and agencies (Note 7)	3,489	4,477	3,426
Investment income	1,349	1,718	1,314
	77,690	79,623	81,790
Expense (Note 31)			
Health	30,927	34,863	30,322
Education	17,600	18,479	16,993
Social services	9,158	9,284	9,652
Other	8,985	4,215	5,736
Natural resources and economic development	4,432	6,704	6,284
Interest	3,235	3,292	2,719
Transportation	2,616	2,379	3,320
Protection of persons and property	2,324	3,101	3,483
General government	1,929	2,341	2,325
	81,206	84,658	80,834
Surplus (deficit) for the year before forecast allowance	(3,516)	(5,035)	956
Forecast allowance	(700)		
Surplus (deficit) for the year	**(4,216)**	**(5,035)**	**956**
Accumulated surplus (deficit)—beginning of year as restated (Note 26)		3,822	2,866
Net remeasurement gains (losses)		(408)	(372)
Accumulated surplus (deficit)—end of year		**(1,621)**	**3,450**

The accompanying notes and supplementary statements are an integral part of these consolidated financial statements.

Summary Financial Statements
Consolidated Statement of Change in Net Liabilities
for the Fiscal Year Ended March 31, 2024

	In Millions		
	2024		2023
	Estimates[1]	Actual	Actual as restated
	$	$	$
Surplus (deficit) for the year	(4,216)	(5,035)	956
Effect of change in tangible capital assets:			
Acquisition of tangible capital assets	(11,813)	(8,772)	(6,756)
(Gain) or loss on sale of tangible capital assets	(15)	(28)	(40)
Amortization of tangible capital assets	2,966	2,947	2,928
Disposals and valuation adjustments	65	88	192
	(8,797)	(5,765)	(3,676)
Effect of change in:			
Restricted assets	(68)	(128)	(77)
Prepaid program costs	(5)	(129)	243
Other assets	3	(225)	201
	(70)	(482)	367
Effect of self–supported Crown corporations' and agencies' other comprehensive income		61	(8)
Effect of net remeasurement gains and (losses)		(97)	(893)
Effect of change in other investments[2]			(10)
(Increase) in net liabilities	(13,083)	(11,318)	(3,264)
Net (liabilities)—beginning of year	(58,063)	(59,939)	(56,675)
Net (liabilities)—end of year (Note 21)	**(71,146)**	**(71,257)**	**(59,939)**

The accompanying notes and supplementary statements are an integral part of these consolidated financial statements.

[1]The Estimates amounts are from pages 166 – 167 of the Budget and Fiscal Plan 2023/24–2025/26.
[2]Due to adoption of the financial instruments accounting standard during fiscal 2023.

Summary Financial Statements
Consolidated Statement of Remeasurement Gains and Losses for the Fiscal Year Ended March 31, 2024

	In Millions	
	2024	2023 as restated
	$	$
Accumulated remeasurement gains (losses)—beginning of year, before other comprehensive income		
Foreign exchange	(374)	(60)
Derivatives	(557)	(11)
Portfolio investments[1]	38	126
Total opening accumulated remeasurement gains (losses) before other comprehensive income	(893)	55
Changes in unrealized gains (losses) attributable to:		
Foreign exchange	14	(782)
Derivatives	(333)	(51)
Portfolio investments[1]	113	(18)
Total changes in unrealized gains (losses)	(206)	(851)
Amounts reclassified to the statement of operations:		
Foreign exchange	(29)	468
Derivatives	125	(495)
Portfolio investments[1]	13	(70)
Total reclassified to the statement of operations	109	(97)
Total remeasurement gains (losses) attributable to:		
Foreign exchange	(389)	(374)
Derivatives	(765)	(557)
Portfolio investments[1]	164	38
Remeasurement gains (losses), before other comprehensive income from self–supported Crown corporations and agencies	**(990)**	**(893)**
Accumulated other comprehensive income from self–supported Crown corporations and agencies – beginning of the year	521	529
Other comprehensive income from self–supported Crown corporations and agencies	61	(8)
Accumulated other comprehensive income from self–supported Crown corporations and agencies	**582**	**521**
Accumulated remeasurement gains (losses)—end of year	**(408)**	**(372)**

The accompanying notes and supplementary statements are an integral part of these consolidated financial statements.

[1]Portfolio investments include equities, bonds and certain other investments designated to the fair value measurement category.

Summary Financial Statements
Consolidated Statement of Cash Flow
for the Fiscal Year Ended March 31, 2024

	In Millions			
	2024			2023
	Receipts	Disbursements	Net	Net as restated
Operating Transactions	$	$	$	$
Surplus (deficit) for the year[1]			(5,035)	956
Non–cash items included in surplus (deficit):				
Amortization of tangible capital assets			2,947	2,928
Amortization of public debt deferred revenue and deferred charges			67	40
Concessionary loan adjustments increase			60	10
(Gain) or loss on sale of tangible capital assets			(28)	(40)
Valuation adjustment			248	305
Net earnings of self–supported Crown corporations and agencies			(4,477)	(3,426)
Temporary investments (increase)			(46)	(99)
Accounts receivable (increase)			(912)	(704)
Due from other governments (increase) decrease			(1,237)	418
Due from self–supported Crown corporations and agencies (increase)			(136)	(90)
Accounts payable and accrued liabilities (decrease) increase			(549)	3,324
Employee future benefits increase			334	159
Due to other governments (decrease) increase			(1,582)	2,435
Due to Crown corporations, agencies and funds (decrease)			(11)	(58)
Deferred revenue and items applicable to future operations increase			135	1,946
Dividends from self–supported Crown corporations and agencies			2,786	2,919
Cash (used for) derived from operations			(7,436)	11,023
Capital Transactions				
Tangible capital assets dispositions (acquisitions)	79	(8,772)	(8,693)	(6,572)
Cash (used for) capital	79	(8,772)	(8,693)	(6,572)
Investment Transactions				
Investment in self–supported Crown corporations and agencies	1		1	(1)
Loans, advances and mortgages receivable (issues)	273	(962)	(689)	(616)
Other investments—net (increase)	1,095	(1,166)	(71)	(409)
Restricted assets—net (increase)		(128)	(128)	(77)
Sinking fund investments—net decrease (increase)	63	(50)	13	(21)
Cash (used for) investments	1,432	(2,306)	(874)	(1,124)
Sub–total cash (requirements) excess			(17,003)	3,327

Summary Financial Statements
Consolidated Statement of Cash Flow—Continued
for the Fiscal Year Ended March 31, 2024

	In Millions			
	2024			2023
	Receipts $	Disbursements $	Net $	Net $
Sub–total cash (requirements) excess carried forward from previous page			(17,003)	3,327
Financing Transactions[2]				
Public debt increases (decreases)	44,598	(26,552)	18,046	(1,368)
(Used for) purchase of assets, recoverable from agencies	9,896	(12,464)	(2,568)	(953)
Cash derived from (used for) financing	54,494	(39,016)	15,478	(2,321)
(Decrease) increase in cash and cash equivalents			(1,525)	1,006
Cash and cash equivalents—beginning of year			7,833	6,827
Cash and cash equivalents—end of year			**6,308**	**7,833**
Cash and cash equivalents are made up of:				
Cash			5,351	7,059
Cash equivalents			957	774
			6,308	**7,833**

[1]Interest received during the year was $1,479 million (2023: $1,302 million). Interest paid during the year was $3,025 million (2023: $2,696 million). Interest received includes interest income from the Statement of Operations in the amount of $1,718 million (2023: $1,314 million) plus the change in accrued interest receivable in the amount of $(239) million (2023: $(12) million). Interest paid includes interest expense from the Statement of Operations in the amount of $3,292 million (2023: $2,719 million) plus the change in accrued interest payable in the amount of $(267) million (2023: $(23) million).

[2]Financing transaction receipts are from debt issues and disbursements are for debt repayments.

The accompanying notes and supplementary statements are an integral part of these consolidated financial statements.

Notes to Consolidated Summary Financial Statements for the Fiscal Year Ended March 31, 2024

1. Significant Accounting Policies

(a) BASIS OF ACCOUNTING

The government's Summary Financial Statements are prepared in accordance with the *Budget Transparency and Accountability Act* (BTAA), which requires generally accepted accounting principles (GAAP) for senior governments in Canada, supported by regulations of Treasury Board under the BTAA.

(b) REPORTING ENTITY

These financial statements include the accounts of organizations that meet the criteria of control (by the province) as established under Canadian Public Sector Accounting Standards. The reporting entity also includes government partnerships.

A list of organizations included in these consolidated financial statements may be found on pages 91 – 93. Trusts administered by government or government organizations are excluded from the reporting entity.

(c) PRINCIPLES OF CONSOLIDATION

Taxpayer–supported Crown corporations, agencies, and the school districts, universities, colleges, institutes, health organizations (SUCH) and the Consolidated Revenue Fund (CRF) are consolidated using the full consolidation method. The government's interests in government partnerships are recorded on a proportional consolidation basis. Self–supported Crown corporations, agencies, entities and government business partnerships are consolidated using the modified equity basis of consolidation.

Organizations are reviewed annually to determine whether they can be expected to meet the definition of self–supported over their normal course of operations. In determining whether organizations will be able to maintain their operations and meet their liabilities from revenues received from sources outside of the government reporting entity, the following factors are considered as they apply:

i) The organization's history of maintaining its operations and meeting its liabilities;

ii) Whether the organization would continue to maintain its operations and meet its liabilities without relying on sales to, or subsidies in cash or kind from, the government reporting entity;

iii) Past, present and future economic conditions within which the organization operates; and

iv) Whether the organization has realistic and specific plans that show how it expects to be able to maintain its operations and meet its liabilities in the future.

The status of self–supported organizations is not changed in response to financial results which are reasonably expected to be temporary in nature. Organizations are classified as self–supported on establishment and during a start up period if they are reasonably expected to meet the definition of self–supported in their normal course of operations.

The definitions of these consolidation methods can be found on page 151.

Adjustments are made for Crown corporations, agencies and entities whose fiscal year ends are different from the government's fiscal year end of March 31. These Crown corporations, agencies and entities consist of all school districts (June 30).

Statistics Canada's Canadian Classification of Functions of Government provides guidance for establishing segment disclosure and function reporting. The Consolidated Statement of Financial Position by Sector and the Consolidated Statement of Operations by Sector are found on pages 94 – 101. These statements include the operations of the CRF, taxpayer–supported Crown corporations and agencies, and SUCH sector organizations. Each taxpayer–supported Crown corporation, agency and SUCH sector organization is assigned to a sector based on its major activity. Sectors are identified using functions. The nature of each function is described in greater detail under Note 1(d) Classification by Sector.

Notes to Consolidated Summary Financial Statements for the Fiscal Year Ended March 31, 2024—Continued

1. Significant Accounting Policies—Continued

(d) SPECIFIC ACCOUNTING POLICIES

Classification by Sector

The province uses the following sectors: health, education, social services, natural resources and economic development, protection of persons and property, transportation, general government, debt servicing and other.

The health sector includes the provincial health care system. It includes providing medical, hospital and preventive care, and other health–related services such as laboratories and diagnostic facilities.

The education sector includes education services. It includes elementary, secondary, and post–secondary schools. It also includes other education services such as programs to upgrade the skills of individuals and to provide apprenticeship training.

The social services sector includes outlays that the province made to help disadvantaged individuals and families overcome obstacles and circumstances which threaten their well–being. It includes counselling and rehabilitation services, transfer payments to individuals with a physical or mental disability, and services and goods provided by the province to the elderly.

The natural resources and economic development sector includes the promotion and development of industries, as well as the development and conservation of the natural resources on which these industries depend. It includes regulating the various industrial activities that are carried on in the province, as well as research related to resource conservation.

The protection of persons and property sector includes the protection of persons and property from negligence, abuse and crime. It includes policing, operating and maintaining courts of law and correctional facilities. It includes services related to new immigrants. It also includes negotiations to resolve land, resources, governance and jurisdictional issues with First Nations.

The transportation sector includes the operation and maintenance of transportation systems. This includes highway infrastructure, other road systems and public transit.

The general government sector is composed of three sub–categories. These are general administration, executive and legislature, and other general government services. General administration includes central accounting, budgeting, tax administration and collection, and other centralized administrative services. Executive and legislature includes the political, law enactment and constitutional activities of the province.

The debt servicing sector represents the financial impacts of activities related to management of public debt.

The other sector consists of activities, such as housing and culture, which cannot be allocated to any of the specifically described sector classifications.

Revenue

All revenue is recorded on an accrual basis. For corporate income tax, the cash received from the federal government is used as the basis for estimating the tax revenue. Annual tax revenues also include adjustments between the estimated revenues of previous years and actual amounts, as well as revenues from reassessments relating to prior years. Revenues do not include estimates of unreported taxes, or the impact of future reassessments that cannot be reliably determined.

Personal income tax revenue is accrued in the year earned based on estimates of household and taxable income. The revenue reported in the fiscal year is based on a pro–ration of the calendar year estimates.

Direct taxes, such as sales, fuel, carbon and tobacco, are recorded during the period in which the taxable event occurs and when authorized by legislation. Property tax revenues are recorded based on a pro–ration of actual property tax billings for each of the calendar years that comprise the fiscal year.

Notes to Consolidated Summary Financial Statements for the Fiscal Year Ended March 31, 2024—Continued

1. Significant Accounting Policies—Continued

In the normal course of business, taxpayer–supported Crown corporations, SUCH and the CRF are charged provincial taxes, including provincial sales tax, employer health tax, carbon tax, property transfer tax and fuel tax. These transactions are not eliminated upon consolidation and are reported on a gross basis in taxation revenue, expense, and the historical cost of tangible capital assets. The amount of these transactions cannot be reliably determined.

Tax concessions are accrued on the same basis as the associated tax revenues and reduce gross taxation revenue, but are not considered valuation allowances.

Royalty revenue is reported net of allowable credits integral to determining the amount of royalty. Amounts are reported as revenue when received or receivable.

Government transfers are recognized as revenues in the period during which the transfer is authorized and any eligibility criteria are met. Government transfers are deferred if they are restricted through stipulations for specific programs such as health transfers.

Transactions where goods or services are provided for consideration include performance obligations to a specific payor. Revenue from these transactions is recognized as the performance obligations are satisfied. Transactions without performance obligations are recognized when the revenue is received or receivable.

Expense

The cost of all goods consumed and services received during the year is expensed. Interest expense includes debt servicing costs such as amortization of discounts and premiums, realized foreign exchange gains and losses, and issue costs.

Pension expense is calculated as the cost of pension benefits earned by employees during the year, interest on the pension benefits liability, net of pension plan assets, and amortization of the government's share of any experience gains or losses, less contributions made by members. The estimated total cost of government's share of plan amendments related to past service is expensed in the year the plan is amended.

Government transfers include grants, entitlements and transfers under agreements, as defined in the definitions on page 151. Government transfers are recognized as expenses in the period in which the events giving rise to the transfer occurred, as long as the transfer is authorized, eligibility criteria have been met and a reasonable estimate of the amount can be made.

Financial Instruments

Financial instruments include primary instruments, such as cash, receivables, investments, payables, and debt, and derivative instruments such as interest rate swaps and currency swaps. Derivatives, portfolio investments in equities and bonds quoted in an active market, and certain other investments are measured at fair value. All other financial assets and liabilities are measured at cost or amortized cost. When a financial instrument is derecognized, a gain or loss is recognized in the Consolidated Statement of Operations. A government classifies fair value measurements using a hierarchy with the following levels:

Level 1: quoted prices in active markets for identical assets or liabilities

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability

Level 3: inputs that are not based on observable market data.

Examples include, certain portfolio investments measured using quoted prices (Level 1), derivatives measured using internal models developed from observable market data (Level 2), and certain other investments measured with inputs not based on observable market data (Level 3). Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the Consolidated Statement of Remeasurement Gains and Losses. Upon settlement, cumulative gains or losses are reclassified to the Consolidated Statement of Operations.

Notes to Consolidated Summary Financial Statements for the Fiscal Year Ended March 31, 2024—Continued

1. Significant Accounting Policies—Continued

Assets

Assets are recorded to the extent they represent cash and claims upon outside parties, items held for resale to outside parties, prepaid expenses, deferred charges, derivative financial instruments, tangible capital assets, or purchased intangible assets, acquired as a result of events and transactions prior to year end.

Financial Assets

Cash and cash equivalents include cash on hand, demand deposits and short–term highly liquid investments that are readily convertible to known amounts of cash. These are subject to an insignificant risk of changes in value. These short–term investments generally have a maturity of three months or less and are held for the purpose of meeting short–term cash commitments rather than for investing.

Temporary investments and Warehouse Program investments include short–term investments recorded at the lower of cost or market value. The fair values of short–term investments approximate their carrying values because of the short–term maturity of these instruments. Warehouse Program investments are short–term investments related to specific borrowings in advance of requirements under the Warehouse Borrowing Program.

Inventories for resale are expected to be sold within one year and include property that has been purchased, or for which development costs have been incurred, and that is held for ultimate resale or lease to outside parties. Inventories for resale are recorded at the lower of cost or net realizable value.

Equity in self–supported Crown corporations and agencies represents the province's investment (including long–term advances) in those self–supported Crown corporations and agencies at cost, increases/decreases in the investees' net assets, and other comprehensive income.

Loans for purchase of assets recoverable from agencies are recorded at maturity value, less unamortized premium or discount and sinking fund balances. Premium/discount is amortized using the effective interest rate method.

Loans and advances are recorded at cost less adjustment for any prolonged impairment in value. Mortgages receivable are recorded at the principal amount less valuation allowance, are secured by real estate and are repayable over varying terms. Concessionary loans and mortgages are recorded at net present value at issue, and related present value discounts are expensed. Valuation allowances are made when collectibility is considered doubtful. Interest is accrued on loans receivable only when collection is certain. Otherwise, it is recognized on the cash basis.

Investments in equities and bonds quoted in an active market and certain other investments are recorded at fair value. Other investments are recorded at the cost of acquisition, which may be adjusted by attributed income. Valuation adjustments are made when the value of investments is impaired.

Sinking fund investments are cash and marketable securities held specifically for the purpose of repaying outstanding debt at maturity. Sinking fund investments in marketable securities are recorded at fair value.

Tangible Capital Assets

Tangible capital assets are recorded at historical cost, plus asset retirement obligations, less accumulated amortization and valuation adjustments. The recorded cost, less the residual value, is generally amortized over the estimated useful lives of the assets on a straight–line basis.

All significant tangible capital assets and purchased intangible assets of government organizations and operations have been capitalized. Intangible assets that are not purchased and items inherited by right of the Crown, such as forest, water and mineral resources, are not recognized in these financial statements. Crown land is capitalized at a nominal value of one dollar.

The value of collections (e.g. artifacts, documents, specimens, works of art) has been excluded from the Consolidated Statement of Financial Position. When collections are purchased, these items are expensed.

Notes to Consolidated Summary Financial Statements for the Fiscal Year Ended March 31, 2024—Continued

1. Significant Accounting Policies—Continued

Liabilities

All liabilities are recorded to the extent they represent claims payable to outside parties as a result of events and transactions prior to year end. This includes probable losses on loan guarantees issued by the province, contingent liabilities (when it is likely a liability exists and the amount of the liability can be reasonably determined on an individual or portfolio basis), unfunded pension liabilities, and derivative financial instruments. Liabilities are not recorded for tax concessions or royalty credits which are integral in determining the amount of revenue.

Guaranteed debt includes guarantees by the Minister of Finance, made through specific agreements or legislation, to repay promissory notes, bank loans, lines of credit, mortgages and other securities. Loss provisions on guaranteed debt are recorded when it is likely that a loss will occur. The amount of the loss provision represents the best estimate of future payments less recoveries. The loss provision is recorded as a liability and an expense in the year determined and is adjusted as necessary to ensure it equals the expected payout of the guarantee.

Employee Pension Plans

The province accounts for employee pension plans by recognizing a liability and an expense in the reporting period in which the employee has provided service. The amount is calculated using the accrued benefit actuarial cost method. Where plans are in a net asset position and Joint Trusteeship Agreements restrict access to the assets, the province records the value of plan net assets as nil. The province records a liability for its share where plans are in a net obligation position. Changes in net liabilities/assets, which arise as a result of actuarial gains and losses, are amortized on a straight–line basis over the average remaining service period of employees active at the date of the adjustments. Past service costs from plan amendments are recognized in full in the year of the amendment.

Public Debt

Public debt represents the direct debt obligations of the Province of British Columbia, including borrowings incurred for government operating purposes, the acquisition of capital assets, re–lending to authorized government bodies and borrowings in advance of future requirements under the Warehouse Borrowing Program. Public debt is reported at amortized cost and consists of short–term promissory notes, notes, bonds and debentures, bank loans, capital leases and mortgages payable. These obligations are recorded at principal less unamortized premium or discount and are adjusted for unrealized foreign exchange gains or losses.

Public debt is reported under two categories:

(i) Taxpayer–supported debt—includes direct debt used for government operating and capital purposes, the debt of those Crown corporations, agencies and SUCH sector entities who require an operating or debt servicing subsidy from the provincial government, and the debt of an entity that is fully consolidated within these financial statements.

(ii) Self–supported debt—includes the portion of debt of self–supported organizations and entities that has been borrowed through the government's fiscal agency loan program. It does not include all debt of self–supported organizations as these entities are consolidated on the modified equity basis. Self–supported organizations fully fund their operations and debt from revenue generated through the sale of goods and/or services at commercial rates to buyers that are outside the government reporting entity. Self–supported debt includes debt of the Warehouse Borrowing Program.

Debt premium/discount is amortized using the effective interest rate method. Unamortized premium/discount on bonds is amortized over the life of the debt.

Notes to Consolidated Summary Financial Statements for the Fiscal Year Ended March 31, 2024—Continued

1. Significant Accounting Policies—Continued

Foreign Currency Translation

Monetary assets and liabilities denominated in foreign currencies are translated to Canadian dollars at the exchange rate prevailing at year end. Foreign currency transactions are translated at the exchange rate prevailing at the date of the transaction. Adjustments to revenue or expense transactions arising as a result of foreign currency translation are credited or charged to operations at the time the adjustments arise. Unrealized foreign currency gains and losses on long–term, fixed–term monetary assets and liabilities are reported in the Consolidated Statement of Financial Position and in the Consolidated Statement of Remeasurement Gains and Losses. Non–monetary assets and liabilities are translated at historical rates of exchange.

Derivative Financial Instruments

The province is a party to financial instruments whose value may vary due to fluctuations in foreign currency exchange rates, interest rate fluctuations and counterparty default on financial obligations, and utilizes derivative financial instruments in hedging strategies to mitigate risk. The fair value of derivative financial instruments is reported in the Consolidated Statement of Financial Position and in the Consolidated Statement of Remeasurement Gains and Losses. The province does not use derivative financial instruments for speculative purposes. Off–balance sheet position data is given in the form of nominal principal amounts outstanding. Amounts earned and expenses incurred under derivative contracts upon settlement are recognized and offset against the related interest expense.

Other Comprehensive Income

Any recognition of other comprehensive income for self–supported Crown corporations has been reflected in the equity in self–supported Crown corporations and agencies, and in the accumulated surplus (deficit).

Asset Retirement Obligations

The province recognizes asset retirement obligations where there is a legal obligation to retire a tangible capital asset and a reasonable estimate of the fair value of the obligation can be determined. For assets that are not fully amortized, the associated retirement costs are capitalized as part of the carrying value and amortized over the underlying assets' useful lives. Costs relating to obligations for fully amortized assets or assets no longer in productive use are expensed.

(e) CHANGES IN ACCOUNTING POLICY

Adoption of Public Sector Accounting Standards PS 3400, revenue

The province adopted this standard on a retroactive basis with restatement, beginning in this fiscal year. Revenue from these transactions is recognized in the year the performance obligations are satisfied. Effects of this change to the prior year include a decrease to deferred revenue of $511 million, an increase in accounts receivable of $2 million, an increase in accumulated surplus (deficit)–beginning of the year of $586 million and a decrease to prior year revenue and surplus of $73 million.

Adoption of Public Sector Accounting Standards PS 3160, public private partnerships

The province adopted this standard on a retroactive basis without restatement, beginning in this fiscal year. The effect of this change is to increase disclosure of public private partnerships that include requirements for the partner to create infrastructure assets, provide long–term financing, and operate and/or maintain the infrastructure.

Notes to Consolidated Summary Financial Statements for the Fiscal Year Ended March 31, 2024—Continued

1. Significant Accounting Policies—Continued

Adoption of Public Sector Accounting Standards PSG–8, purchased intangibles

The province adopted this guideline on a retroactive basis with restatement, beginning in this fiscal year. Purchased intangible assets will now be recognized as non–financial assets. Effects of this change include an increase to non–financial assets of $10 million (2023: $7 million), an increase in accumulated surplus (deficit)–beginning of the year of $9 million (2023: $11 million), and an increase to amortization expense of $4 million (2023: $1 million).

2. Measurement Uncertainty

The preparation of financial statements requires the province to make estimates and assumptions that affect the amounts of assets, liabilities, revenues and expenses during the reporting period. Uncertainty in the determination of these amounts is known as measurement uncertainty.

Some of the more significant estimates used in these financial statements affect the accrual of tax revenues, Canada Health Transfer and Canada Social Transfer entitlements, liabilities for pension obligations and other employee future benefits, accruals for environmental obligations, future payments related to contingent liabilities, and valuation allowances for loans, investments and advances. Actual results could differ from estimates. For many common financial statement items, such as accounts payable and allowances for doubtful accounts, measurement uncertainty is inherent but inestimable.

A provision for environmental clean–up is included in accounts payable and accrued liabilities. The provision is subject to a high degree of measurement uncertainty because the existence and extent of contamination, the responsibility for clean–up, and the timing and cost of remediation cannot be reliably estimated in all circumstances. The degree of measurement uncertainty resulting from the estimation of the provision cannot be reasonably determined. Environmental clean–up disclosure is included in Note 28.

A provision for asset retirement obligations is included in accounts payable and accrued liabilities. The provision is subject to a high degree of measurement uncertainty due to the long–term nature of these liabilities and often indeterminate settlement dates. The degree of measurement uncertainty resulting from the estimation of the provision cannot be reasonably determined. Asset retirement obligation disclosure is included in Note 36.

The amount of personal income tax attributable to the year can change as a result of changes in the underlying revenue assumptions, such as household income growth and tax base growth, and as a result of tax assessments and reassessments. The amount of corporate income tax attributable to the tax year can change as a result of tax assessments and reassessments in subsequent years. Tax transfer expenses related to refundable tax credits attributable to the year are also impacted by both personal income tax and corporate income tax assessments and reassessments. The variability of the final amounts attributable to the year cannot be reasonably determined.

Estimates are based on the best information available at the time of preparation of the financial statements and are reviewed annually to reflect new information as it becomes available. The amount of variability cannot be reasonably determined at this time.

Notes to Consolidated Summary Financial Statements for the Fiscal Year Ended March 31, 2024—Continued

2. Measurement Uncertainty—Continued

Measurement uncertainty exists in these financial statements, as identified in the table below, for items with a variability of over $10 million:

	In Millions				
	Actual[1] Amount	Measurement Uncertainty		Range	
Program Area	Recorded	Minimum	Maximum	Minimum	Maximum
	$	$	$	$	$
Liabilities					
Accounts Payable and Accrued Liabilities					
Litigation and Arbitration	370	345	470	(25)	100
Crime Victim Assistance Program	221	190	225	(31)	4
Silviculture Liability	190	171	209	(19)	19
Employee Leave Entitlements	513	496	533	(17)	20
Long–Term Disability Special Account	533	506	560	(27)	27
Variability arises from uncertainty of the outcomes or the use of estimates.					
Revenue					
Taxation					
Personal Income Tax	16,443	16,043	17,243	(400)	800
Corporate Income Tax	6,085	5,935	6,435	(150)	350
Employer Health Tax	2,886	2,742	3,030	(144)	144
Speculation and Vacancy Tax	87	78	96	(9)	9
Natural Resources					
Logging Tax	12	7	18	(5)	6
Mineral and Mining Tax	498	397	613	(101)	115
Contributions from the Federal Government					
Canada Health Transfer payments[2]	6,800	6,750	6,850	(50)	50
Canada Social Transfer payments[2]	2,259	2,243	2,275	(16)	16
Expense (Note 31)					
Government Transfers					
Tax Transfers	2,885	2,685	3,085	(200)	200

Variability is based on the potential differences between the estimates for the economic factors used in calculating the accruals and actual economic results.

[1]Actual amount recorded for each program area may not represent the entire amount in the financial statement line item.
[2]Canada Health Transfer and Canada Social Transfer payments are transfers from the federal government based on the provincial share of national population figures.

Notes to Consolidated Summary Financial Statements for the Fiscal Year Ended March 31, 2024—Continued

3. Accounts Receivable

	In Millions	
	2024	2023
	$	$
Accounts receivable	4,524	4,342
Taxes receivable	3,869	3,453
Accrued interest	612	373
	9,005	8,168
Provision for doubtful accounts	(875)	(770)
	8,130	**7,398**

4. Inventories for Resale

	In Millions	
	2024	2023
	$	$
Properties	61	40
Miscellaneous	87	63
	148	**103**

Inventories for resale are charged to the statement of operations when sold. During the year, the total cost of sales was $122 million (2023: $123 million) including the effect of write–downs of $1 million (2023: $1 million). Write–downs occurred due to obsolete materials no longer used, damaged goods, and reductions in the market value of goods.

5. Due from Other Governments

	In Millions	
	2024	2023
	$	$
Government of Canada:		
Current	2,049	1,272
Long–term	425	
Provincial governments:		
Current	29	24
Local governments:[1]		
Current	89	60
Long–term	5	4
	2,597	**1,360**

[1]Local governments are municipal units established by the provincial government which include regional and metropolitan municipalities, cities, towns, townships, districts, rural municipalities and villages.

Notes to Consolidated Summary Financial Statements for the Fiscal Year Ended March 31, 2024—Continued

6. Due from Self–supported Crown Corporations and Agencies

	In Millions 2024 $	2023 $
British Columbia Lottery Corporation	190	177
British Columbia Liquor Distribution Branch	115	71
UBC Properties Investments Ltd	105	54
Great Northern Way Campus Trust	61	
Columbia Power Corporation	44	47
British Columbia Hydro and Power Authority	17	44
SFU Community Trust	15	18
Vancouver Island Technology Park Trust	7	7
Heritage Realty Properties Ltd	3	3
	557	**421**

See Statement of Financial Position for Self–supported Crown Corporations and Agencies on pages 102 – 103 for details.

7. Equity in Self–supported Crown Corporations and Agencies

	In Millions 2024				2023
	Investments $	Unremitted Earnings $	Other Comprehensive Income $	Total $	Total $
British Columbia Hydro and Power Authority	20	7,651	(41)	7,630	7,290
Insurance Corporation of British Columbia		4,948	555	5,503	4,046
Columbia Power Corporation	26	200		226	212
British Columbia Lottery Corporation[1]		(17)	81	64	71
	46	**12,782**	**595**	**13,423**	**11,619**
Self–Supported Subsidiaries[2]					
Columbia Basin Trust joint ventures[3]	941	33		974	965
British Columbia Railway Company[4]	107	137	(6)	238	231
UBC Properties Investments Ltd		42	(7)	35	45
SFU Community Trust		10		10	13
Vancouver Island Technology Park Trust[5]	1	(2)		(1)	(4)
Great Northern Way Campus Trust[6]	71	(76)		(5)	53
Miscellaneous	1	2		3	4
	1,121	**146**	**(13)**	**1,254**	**1,307**
	1,167	**12,928**	**582**	**14,677**	**12,926**

Notes to Consolidated Summary Financial Statements for the Fiscal Year Ended March 31, 2024—Continued

7. Equity in Self–supported Crown Corporations and Agencies—Continued

In Millions

	2024				2023
	Investments $	Unremitted Earnings $	Other Comprehensive Income $	Total $	Total $
Change in Equity in Self–supported Crown Corporations and Agencies					
Balance–beginning of year	46	10,648	633	11,327	10,918
Prior period adjustments		398	(106)	292	203
Balance–beginning of year restated	46	11,046	527	11,619	11,121
Increase (decrease) in other comprehensive income			68	68	(8)
Net earnings of self–supported Crown corporations and agencies		4,357		4,357	3,336
Dividends		(2,374)		(2,374)	(2,576)
Adjustments to dividends		(247)		(247)	(254)
Balance—end of year	**46**	**12,782**	**595**	**13,423**	**11,619**
Self–Supported Subsidiaries[2]					
Balance–beginning of year	1,122	191	(6)	1,307	1,305
Increase (decrease) in investment	(1)			(1)	1
Increase (decrease) in other comprehensive income			(7)	(7)	
Net earnings of self–supported Crown corporations and agencies		120		120	90
Dividends		(202)		(202)	(106)
Transfers (to) from deferred revenue		37		37	17
Balance–end of year	**1,121**	**146**	**(13)**	**1,254**	**1,307**
	1,167	**12,928**	**582**	**14,677**	**12,926**

[1]Government's proportionate share of British Columbia Lottery Corporation.
[2]Self–supported subsidiaries are non–core government business enterprises that are consolidated under the modified equity method by taxpayer–supported organizations.
[3]Brilliant Power Corporation, Brilliant Expansion Power Corporation, Arrow Lakes Power Corporation and Waneta Expansion Power Corporation are jointly controlled with Columbia Power Corporation.
[4]A subsidiary of BC Transportation Financing Authority.
[5]A subsidiary of the University of Victoria.
[6]Great Northern Way Campus Trust is owned 25% each by Emily Carr University of Art & Design, British Columbia Institute of Technology, The University of British Columbia, and Simon Fraser University.

See Statement of Financial Position for Self–supported Crown Corporations and Agencies and Summary of Results of Operations and Statement of Equity for Self–supported Crown Corporations and Agencies on pages 102 – 105 for details.

Notes to Consolidated Summary Financial Statements for the Fiscal Year Ended March 31, 2024—Continued

8. Loans, Advances and Mortgages Receivable

	In Millions	
	2024	2023
Loans and Advances	$	$
Land tax deferment loans	2,133	1,900
Construction loans to social housing projects	1,318	1,222
BC student loans	1,285	1,120
Note receivable	625	618
Miscellaneous	318	211
	5,679	5,071
Provision for doubtful accounts	(334)	(324)
	5,345	4,747
Mortgages Receivable		
Reconstruction Program	15	17
Provision for doubtful accounts	(1)	(1)
	14	16
	5,359	**4,763**

The Land Tax Deferment Program allows eligible owners to defer payment of all, or a portion of, annual property taxes due on principal residences. Eligible individuals are either 55 years of age or older, a surviving spouse, a person with a disability, or an owner who is financially supporting, at the time of application, a dependent child. The program for individuals 55 years of age or older, a surviving spouse, or a person with a disability, requires 25% equity in the home. The program for families with dependent children requires 15% equity in the home. Simple interest is charged on the deferred taxes at a rate set by the minister of finance. This rate will not exceed the prime lending rate of the principal banker to the government and there is a different interest rate between the two programs. The deferred taxes, plus any administration fees or outstanding interest, must be repaid before the residence can be legally transferred to a new owner, other than directly to a surviving spouse or adding a current spouse to title. Land Tax Deferment Loans are secured by registered charge on title.

Construction loans are provided by British Columbia Housing Management Commission (BCHMC), a taxpayer–supported Crown corporation and an approved lender under the *National Housing Act*. BCHMC provides construction loans for societies that are building approved projects under social housing programs. Interest is payable at the province's weighted average borrowing rate for short–term funds, plus administration costs. Loans are repaid at substantial completion of each project from financing arranged with private lenders.

The BC Student Loan Program provides funding in the form of interest–free repayable loans to students for post secondary education leading toward a credential. Amortization of the loans is set on repayment commencement by the borrower. Most periods are 114 months in length but borrowers can extend that amortization to a maximum of 174 months if minimum payment requirements have been met. Defaulted loans are due on demand. The Ministry of Finance also administers defaulted student loans issued by financial institutions under a guaranteed or a risk sharing agreement with the province.

The note receivable is due to a sale of property by Providence Health Care Society.

Miscellaneous loans include housing and other loans receivable issued by The University of British Columbia of $49 million (2023: $48 million) in accordance with the University's Housing Action Plan, bearing interest of nil or at the Canada Revenue Agency's prescribed interest rate, with maturities up to 30 years, commercial loans of $34 million (2023: $33 million) issued by Columbia Basin Trust bearing interest of 3.65% to 10.70% maturing by 2049 and loans of $18 million (2023: $19 million) issued by University of Victoria to subsidiary government business enterprises bearing interest of 5.13% to 9.20% maturing by 2030.

Notes to Consolidated Summary Financial Statements for the Fiscal Year Ended March 31, 2024—Continued

8. Loans, Advances and Mortgages Receivable—Continued

The Reconstruction Loan Program was established in 1998 under the *Homeowner Protection Act* to provide financial assistance to British Columbians who own homes damaged by premature building envelope failure and have limited ability to secure financing to pay for necessary remediation work. The financial assistance includes interest free loans as well as guarantees and interest subsidies of those loans provided by lenders outside of the government reporting entity. No new applicants under the program were being accepted after July 31, 2009. Financial assistance is secured by registered mortgages.

9. Other Investments

	In Millions	
	2024	2023
	$	$
Pooled investment portfolios	3,051	2,804
Equity investments	596	637
Municipal, corporate and other bonds	152	133
Provincial government bonds	78	70
British Columbia Ferry Services Inc	75	75
Commercial loans and investments	15	14
Government of Canada bonds	1	17
Miscellaneous	600	616
	4,568	**4,366**

Investments in equities and bonds traded on active markets and certain other investments are recognized at fair market value. All other investments are recognized at cost.

Pooled investment portfolios consist mainly of units in various funds of the British Columbia Investment Management Corporation. These funds' investments consist primarily of debt and equity holdings of privately held companies. Pooled investment portfolios have a historical cost of $2,654 million (2023: $2,811 million).

Equity investments have a historical cost of $374 million (2023: $417 million). They include investments in Canadian, United States (U.S.) and international equity markets.

Municipal, corporate and other bonds have a historical cost of $158 million (2023: $138 million) with yields ranging from 1.10% to 8.50%. Maturity dates range from April 1, 2024 to January 15, 2084.

Provincial bonds of various provinces have a historical cost of $85 million (2023: $77 million) with yields ranging from 1.54% to 7.60%. Maturity dates range from April 17, 2024 to October 17, 2054.

As part of a secured debenture amendment and preferred share surrender agreement dated May 23, 2003, the province exchanged its interest in British Columbia Ferry Corporation for 75,477 preferred shares in British Columbia Ferry Services Inc. These non–voting preferred shares are valued at $1,000 per share and entitle the province to a fixed cumulative dividend at a rate of 8% of the issue price.

Commercial loans and investments are recorded at the cost of acquisition adjusted by attributed income. Commercial loans and investments include Columbia Basin Trust's $15 million (2023: $14 million) investment in power developments and other investments.

Government of Canada bonds have a historical cost of $1 million (2023: $17 million) with yields ranging from 0.50% to 5.75%. Maturity dates range from September 1, 2025 to December 1, 2064.

Miscellaneous investments consist of other pooled funds as well as various forms of income securities, notes and treasury bills. The historical cost of miscellaneous investments is $589 million (2023: $616 million).

Notes to Consolidated Summary Financial Statements for the Fiscal Year Ended March 31, 2024—Continued

10. Sinking Fund Investments

	In Millions 2024	2023
	$	$
Sinking fund investments related to taxpayer–supported debt	168	219
Sinking fund investments related to self–supported debt	323	302
	491	**521**

	In Millions 2024	2023
	$	$
Provincial government bonds	477	515
Pooled investment portfolios	14	1
Local government bonds		5
	491	**521**

Sinking fund investments are recorded at fair market value.

Provincial bonds of various provinces have a historical cost of $510 million, with yields ranging from 3.92% to 5.60%. Maturity dates range from May 14, 2024 to June 18, 2050.

Pooled investment portfolios have a historical cost of $14 million. These pooled investment portfolios consist of units in the British Columbia Investment Management Corporation's bond funds, which mainly consist of various governments' bonds and short–term unitized funds that hold money market instruments.

Local government bonds mainly consist of debt issued by the Municipal Finance Authority of British Columbia. As at March 31, 2024, no local government bonds were held (2023: $5 million).

Sinking fund investments related to self–supported debt include Province of British Columbia bonds with a carrying value of $108 million (2023: $104 million).

11. Loans for Purchase of Assets, Recoverable from Agencies

	In Millions 2024	2023
	$	$
British Columbia Hydro and Power Authority	29,248	26,667
Columbia Basin Trust joint ventures[1]	945	957
Columbia Power Corporation	266	270
British Columbia Lottery Corporation	110	140
Improvement districts	3	3
	30,572	**28,037**

[1]Columbia Basin Trust joint ventures with Columbia Power Corporation (Brilliant Power Corporation, Brilliant Expansion Power Corporation, Arrow Lakes Power Corporation, and Waneta Expansion Power Corporation).

Notes to Consolidated Summary Financial Statements for the Fiscal Year Ended March 31, 2024—Continued

12. Accounts Payable and Accrued Liabilities

	In Millions 2024	2023
	$	$
Accounts payable	8,051	9,670
Other accrued estimated liabilities[1]	5,915	5,090
Asset retirement obligations[2]	1,848	1,870
Accrued interest on debt	1,021	754
	16,835	**17,384**

[1]Includes pending litigation, provision for guaranteed debt payout and other miscellaneous accrued claims as disclosed in Note 28.
[2]See Asset Retirement Obligations disclosed in Note 36.

13. Employee Future Benefits

	In Millions 2024	2023
	$	$
Vacation, compensatory time off, sick bank	1,714	1,493
Retirement allowance	879	831
Long–term disability	486	469
Worker compensation benefits	264	219
Post–retirement benefits	225	222
	3,568	**3,234**

There are a variety of employee benefit plans across the reporting entity with different terms that provide for post–employment benefits, compensated absences, and termination benefits. The cost of benefits is recognized in the periods the employee provides service. A liability is recognized for benefits that do not vest or accumulate when an event that obligates the province to pay benefits occurs.

The retirement allowance includes actuarially determined liabilities. As at March 31, 2024, unamortized actuarial losses (gains) from actuarial estimates performed every three years were $2 million (2023: $17 million). During the year, the amount of benefits paid was $56 million (2023: $53 million).

Amounts recorded in the financial statements relating to long–term disability benefits represents the actuarial estimate for future payments based on claims ongoing at year–end.

Worker compensation benefits represent the actual premiums and claims costs accruing to WorkSafeBC for the year.

Post–retirement benefits include amounts accrued for non–pension retiree and early retirement benefits.

Notes to Consolidated Summary Financial Statements for the Fiscal Year Ended March 31, 2024—Continued

14. Due to Other Governments

	In Millions 2024	In Millions 2023
	$	$
Government of Canada:		
Current	1,258	2,760
Provincial governments:		
Current	26	17
Local governments:[1]		
Current	242	331
	1,526	**3,108**

[1]Local governments are municipal units established by the provincial government that include regional and metropolitan municipalities, cities, towns, townships, districts, rural municipalities and villages.

15. Due to Crown Corporations, Agencies and Trust Funds

	In Millions 2024	In Millions 2023
	$	$
Columbia Basin Trust joint ventures[1]	610	619
Great Northern Way Campus Trust	10	9
Trust funds	12	15
	632	**643**

[1]Columbia Basin Trust joint ventures with Columbia Power Corporation (Brilliant Power Corporation, Brilliant Expansion Power Corporation, Arrow Lakes Power Corporation, and Waneta Expansion Power Corporation).

16. Deferred Revenue

	In Millions 2024	In Millions 2023
	$	$
Deferred restricted contributions (*see* table)	12,513	11,953
Unearned lease revenue	1,312	1,297
Tuition	676	680
Water rentals and recording fees	103	135
Miscellaneous	449	429
	15,053	**14,494**

Unearned lease revenue represents lease payments received in advance. Revenue is recognized as the performance obligations are met over the term of the lease.

Notes to Consolidated Summary Financial Statements for the Fiscal Year Ended March 31, 2024—Continued

16. Deferred Revenue—Continued

Deferred Restricted Contributions are those contributions received from external sources that are restricted through legislative or contractual stipulations for the purpose of program delivery. These deferred contributions are reduced and recognized as revenue when the stipulations of the contribution agreement are satisfied.

	Revenue Recognition (Years)	In Millions 2024 $	In Millions 2023 $
Restricted Contributions from the Federal Government			
Build Canada fund for highway and transportation infrastructure	3–100	2,168	2,141
Infrastructure and economic diversification	20–50	1,034	880
Operating contributions for other sectors	1–12	982	744
Operating contributions for the education sector	1–12	561	553
Emergency response and recovery assistance	1–12	334	695
Strategic infrastructure fund investments in post–secondary institutions	3–40	410	399
Miscellaneous contributions for post–secondary institutions	1–40	66	72
Regional services and facilities in the health sector	3–40	35	41
Miscellaneous contributions for transportation infrastructure	1–40	1	12
Miscellaneous contributions from the federal government	1–40	9	2
Restricted Contributions from Municipal Sources			
Regional hospital districts for equipment and facilities	3–40	1,497	1,345
Bylaw capital funding for schools	3–40	177	162
Operating contributions for the transportation sector	1–12	99	94
Municipal transportation infrastructure funding	3–77	68	69
Restricted Contributions from Other Sources			
Health endowments and other contributions	5–50	2,143	2,159
Education endowments	30	1,922	1,685
Operating contributions for the education sector	1–12	620	590
Operating contributions for the health sector	1–12	119	71
Operating contributions for the other sector	1–12	15	29
Miscellaneous contributions from other sources	5–50	253	210
		12,513	**11,953**

Impact to revenue for the next five fiscal years and thereafter is estimated to be:

	In Millions $
2025	2,496
2026	1,017
2027	679
2028	653
2029	1,057
Thereafter	6,611
Total deferred restricted contributions	**12,513**

Notes to Consolidated Summary Financial Statements for the Fiscal Year Ended March 31, 2024—Continued

17. Employee Pension Plans

Joint trusteed plans

The province contributes to four pension plans for substantially all of its employees. The four pension plans are the Public Service Pension Plan, the Municipal Pension Plan, the Teachers' Pension Plan and College Pension Plan. The plans provide basic pensions based on length of service, highest five–year average earnings and plan members' age at retirement. Benefits, such as group health benefits and inflation protection for the basic pension, are not guaranteed and are contingent upon available funding. No unfunded liability exists for the future indexing of pensions as the obligation is limited to the amount of available assets in separate inflation accounts.

The Public Service, Municipal, Teachers' and College pension plans are joint trusteed plans. Under the joint trust agreements, control of the plans and their assets is assumed by individual pension boards made up of plan employer and plan member appointed trustees. The province participates as a plan employer in each plan. Provisions of these plans stipulate that the province has no formal claim to any pension plan surplus or asset. The boards are fully responsible for the management of the plans, including investment of the assets and administration of the plans. The BC Pension Corporation provides benefit administrative services as an agent of the boards of trustees. The British Columbia Investment Management Corporation provides investment management services as an agent of the boards of trustees.

In the event an unfunded liability is determined by an actuarial valuation (performed at least every three years), the pension boards are required to address it through contribution adjustments shared equally by plan members and employers.

The reported net assets or net obligations of the pension plans are administered under joint trust arrangements. The province has no claim on accrued asset amounts. The province is responsible for 50% of a reported net obligation. Settlement of the obligation will occur in future periods as contributions maintain a fully funded plan status over time. Also, only 70% of the pension fund assets, accrued benefit obligation, and preliminary current year employer contributions are included for the Municipal Pension Plan, reflecting the province's interest in the plan.

The accrued benefit obligations and pension assets shown for 2023/24 are based on extrapolations of the most recent actuarial valuations as shown below. Fund assets are based on market–related value at the date of actuarial valuation and extrapolated using actuarial growth assumptions as shown in the following table. The expected long–term inflation rates used in these assumptions are nil, since the future indexing of pensions is limited to the amount of available assets in the inflation adjustment account.

Key actuarial assumptions, data and dates:

	Public Service Pension Plan	Municipal Pension Plan	Teachers' Pension Plan	College Pension Plan
Date of actuarial valuation	Mar 31/23	Dec 31/21	Dec 31/20	Aug 31/21
Date of audited financial statements	Mar 31/23	Dec 31/22	Dec 31/22	Aug 31/23
Expected long–term rate of return used as discount rate	6.00%	6.00%	5.75%	6.00%
Expected average remaining service life of employee group	10.2 years	10.5 years	12.1 years	8.7 years
Normal actuarial cost used in extrapolations	16.10%	16.80%	17.24%	17.39%
Basic benefits paid during the plan's fiscal year (in millions)	$1,349	$2,389	$1,385	$265
Total contribution rate for basic benefits (members and employers)	14.20%	15.08%	18.34%	16.88%
Assumed rate of salary escalation	3.25%	3.25%	3.25%	3.25%
Current benefit accrual rate	1.95%	1.90–2.12%	1.90%	2.00%
Entry–age normal cost rate–basic account	16.06%	15.49%	17.01%	16.83%
Market value of plan net assets at latest financial statement date (in millions)	$32,631	$40,639	$29,317	$5,675

Actuarial assumptions are decisions of the individual pension boards and have been collected from the latest audited financial statements and actuarial valuation of each pension plan. The audited financial statements, actuarial valuations, and joint trust agreements of each pension plan listed may be found at www.pensionsbc.ca outside these audited statements.

Notes to Consolidated Summary Financial Statements for the Fiscal Year Ended March 31, 2024—Continued

17. Employee Pension Plans—Continued

Accrued net obligation (asset) table:

The estimated financial position as at March 31, 2024, for the basic pension in each joint trusteed plan is as follows:

	In Millions				
	Public Service Pension Plan	Municipal Pension Plan	Teachers' Pension Plan	College Pension Plan	Total
	$	$	$	$	$
Accrued benefit obligation	27,433	39,206	26,644	5,406	98,689
Pension fund assets	34,789	46,607	30,333	5,957	117,686
	(7,356)	(7,401)	(3,689)	(551)	(18,997)
Unamortized actuarial gain (loss)	3,893	3,195	2,211	119	9,418
Accrued net obligation (asset)	**(3,463)**	**(4,206)**	**(1,478)**	**(432)**	**(9,579)**
Attributable to the province	(1,731)	(2,103)	(739)	(216)	(4,789)
Valuation adjustment	1,731	2,103	739	216	4,789
Province's reported net obligation	**0**	**0**	**0**	**0**	**0**

The province is obligated under labour contracts to provide retirement benefits for its employees through contributions to these pension plans. Contribution rates are adjusted to reflect the results of the triennial actuarial valuation of each plan. The province contributes approximately 50% of the total contributions for these plans; therefore, the province's accrued net obligation is 50%. An accrued net obligation will not result in a payment to the plan, but will be addressed through increased contributions over time.

The preliminary overall fund rates of return (loss) reported to the pension boards as at December 31, 2023 for each plan are: the Public Service Pension Plan 7.5% (2023: (3.2%)), the Municipal Pension Plan 7.7% (2023: (3.4%)), the Teachers' Pension Plan 7.6% (2023: (3.3%)), and the College Pension Plan 8.0% (2023: (4.1%)).

The province's share includes contributions for all participants in the government reporting entity. When the plans are in an accrued net asset position for accounting purposes, pension expense for the period is equal to employer contributions. Total employer contributions this year for each plan are: the Public Service Pension Plan $583 million (2023: $514 million), the Municipal Pension Plan $1,128 million (2023: $954 million), the Teachers' Pension Plan $465 million (2023: $428 million), and the College Pension Plan $143 million (2023: $125 million).

Notes to Consolidated Summary Financial Statements for the Fiscal Year Ended March 31, 2024—Continued

17. Employee Pension Plans—Continued

Other pension plans

Other pension plans represent defined benefit plans outside of the College, Public Service, Municipal, and Teachers' Pension plans which are funded by entities within the government reporting entity and are included in other investments in Note 9. Total employer contributions this year for each plan are: Simon Fraser University's Academic Pension Plan and Administrative/Union Pension Plan $33 million (2023: $29 million), the University of Victoria's pension plan for employees other than faculty and professional staff $7 million (2023: $6 million), and Canadian Blood Services' pension plan for regular employees $3 million (2023: $2 million). Only 14.67% of the pension fund assets and accrued benefit obligation are included for the Canadian Blood Services pension plan, reflecting the province's interest in the plan.

The estimated financial position as at March 31, 2024, for the other pension plans is as follows:

	In Millions			
	Simon Fraser University Pension Plan	University of Victoria Pension Plan	Canadian Blood Services Pension Plan	Total
	$	$	$	$
Accrued benefit obligation	488	274	87	849
Pension fund assets	554	340	87	981
	(66)	(66)	0	(132)
Unamortized actuarial gain (loss)	(48)	16		(32)
Accrued net obligation (asset)	**(114)**	**(50)**	**0**	**(164)**

There are additional employee pension plans in Crown corporations and agencies consolidated on the modified equity basis. Total employer contributions this year for each plan are: British Columbia Hydro and Power Authority $57 million (2023: $51 million), British Columbia Lottery Corporation $16 million (2023: $14 million), and the Insurance Corporation of British Columbia (ICBC) $33 million (2023: $38 million). Net assets or net liabilities of the pension funds are included in the equity balance of the particular Crown corporation or agency in Note 7.

The estimated financial position as at March 31, 2024, for the pension plans of commercial Crown corporations is as follows:

	In Millions				
	BC Hydro Pension Plan	ICBC Pension Plan	BC Lottery Pension Plan	BC Railway Pension Plan	Total
	$	$	$	$	$
Accrued benefit obligation	5,460	2,733	420	19	8,632
Pension fund assets	4,944	2,969	453	16	8,382
Accrued net obligation (asset)	**516**	**(236)**	**(33)**	**3**	**250**

Notes to Consolidated Summary Financial Statements for the Fiscal Year Ended March 31, 2024—Continued

18. Taxpayer–supported Debt[1]

	Year of maturity	Canadian dollar	U.S. dollar[2]	Other currencies[2]	2024	2023
		In Millions				
		$	$	$	$	$
Short–term promissory notes.......	2024				0	3,519
	2025	5,425	1,912		7,337	0
Notes, bonds and debentures.......	2024				0	3,342
	2025	1,534	1,663	712	3,909	3,896
	2026	3,841		350	4,191	4,190
	2027	1,095	4,110	170	5,375	5,375
	2028	2,088			2,088	2,087
	2029	874	2,757		3,631	913
	2030–2034	14,454	5,191	392	20,037	14,484
	2035–2039	5,632		2,103	7,735	3,879
	2040–2044	4,902		860	5,762	5,492
	2045–2049	3,443		458	3,901	3,900
	2050–2054	9,814		1,532	11,346	8,446
	2055–2059	130			130	130
	2060–2064	181			181	181
Capital leases...............................	2024–2047	165			165	170
Total debt issued...		**53,578**	**15,633**	**6,577**	75,788	60,004
Unamortized premium (discount)...					(222)	98
Unrealized foreign exchange (gain) loss[3]..					436	416
Total taxpayer–supported debt..					**76,002**	**60,518**

The effective interest rates (weighted average) as at March 31 on the above debt are:

	2024	2023
2024..	3.75%	
2023..		3.47%

[1]The balances and interest rates reflect the impact of the related derivative contracts, presented in Note 20.

[2]Foreign currency denominated debt as at March 31, 2024 includes USD$11,919 million which was fully hedged to CAD$15,632 million; 100 million Swiss Francs was fully hedged into CAD$96 million; 3,723 million EURO was fully hedged to CAD$5,464 million, $1,018 million AUD was fully hedged to CAD$1,017 million.

[3]The foreign currency denominated debt translated to apply exchange rates as at March 31, 2024, includes USD$11,919 million converted to CAD$16,150 million; 100 million Swiss Francs converted into CAD$150 million; 3,723 million EURO converted to CAD$5,447 million; and $1,018 million AUD converted to CAD$899 million.

Notes to Consolidated Summary Financial Statements for the Fiscal Year Ended March 31, 2024—Continued

18. Taxpayer–supported Debt—Continued

Notes, bonds and debentures

Redeemable by the province

Balances include debentures issued to the Canada Pension Plan totalling $2,158 million (2023: $2,459 million) at a weighted average interest rate of 4.06% (2023: 4.25%). These debentures mature at various dates from April 2, 2024 to July 12, 2049 with interest rates varying between 1.98% and 5.69%. These debentures are redeemable in whole or in part before maturity, on thirty days prior notice, at the option of the province. During the year, $13 million (2023: nil) Canada Pension Plan debentures were issued.

Mortgages

Balances include mortgages totalling $177 million (2023: $191 million) secured by land and buildings. The carrying value is $295 million (2023: $260 million).

Other debt

Balances include $774 million (2023: $775 million) in other loans.

Aggregate payments to meet sinking fund instalments and retirement provisions

Aggregate payments for the next five fiscal years and thereafter to meet sinking fund instalments and retirement provisions on notes, bonds and debentures are:

	In Millions
	$
2025	4,308
2026	4,188
2027	5,344
2028	2,078
2029	3,624
2030–2064	48,948
Total of stated minimum payments	**68,490**

Capital lease obligations

Capital lease obligations consist of the present value of the minimum lease payments related to capital leased assets. The province has lease agreements with remaining terms between 1 year and 23 years, with interest rates ranging between nil and 10.17%.

Major leases include: Ministry of Citizens' Services capital lease obligation for office space in Capital Park of $83 million (2023: $87 million), with a weighted average interest rate of 3.97% and maturing March 1, 2040, Thompson Rivers University lease agreements for land and student residences of $33 million (2023: $34 million), with a weighted average interest rate of 5.14% and maturing August 31, 2047, and British Columbia Institute of Technology capital lease obligation for the building at Annacis Island Campus of $23 million (2023: $22 million), with a weighted average interest rate of 4.00% and maturing July 31, 2044.

Notes to Consolidated Summary Financial Statements for the Fiscal Year Ended March 31, 2024—Continued

18. Taxpayer–supported Debt—Continued

Aggregate payments to meet capital lease payments

Aggregate minimum lease payments over the next five fiscal years and thereafter are:

	In Millions
	$
2025	24
2026	21
2027	16
2028	14
2029	5
2030–2047	157
Total minimum lease payments	237
Less imputed interest	(72)
Total capital lease liability	**165**

Public private partnership obligations

Public Private Partnerships (P3) are long–term contractual agreements that require a public partner to finance, build and operate and/or maintain an infrastructure asset while the province retains ownership and control over the asset.

The tangible capital asset and the related debt are recognized concurrently during construction of the infrastructure asset. The present value of the minimum debt payments using an interest rate implicit to the agreement is the capital cost of the asset.

P3 arrangements exist across the reporting entity for buildings, such as health, post–secondary, housing, correctional facilities, and highway infrastructure, with different key rights and obligations with each public partner. Significant P3 arrangements include Abbotsford Regional Hospital and Cancer Centre, Sea–to–Sky Highway and Campbell River and Comox Valley Hospitals.

			In Millions			
	Term	Interest rate	Debt remaining	Interest payments	Operating / maintenance payments	Asset net book value
	Years	%	$	$	$	$
Health	30–40	5–15	1,742	1,422	2,738	2,489
Education	30	5	52	33	102	105
Other	18	7	51	14	14	108
Transportation	20–30	7–9	539	199	499	1,396
Protection of persons and property	20–30	5–8	219	180	303	328
Total			**2,603**	**1,848**	**3,656**	**4,426**

Notes to Consolidated Summary Financial Statements for the Fiscal Year Ended March 31, 2024—Continued

19. Self–supported Debt[1]

	Year of maturity	Canadian dollar	U.S. dollar[2]	Other currencies[2]	2024	2023
		In Millions				
		$	$	$	$	$
Short–term promissory notes	2024				0	2,928
	2025	3,041	1,840		4,881	0
Notes, bonds and debentures	2024				0	200
	2025				0	0
	2026	900	651	391	1,942	1,939
	2027	850			850	850
	2028	1,000			1,000	1,000
	2029	1,500			1,500	1,500
	2030–2034	5,460		200	5,660	5,210
	2035–2039		378		378	378
	2040–2044	3,273			3,273	3,273
	2045–2049	6,595			6,595	6,595
	2050–2054	4,861			4,861	4,411
	2055–2059	60			60	60
	2060–2064	50			50	50
Total debt issued at face value		**27,590**	**2,869**	**591**	31,050	28,394
Unamortized premium (discount)					(139)	(118)
Unrealized foreign exchange (gain) loss[3]					58	56
Total self–supported debt					**30,969**	**28,332**

The effective interest rates (weighted average) as at March 31 on the above debt are:

2024	3.64%	
2023		3.20%

[1]The balances and interest rates reflect the impact of the related derivative contracts, presented in Note 20.

[2]Foreign currency denominated debt as at March 31, 2024 includes USD$2,162 million (CAD$2,869 million), of which USD$1,935 million was fully hedged to CAD$2,559 million and USD$227 million was unhedged (CAD$310 million), and 402 million EURO was fully hedged to CAD$591 million.

[3]The foreign currency denominated debt adjustment to exchange rates as at March 31, 2024, includes USD$2,162 million converted to CAD$2,930 million; and 402 million EURO converted to CAD$588 million.

Notes, bonds and debentures

Redeemable by the province

Balances include debentures issued to the Canada Pension Plan totalling $223 million (2023: $223 million) at a weighted average interest rate of 3.34% (2023: 3.34%). These debentures mature at various dates from May 8, 2042 to July 10, 2042, with interest rates varying between 3.22% and 3.54%. These debentures are redeemable in whole or in part before maturity, on thirty days prior notice, at the option of the province. During the year, no Canada Pension Plan debentures were issued (2023: nil).

Notes to Consolidated Summary Financial Statements for the Fiscal Year Ended March 31, 2024—Continued

19. Self–supported Debt—Continued

Aggregate payments to meet retirement provisions

Aggregate payments for the next five fiscal years and thereafter to meet retirement provisions on notes, bonds and debentures are:

	In Millions
	$
2025	
2026	1,942
2027	850
2028	1,000
2029	1,500
2030–2064	20,877
Total of stated minimum payments	**26,169**

20. Risk Management and Derivative Financial Instruments

The province borrows funds in both domestic and foreign capital markets, managing its existing debt portfolio to achieve the lowest debt costs within specified risk parameters, and through its selected investment managers invests funds in both domestic and foreign capital markets. The province is exposed to risks such as fluctuations in interest and foreign exchange rates, credit risk, liquidity risk, and market price risk. In accordance with the risk management policy guidelines set by the Risk Committee of the Ministry of Finance, the province uses a variety of means to manage risk, including the use of derivative financial instruments to hedge the exposure to these risks.

Derivative financial instruments

A derivative financial instrument is a financial contract with a counterparty that is applied to hedge against interest rate or foreign exchange risk. Derivatives used by the province include interest rate swaps, cross–currency swaps, and forward foreign exchange contracts. Swaps are legal contracts under which the province agrees with another party to exchange cash flows based on the notional amounts.

Notional and fair value of derivative financial instruments

Interest rate fluctuations impact floating rate interest payments and the corresponding market value of the interest rate swaps. Foreign exchange fluctuations impact the carrying value of foreign currency debt and correspondingly the carrying value of foreign currency derivatives. The change in debt due to foreign currency and interest rate fluctuations approximate the change in market value of the associated derivative immediately prior to maturity.

Most foreign currency denominated debt is fully hedged to Canadian dollars to eliminate exposure to future fluctuation in exchange rates. Despite a perfectly functioning hedge relationship, throughout the life of these bonds and associated derivatives the impacts are not perfectly offsetting in the Consolidated Statement of Financial Position and in the Consolidated Statement of Remeasurement Gains and Losses. This volatility is not realized in the Consolidated Statement of Operations.

Notes to Consolidated Summary Financial Statements for the Fiscal Year Ended March 31, 2024—Continued

20. Risk Management and Derivative Financial Instruments—Continued

The following table presents the outstanding notional and fair values of the province's derivative instruments. The notional values indicate the volume of outstanding derivative contracts employed. The fair value of derivatives is reported in the Consolidated Statement of Financial Position and in the Consolidated Statement of Remeasurement Gains and Losses.

In Millions

	Taxpayer–supported portfolio				Self–supported portfolio					
	Cross–currency swaps	Interest rate swaps	Forward foreign exchange contracts	Sub–total	Cross–currency swaps	Interest rate swaps	Forward foreign exchange contracts	Sub–total	2024 Total	2023 Total
	$	$	$	$	$	$	$	$	$	$
Total notional values	20,340	1,897	1,912	24,149	591	2,875	2,559	6,025	30,174	20,192
Fair values										
Derivative assets	345	81	13	439		217	42	259	698	663
Derivative liabilities	(1,003)	(190)	(2)	(1,195)	(17)	(21)	(4)	(42)	(1,237)	(1,031)
Net Derivative Assets / (Liabilities)				**(756)**				**217**	**(539)**	**(368)**

Undiscounted cashflows for derivative instruments[1]

The table below shows maturities and cash inflows and outflows of the province's derivative instruments. Cross–currency swaps and forward foreign exchange contracts are utilized to mitigate foreign currency risk on foreign currency debt payments, and interest rate swaps are utilized to mitigate interest rate risk on floating debt payments, as the cash inflows from these derivatives will offset the debt payment outflows.

In Millions

	Cross currency swaps				Interest rate swaps		Forward foreign exchange contracts	
Year of maturity	Principal outflows	Principal inflows	Interest outflows	Interest inflows	Interest outflows	Interest inflows	Principal outflows	Principal inflows
	$	$	$	$	$	$	$	$
2025	(2,416)	2,349	(637)	469	(95)	66	(3,752)	3,769
2026	(741)	732	(583)	458	(75)	65	(436)	465
2027	(4,280)	4,554	(525)	424	(56)	61		
2028			(486)	394	(47)	57		
2029	(2,757)	2,710	(483)	393	(39)	46		
2030–2034	(5,784)	6,067	(1,634)	1,146	(173)	146		
Thereafter	(4,953)	4,938	(1,377)	459	(347)	221	(283)	311
Total	**(20,931)**	**21,350**	**(5,725)**	**3,743**	**(832)**	**662**	**(4,471)**	**4,545**

[1]Future foreign payments paid or received are converted to Canadian dollars using the March 31, 2024 foreign exchange rates.

Notes to Consolidated Summary Financial Statements for the Fiscal Year Ended March 31, 2024—Continued

20. Risk Management and Derivative Financial Instruments—Continued

Interest rate risk

Interest rate risk is the risk that the province's debt servicing costs will fluctuate due to changes in interest rates. The province uses derivative contracts (interest rate swaps) to manage interest rate risk by exchanging a series of interest payments and assuming either a fixed or floating rate liability to a counterparty, based on the notional principal amount. These types of derivatives allow the province to alter the proportion of its debt held in fixed and floating rate form to take advantage of changes in interest rates.

The government's current policy guidelines with respect to the provincial government direct debt portfolio, which totals $49,532 million (2023: $36,751 million), allow floating rate exposure up to 45.00% (2023: 45.00%) of this portion of the taxpayer–supported debt. At March 31, 2024, floating rate debt exposure was 17.97% (2023: 14.23%) of the government direct debt portfolio.

Under current policy guidelines for British Columbia Hydro and Power Authority (BC Hydro), the maximum floating rate exposure is 25.00% (2023: 25.00%) of their debt that totals $29,328 million (2023: $26,667 million). At March 31, 2024, floating rate debt exposure for BC Hydro was 16.00% (2023: 10.80%) of their debt.

Based on the taxpayer–supported and self–supported debt portfolios at March 31, 2024, a one percent change in interest rates would impact the annual debt servicing expense by $106 million (2023: $68 million) for the taxpayer–supported debt portfolio and $49 million (2023: $29 million) for the self–supported debt portfolio.

Foreign exchange risk

Foreign exchange risk is the risk that the province's debt servicing costs and principal payments will fluctuate due to changes in foreign exchange rates. The province uses derivative contracts (cross–currency swaps and forward foreign exchange contracts) to hedge foreign exchange risk by converting foreign currency principal and interest cash flows into Canadian dollar cash flows and by locking the future foreign currency rate.

The government's current policy guidelines with respect to the provincial government direct debt portfolio, which totals $49,532 million (2023: $36,751 million), allow unhedged foreign debt exposure up to 10.00% (2023: 10.00%) of this portion of the taxpayer–supported debt. At March 31, 2024, there was no unhedged foreign debt exposure of the government direct debt portfolio (2023: nil).

Under current policy guidelines for BC Hydro, the maximum unhedged foreign debt exposure is 5.00% (2023: 5.00%) of its debt, which totals $29,328 million (2023: $26,667 million). At March 31, 2024, there was minimal unhedged foreign debt in U.S. dollars.

Based on the taxpayer–supported and self–supported debt portfolios at March 31, 2024, a one cent change in the Canadian dollar versus the U.S. dollar would not impact the annual debt servicing costs (2023: nil) for the taxpayer–supported portfolio; however, it would impact the self–supported debt portfolio by $1 million (2023: $1 million).

Notes to Consolidated Summary Financial Statements for the Fiscal Year Ended March 31, 2024—Continued

20. Risk Management and Derivative Financial Instruments—Continued

Approximately 24% of the province's debt, or $26,165 million (2023: $16,020) is foreign currency debt. With a 1% change in the Canadian dollar against all other currencies, there would be a potential unrealized gain (loss) of $262 million (2023: $160 million). The table below summarizes the province's exposure to foreign currency debt:

	In Millions	
	Carrying value (CAD)	Sensitivity
	$	$
U.S. dollars	19,080	191
Euros	6,036	60
Australian dollar	899	9
Swiss Franc	150	2
Total foreign currency debt	**26,165**	**262**

Although throughout the life of a foreign currency debt and associated derivative these impacts on foreign exchange fluctuations are not perfectly offsetting, the volatility is never realized as the swaps are not terminated until maturity.

Credit risk

Credit risk is the risk that the province will incur financial losses due to a derivative counterparty defaulting on its financial obligations. In accordance with the government's policy guidelines, the province reduces its counterparty credit risk by trading only under Credit Support Annexes where derivative exposures are covered by a regular exchange of collateral. The province also establishes limits on individual counterparty credit exposures and monitors these exposures on a regular basis.

The province implements Credit Support Annex agreements for all derivative type transactions, including cross–currency and interest rate swaps, to mitigate exposure to counterparty default risk. Under the terms of these agreements, the province may be required to pledge or receive eligible collateral with its counterparties. These amounts will be returned to or from the counterparties when there are no longer any outstanding obligations.

Notes to Consolidated Summary Financial Statements for the Fiscal Year Ended March 31, 2024—Continued

20. Risk Management and Derivative Financial Instruments—Continued

The province's gross credit risk exposure is the amount of loss that would occur if all counterparties to contracts in an unrealized gain position were to default at once, and the contracted netting provisions (derivatives in an unrealized loss position for those counterparties) were not enforced. Net credit exposure is the loss net of the permitted offset for provisions with unrealized losses. Net credit risk exposure is the potential loss after allowing for collateral balances received from counterparties. The following table provides net credit risk exposure.

	In Millions	
	2024	2023
	$	$
Gross credit risk exposure	698	663
Less: netting provisions	(610)	(477)
Net credit risk exposure (before collateral)	88	186
Less: collateral received	(80)	(184)
Net credit risk exposure (after collateral)	**8**	**2**

Total collateral held consists of $389 million (2023: $351 million) net cash paid which is included in accounts receivable (*see* Note 3) and $324 million (2023: $434 million) of securities received, which have not been recognized in the financial statements as it is pledged by counterparties and held by a third party until the derivative transaction is completed or default occurs.

Liquidity risk

The province utilizes a cash management framework to ensure that cash is available where and when it is needed while minimizing the cost of cash and maximizing returns on temporary balances. The province forecasts all cash inflows and outflows, including debt and the related derivatives maturities, for the full current fiscal year and the following two fiscal years. The forecast is for each business day and is revised daily based on actual flows, analysis of current trends, historical patterns, and emerging market conditions.

Market price risk

The province is committed to generating long–term investment returns that meet or exceed targets and benchmarks without unnecessary risk. The province is exposed to market price risk on its portfolio investments, and utilizes strategies such as diversification and the selection of only high–quality investment assets to mitigate this exposure.

21. Net Liabilities

The Consolidated Statement of Change in Net Liabilities (*see* page 43) shows the net impact of applying the expenditure basis of accounting. The net liabilities calculation uses the expenditure, rather than the expense basis of accounting. Under the expenditure basis of accounting, tangible capital assets, prepaid program costs and other assets are recorded as expenditures when calculating the current year surplus or deficit. Under the expense basis of accounting, these items are recorded on the Consolidated Statement of Financial Position as assets and amortized over an applicable period of time.

Notes to Consolidated Summary Financial Statements for the Fiscal Year Ended March 31, 2024—Continued

22. Tangible Capital Assets

	In Millions 2024	2023
	$	$
Land and land improvements	6,951	6,220
Buildings (including tenant improvements)	33,545	30,232
Highway infrastructure	16,098	15,099
Transportation equipment	3,926	3,507
Computer hardware and software	2,464	2,299
Other	2,599	2,461
	65,583	**59,818**

See Consolidated Statement of Tangible Capital Assets on page 106.

The estimated useful lives of the more common tangible capital assets are: buildings (3–90 years); highway infrastructure (3–90 years); transportation equipment (including rapid transit, ferries and related infrastructure) (15–100 years); computer hardware and software (1–18 years); major software systems (1–18 years); and other (including vehicles, specialized equipment, and furniture and equipment) (1–30 years). Land improvements are amortized over 30 years (recreation areas) or 40 years (dams and water management systems). Leasehold improvements (2–40 years) are amortized over the lesser of the lease term and the life of the asset.

Tangible capital assets include infrastructure assets under public private partnership agreements as disclosed in Note 18.

BC Transportation Financing Authority (BCTFA) assets include capital assets under lease to South Coast British Columbia Transportation Authority (SCBCTA). These capital assets under lease consist of land, land improvements, interests in land, park and ride facilities, stations, guideways, rolling stocks and other assets related to the SkyTrain system, including the Millennium Line, Evergreen Line, the Expo Line SkyTrain systems and the West Coast Express. These assets are made available for use by SCBCTA under operating lease arrangements for a nominal lease amount pursuant to an Order in Council and to the Millennium Line Use Agreement, and represent one of the province's contributions toward public transportation in the Metro Vancouver service area.

The Expo Line and Millennium Line Use Agreements expire in January 2025 and may be renewed, if mutually agreed, for successive five year terms as long as the assets remain a part of the Greater Vancouver regional transportation system. The net book value of these assets is $2,166 million (2023: $2,215 million).

The province received donations of tangible capital assets during the year of $5 million (2023: $29 million).

Notes to Consolidated Summary Financial Statements for the Fiscal Year Ended March 31, 2024—Continued

23. Restricted Assets

	In Millions	
	2024	2023
	$	$
Endowment funds	**2,352**	**2,224**

Donors provide contributions that are invested in various financial instruments. Donors have placed restrictions on their contributions to the endowment funds of universities, colleges, school districts, health organizations, and taxpayer–supported Crown corporations. One restriction is that the original contribution should not be spent. Endowment agreements may also require that a portion of investment income be used to offset the eroding effect of inflation or preserve the original value.

24. Prepaid Program Costs

	In Millions	
	2024	2023
	$	$
Prepaid program costs	**1,233**	**1,104**

The prepaid program costs include deferred costs associated with the BC Timber Sales Program, prepaid operating costs and inventories of supplies and other not–for–resale items held by taxpayer–supported Crown corporations and agencies which are charged to expense when consumed in the normal course of operations. At March 31, 2024, the total inventories held for use or consumption was $538 million (2023: $522 million). During the year, the total expense due to the consumption of inventories was $1,976 million (2023: $2,187 million) including the effect of write–downs of $21 million (2023: $168 million).

25. Other Assets

	In Millions	
	2024	2023
	$	$
Other deferred costs	**468**	**243**

Other deferred costs include funds held by a service provider to provide group health and welfare benefits on behalf of health authorities, affiliates and community social service organizations. As at March 31, 2024, the actuarial valuation estimated fund assets were $1,635 million (2023: $1,348 million) and accrued benefit obligations were $1,170 million (2023: $1,115 million).

Notes to Consolidated Summary Financial Statements for the Fiscal Year Ended March 31, 2024—Continued

26. Accumulated Surplus (Deficit)

	In Millions 2024	2023
	$	$
Accumulated surplus (deficit)—before remeasurement gains and losses—beginning of year as previously reported[1]	2,905	2,211
Adjustments to accumulated surplus (deficit)[2,3]	917	655
Accumulated surplus (deficit)—beginning of year as restated	3,822	2,866
Surplus (deficit) for the year[4]	(5,035)	956
Accumulated surplus (deficit)—before remeasurement gains and losses	**(1,213)**	**3,822**
Effect of remeasurement gains and (losses)	(408)	(372)
Accumulated surplus (deficit)—end of year	**(1,621)**	**3,450**

[1]The opening accumulated surplus (deficit) figures for April 1, 2023 and April 1, 2022 are reported before remeasurement gains and losses.

[2]During 2023/24, adjustments were made to the opening accumulated surplus for 2022/23 for the following items:

Adoption of the revenue accounting standard	586
ICBC's adoption of IFRS 9 Financial Instruments and IFRS 17 Insurance Contracts	70
Adoption of the purchased intangibles accounting guideline	9
Adjustment for the adoption of the financial instruments accounting standard	(10)
Total	655

[3]During 2023/24, adjustments were made to the opening accumulated surplus for 2023/24 for the following items:

Adoption of the revenue accounting standard	512
ICBC's adoption of IFRS 9 Financial Instruments and IFRS 17 Insurance Contracts	399
Adoption of the purchased intangibles accounting guideline	6
Total	917

[4]During 2023/24, adjustments were made to the reported surplus figure for the 2022/23 fiscal year as follows:

ICBC's adoption of IFRS 9 Financial Instruments and IFRS 17 Insurance Contracts	328
Adoption of the revenue accounting standard	(73)
Adjustment for the adoption of the financial instruments accounting standard	(2)
Adoption of the purchased intangibles accounting guideline	(1)
Total	252

Notes to Consolidated Summary Financial Statements for the Fiscal Year Ended March 31, 2024—Continued

27. Contingent Assets and Contractual Rights

(a) UNRECOGNIZED ASSETS

Intangible assets that are not purchased and items inherited by right of the Crown, such as forest, water and mineral resources, are not recognized in these financial statements. Land inherited by right of the Crown is capitalized at a nominal value of one dollar. The value of collections (e.g. artifacts, specimens, works of art, and documents) has been excluded from the Statement of Financial Position. When collections are purchased, these items are expensed.

(b) CONTINGENT ASSETS

The province has contingent assets where the estimated amount is, or exceeds, $100,000 and the occurrence of the confirming future event is likely.

	In Millions	
	2024	2023
	$	$
Litigation settlements	1	
Miscellaneous	1	
	2	**0**

(c) CONTRACTUAL RIGHTS

Contractual rights are future–oriented financial information based on multi–year contracts the government has entered into that will become assets and revenue when terms of the contracts are met. The following table presents contractual rights that are greater than $50 million, by sector, by year.

	In Millions						
	2025	2026	2027	2028	2029	2030 and beyond	Total
Consolidated Revenue Fund and Taxpayer–supported Crown corporations and agencies	$	$	$	$	$	$	$
Education	12	10	9	8	6	11	56
Social services	45	45					90
Natural resources and economic development	216	204	203	180	181	4,054	5,038
Protection of persons and property	27	29	29				85
Transportation	566	720	449	262	210	53	2,260
General government	421	437	405	406	401	2,390	4,460
	1,287	1,445	1,095	856	798	6,508	11,989
Self–supported Crown corporations and agencies							
Natural resources and economic development	347	271	256	236	242	4,203	5,555
Protection of persons and property	18	17	15	11	9	16	86
	365	288	271	247	251	4,219	5,641
Total	**1,652**	**1,733**	**1,366**	**1,103**	**1,049**	**10,727**	**17,630**

Notes to Consolidated Summary Financial Statements for the Fiscal Year Ended March 31, 2024—Continued

27. Contingent Assets and Contractual Rights—Continued

The following table presents amounts provided in multi–year government transfer agreements that are greater than $50 million, by sector, by year. These government transfers may be authorized by the federal government in the future.

	In Millions						
	2025	2026	2027	2028	2029	2030 and beyond	Total
Consolidated Revenue Fund and Taxpayer–supported Crown corporations and agencies	$	$	$	$	$	$	$
Health	571	570	163	81			1,385
Education	133	103	87	47			370
Social services	1,162	1,009					2,171
Other	153	52	37	23	27		292
Natural resources and economic development	17	17	17	18			69
Transportation	33	33	33	33	32	1,116	1,280
Total	2,069	1,784	337	202	59	1,116	5,567

28. Contingent Liabilities and Contractual Obligations

(a) GUARANTEED DEBT

The authorized limit for loans guaranteed by the province as at March 31, 2024 was $398 million (2023: $398 million). These guarantees include amounts where indemnities have been made for explicit quantifiable loans. Guaranteed debt as at March 31, 2024 totalled $15 million (2023: $15 million). *See* Consolidated Statement of Guaranteed Debt on page 107 for details.

(b) CONTINGENT LIABILITIES

Litigation

The province is a defendant in legal actions and is involved in matters such as expropriation, contract and tax disputes. These matters may give rise to future liabilities.

The province has the following contingent liabilities where the estimated or known claim is, or exceeds $100,000, but the likelihood of payment is uncertain.

	In Millions	
	2024	2023
	$	$
Tax disputes	77	64
Property access disputes	30	30
Contract disputes	24	33
Damage to persons or property	5	3
Negligence and miscellaneous	4,459	1,794
	4,595	**1,924**

When it is determined it is likely a liability exists and the amount can be reasonably estimated, the amount is recorded as an accrued liability (*see* Note 12) and an expense. The accrued liability for pending litigation in process at March 31, 2024 was $342 million (2023: $117 million).

Notes to Consolidated Summary Financial Statements for the Fiscal Year Ended March 31, 2024—Continued

28. Contingent Liabilities and Contractual Obligations—Continued

Tax Appeals

The province has received appeals under various tax statutes totalling $253 million (2023: $201 million). The cost to the province cannot be determined as the outcome of these appeals is uncertain.

Guarantees and Indemnities

The province also has contingent liabilities in the form of indemnities, indirect guarantees and outstanding claims for amounts that are not explicit or reasonably estimable at this time.

Environmental Clean–up

The province is responsible for the remediation of numerous contaminated sites in the province that are no longer in productive economic use.

For sites where the province is directly responsible or has assumed responsibility for remediation, the following provision for future clean–up costs has been accrued based on preliminary environmental assessments, or estimations for those sites where an assessment has not been conducted. The provision is recorded as an accrued liability (*see* Note 12).

	In Millions	
	2024	2023
	$	$
Mine sites	359	348
Transportation infrastructure	45	33
Industrial sites	23	25
Salt sheds	5	5
Maintenance yards	4	5
Pulp mills	2	1
Miscellaneous	93	96
	531	**513**

This provision for future clean–up costs is an estimate of the minimum remediation costs for known sites where an assessment has been conducted, or where available information on sites is sufficient to estimate the costs. Where information is not available to make an estimate, costs are extrapolated from the estimated costs of similar sites. The undiscounted estimated costs for sites that require ongoing remediation, monitoring or maintenance is $126 million. Where settlement dates are known, these costs are discounted using the province's estimated weighted average cost of capital at periodic evaluation dates. As at March 31, 2024, the weighted average cost of capital is 3.75% (2023: 3.47%).

As at the reporting date, 27 sites where historical industrial activity has occurred have been identified for monitoring purposes. Remediation activities are unlikely to be performed on these sites and a liability may be recorded at a later date.

Additional environmental liabilities of government business enterprises include $242 million (2023: $270 million) accrued by British Columbia Hydro and Power Authority, and $10 million (2023: $10 million) accrued by British Columbia Railway Company. The liabilities are included in the investment balance of the Crown corporation or agency in Note 7.

Notes to Consolidated Summary Financial Statements for the Fiscal Year Ended March 31, 2024—Continued

28. Contingent Liabilities and Contractual Obligations—Continued

Treaty Negotiations

Treaty negotiations between the province, Canada and First Nations commenced in 1994. The province anticipates these negotiations will result in modern–day treaties defining the boundaries and nature of First Nations treaty settlement lands. As of March 31, 2024, there were 38 First Nations in active or completed negotiations, representing 69 current or former *Indian Act* bands.

When final treaty agreements are ratified by all parties, the provincial cost of treaties is recorded in the Public Accounts. Costs are accounted for based on the substance of the final agreement.

A Final Agreement with Yale First Nation was ratified by Yale First Nation in March 2011, by the provincial government on June 2, 2011, and by the Parliament of Canada on June 19, 2013. A treaty effective date has not yet been agreed to by the parties. Through the treaty, the province will provide Yale with a capital transfer of $2.5 million, economic development funding of $1.1 million and 1,179 hectares of provincial Crown lands.

It is expected the capital transfer components for all treaty agreements will be, in most cases, entirely provided by Canada. The current commitments of provincial Crown land for all Final Agreement and Incremental Treaty Agreement tables are as follows:

- Ditidaht, 3,567 hectares
- Homalco, 707 hectares
- In–SHUCK–ch (Skatin and Samahquam), 9,474 hectares
- Kaska Dena Council, 677 hectares
- Kitselas, 35,290 hectares
- Kitsumkalum, 45,789 hectares
- K'omoks, 3,040 hectares
- Ktunaxa Nation Council, 418 hectares
- Lake Babine Nation (BC only), 497.6 hectares with a one–time payment of $0.02 million
- Lax Kw'alaams First Nation, 4,309 hectares
- Lheidli T'enneh, 3,416 hectares
- Nazko, 172 hectares
- NStQ (Canoe Creek, Sugar Cane, Canim Lake, Soda Creek), 3,656 hectares
- Pacheedaht, 1,216 hectares
- Te'mexw (Malahat, Scia'new, Snaw–naw–as, Songhees and T'Sou–ke), 1,916 hectares
- Tla–o–qui–aht, 47 hectares
- Wei Wai Kai (Cape Mudge First Nation), 2,217 hectares
- Wei Wai Kum (Campbell River First Nation) 2,276 hectares
- Wuikinuxv, 13,946 hectares
- Yekooche, 5,960 hectares

Upon coming into effect, treaties and other incremental agreements will also trigger implementation costs and may result in compensation to third parties. Those costs are not determinable at this time.

Some First Nations have chosen not to negotiate through the formal British Columbia Treaty Commission process. A number of those First Nations have chosen to advance their claims through litigation. Claims include declarations with respect to Aboriginal rights and title, commercial rights, challenges with respect to adequacy of consultation and accommodation, and damages for unjustified infringements. The amount of any provincial liability is not determinable at this time.

Notes to Consolidated Summary Financial Statements for the Fiscal Year Ended March 31, 2024—Continued

28. Contingent Liabilities and Contractual Obligations—Continued

Crown Corporations, Agencies and School Districts, Universities, Colleges, Institutes and Health Organizations (SUCH)

The BC Transportation Financing Authority has unrecorded contingent liabilities of $117 million (2023: $67 million), including $33 million (2023: $18 million) for expropriation claims and $25 million (2023: $27 million) for contaminated sites.

The B.C. Pavilion Corporation and predecessor property owners remain liable for environmental and reclamation obligations for known hazards that may exist at its facilities. Management is not aware of any existing environmental problems related to its facilities that may result in a material liability to the B.C. Pavilion Corporation.

(c) CONTRACTUAL OBLIGATIONS

The government has entered into a number of multiple–year contracts for the delivery of services and the construction of 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. Contractual obligations are future–oriented financial information about non–discounted future cash payments for operating and capital contracts, and do not indicate when the related expenses will be recognized in the financial statements.

The following table presents the minimum amounts required to satisfy the contractual obligations, for contractual obligations that are greater than $50 million, by sector, by year. Details are available as unaudited supplementary information on the public website at http://gov.bc.ca/publicaccounts.

	In Millions						
	2025	2026	2027	2028	2029	2030 and beyond	Total
Consolidated Revenue Fund and Taxpayer–supported Crown corporations and agencies	$	$	$	$	$	$	$
Health	5,491	2,879	2,000	1,581	1,222	5,579	18,752
Education	1,754	587	243	66	28	153	2,831
Social services	162						162
Other	50	47	14	12	12	553	688
Natural resources and economic development	36	36	37	33	32	295	469
Transportation	2,386	1,631	1,176	941	866	9,263	16,263
Protection of persons and property	576	591	608	595	596	1,998	4,964
General government	655	276	236	207	156	200	1,730
	11,110	6,047	4,314	3,435	2,912	18,041	45,859
Self–supported Crown corporations and agencies							
Natural resources and economic development	3,310	2,290	2,078	2,001	1,922	36,721	48,322
General government	249	39	6	1			295
	3,559	2,329	2,084	2,002	1,922	36,721	48,617
Total	**14,669**	**8,376**	**6,398**	**5,437**	**4,834**	**54,762**	**94,476**

Notes to Consolidated Summary Financial Statements for the Fiscal Year Ended March 31, 2024—Continued

28. Contingent Liabilities and Contractual Obligations—Continued

The following table presents the amounts provided in multiple–year government transfer agreements that are greater than $50 million, by sector, by year. While there is no current obligation for these amounts, these government transfers may be authorized by government in a future year.

	In Millions						
	2025	2026	2027	2028	2029	2030 and beyond	Total
Consolidated Revenue Fund and Taxpayer–supported Crown corporations and agencies	$	$	$	$	$	$	$
Education	315	217	60				592
Social services	550	280	254				1,084
Other	769	667	319	263	222	3,708	5,948
Natural resources and economic development	428	219	88	57	39	176	1,007
Total	**2,062**	**1,383**	**721**	**320**	**261**	**3,884**	**8,631**

29. Taxation Revenue

	In Millions	
	2024	2023
	$	$
Personal income	16,443	17,268
Provincial sales	10,330	9,818
Corporate income	6,085	9,156
Property	3,605	3,253
Employer health	2,886	2,720
Carbon	2,642	2,161
Property transfer	1,993	2,293
Fuel	982	1,021
Tobacco	477	531
Other	853	804
	46,296	**49,025**

Personal income tax and corporate income tax revenues are recorded after deductions for non–refundable tax credits. Deductions allowable in the calculation of personal income tax revenue were $176 million (2023: $176 million) and corporate income tax revenue were $174 million (2023: $232 million). The types of tax credits adjusting personal income tax and corporation income tax revenues are for foreign taxes, logging taxes, venture capital, scientific and experimental development tax, and mining flow–through share.

Personal income tax revenue was also reduced by $191 million (2023: $199 million) for the BC Tax Reduction.

Personal and corporate income tax refunds related to prior years may be issued under the *International Business Activity Act*. Corporate income tax reimbursements were nil (2023: $3 million).

Property tax revenue was recorded net of home owner grants of $903 million (2023: $892 million).

Notes to Consolidated Summary Financial Statements for the Fiscal Year Ended March 31, 2024—Continued

30. Natural Resource Revenue

	In Millions 2024 $	2023 $
Petroleum, natural gas and minerals	1,502	3,275
Forests	657	1,887
Water and other	984	955
	3,143	**6,117**

Oil and gas royalty revenues are reported after adjustments for various royalty deduction programs such as producer cost of service allowances, deep well, marginal, ultra marginal, low production, net profit, new pool discovery and road construction. Deductions allowable in the calculation of royalty revenue were $429 million (2023: $1,671 million). Natural resource revenue includes mining taxes of $497 million (2023: $817 million) and logging taxes of $12 million (2023: $403 million).

The province offers credits for certain costs incurred by producers including the deep well, road and summer drilling programs. Deep well credits of $2,029 million (2023: $2,215 million), road credits of $11 million (2023: $10 million) and summer drilling credits of $3 million (2023: $3 million) have been incurred by producers and will reduce future natural gas royalties payable when wells go into production.

31. Expense

Total Expense by Group Account Classification	In Millions 2024 $	2023 $
Salaries and benefits	32,611	28,214
Government transfers	24,657	28,246
Operating costs	19,849	17,595
Interest[1]	3,292	2,719
Amortization	2,947	2,928
Other	1,302	1,132
	84,658	**80,834**

[1]Total interest function costs include a $156 million net loss (2023: $79 million net loss) related to cross currency and interest rate derivatives.

Notes to Consolidated Summary Financial Statements for the Fiscal Year Ended March 31, 2024—Continued

32. Valuation Allowances

	In Millions 2024 $	2023 $
Accounts receivable	180	88
Loans, advances and mortgages receivable	33	42
Inventories held for use	26	167
Tangible capital assets	9	8
	248	**305**

These amounts are included in "Other" of "Total Expense by Group Account Classification" in Note 31, and represent the write–down of assets in the above Consolidated Statement of Financial Position categories.

33. Trusts Under Administration

Trusts Under Administration are not included in the Summary Financial Statements because the province has no equity in, or power of appropriation over, these trusts. The province administers these trusts on behalf of third parties according to the terms of the underlying trust arrangements. The trust assets consist of cash, term deposits, investments, real estate, and other sundry assets. Trust liabilities consist of trade payables, loans payable, and mortgages payable. Summary financial information from the financial statements of trust funds is provided below.

	In Millions			
	Assets $	Liabilities $	2024 $	2023 $
Public Guardian and Trustee of British Columbia[1] —administered by government officials	1,539	(50)	1,489	1,363
Credit Union Deposit Insurance Corporation of British Columbia[1] —administered by various government officials and a non–government investment corporation	912	(2)	910	859
Supreme and provincial court (Suitors' Funds) —administered by the Courts	237		237	213
Other trust funds —administered by various government officials	164	(43)	121	190
	2,852	**(95)**	**2,757**	**2,625**

[1]These organizations are reported under International Financial Reporting Standards. Their financial statements are draft and unaudited when the Public Accounts are prepared.

34. Comparison to Estimates

The Estimates numbers on the Statement of Operations are taken from the Estimated Statement of Operations, the Estimated Revenue by Source, and the Estimated Expense by Function, on pages 4 – 6 of the *Estimates, Fiscal Year Ending March 31, 2024*, presented to the Legislative Assembly February 28, 2023.

35. Comparatives

Comparative figures have been restated to conform with the current year's presentation. The effect of restatements on the previously reported operating result is disclosed in Note 26.

Notes to Consolidated Summary Financial Statements for the Fiscal Year Ended March 31, 2024—Continued

36. Asset Retirement Obligations

Asset retirement obligations recognized by the province include estimated costs for which there is a legal obligation to conduct activities associated with the retirement of tangible capital assets. Activities may include the remediation of hazardous materials such as asbestos in buildings and the decommissioning or restoration of assets such as land or leaseholds to their original use and condition. The following table summarizes the changes to the consolidated revenue fund and taxpayer–supported crown corporations and agencies asset retirement obligations during the year:

	In Millions						
	Balance– beginning of year	New liabilities in the year	Accretion expense in the year	Changes in estimate of existing[1]	Liabilities settled in the year	2024	2023
	$	$	$	$	$	$	$
Health	349	5	8	12	(1)	373	349
Education	807		5	(49)	(7)	756	807
Other	275	26				301	275
Natural resources and economic development	41			(24)		17	41
Transportation	247			(1)		246	247
Protection of persons and property	1					1	1
General government	150		4			154	150
	1,870	**31**	**17**	**(62)**	**(8)**	**1,848**	**1,870**

The estimated undiscounted cash flows required to settle these obligations are $2,228 million. Those with legally stipulated settlement dates are expected to be settled between 2024 and 2083. The timing of settlement for all other obligations is dependent on the use of the underlying assets. Where the settlement date is known, estimated future costs are discounted using the province's estimated weighted average cost of capital at periodic evaluation dates. As at March 31, 2024, the weighted average cost of capital is 3.75% (2023: 3.47%).

Asset retirement obligations for self–supported Crown corporations as at March 31, 2024 were $229 million (2023: $248 million). Self–supported Crown corporations' balances are calculated using International Financial Reporting Standards. Asset retirement obligations are included in the equity balance of the particular Crown corporation or agency in Note 7.

[1]Can include changes in the estimated cost, timing of settlement and the discount of the current value of the obligation.

Notes to Consolidated Summary Financial Statements for the Fiscal Year Ended March 31, 2024—Continued

37. Government Partnerships

Canadian Blood Services owns and operates the national blood supply system for Canada, except for the province of Quebec. It is a government partnership amongst Canadian provinces and territories. The ministers of health for the provinces and territories, except Quebec, provide contributions to fund its operations. Its financial results are proportionately consolidated with those of the province based upon the province's share of its total provincial contributions (14.67%). The amounts included in these financial statements are as follows:

Consolidated Statement of Financial Position	In Millions	
	2024	2023
	$	$
Financial assets	102	101
Liabilities	133	131
Net liabilities	**(31)**	**(30)**
Non–financial assets	85	81
Accumulated surplus (deficit)	**54**	**51**

Consolidated Statement of Operations	In Millions	
	2024	2023
	$	$
Revenue	226	202
Expenses	223	201
Surplus (deficit) for the year	**3**	**1**
Accumulated surplus (deficit)—beginning of year	51	50
Accumulated surplus (deficit)—end of year	**54**	**51**

38. Regulatory Accounting

Included in the Summary Financial Statements are entities that are regulated by the independent British Columbia Utilities Commission (the Commission). The Commission is responsible for regulating utilities in British Columbia which includes establishing tariffs, approving the construction of new facilities planned by utilities, and their issuance of securities. As an independent provincial agency, the operating results of the Commission are also included in the Summary Financial Statements.

Rate–regulation can result in the deferral and amortization of costs and recoveries to allow for adjustment of future rates. In the absence of rate–regulation, these amounts would otherwise be included in the determination of net income in the year the amounts are incurred. BC Hydro had unamortized net regulatory assets at the end of March 31, 2024 of $1,852 million (2023: $1,467 million). Regulatory accounting resulted in an increase to net income for BC Hydro for the year ended March 31, 2024 of $495 million (2023: $1,162 million decrease). Further details are available in BC Hydro's financial statements outside these audited financial statements at http://gov.bc.ca/financepublications.

Notes to Consolidated Summary Financial Statements for the Fiscal Year Ended March 31, 2024—Continued

39. Amounts Collected and Transferred to Other Governments and Organizations

Legislation establishes the right of other governments and organizations to amounts prescribed under various enactments. The province acts as an administrator for amounts collected for, and transferred to, other governments and organizations. These amounts are not included in the provincial operating results. These arrangements will continue each year until legislation is amended or the agreement concludes.

	In Millions	
	2024	2023
	$	$
Rural areas	504	457
South Coast British Columbia Transportation Authority	412	400
Municipalities or eligible entities	165	118
British Columbia First Nations Gaming Revenue Sharing Limited Partnership	108	114
Habitat Conservation Trust	7	6
Cowichan Tribes	4	4
	1,200	**1,099**

Rural areas and local governments receive local property taxes and levies collected under the *Taxation (Rural Area) Act*.

South Coast British Columbia Transportation Authority receives fuel tax collected under the *South Coast British Columbia Transportation Authority Act*.

Municipalities, regional districts, and other eligible entities receive municipal and regional district tax collected under the *Provincial Sales Tax Act*.

British Columbia First Nations Gaming Revenue Sharing Limited Partnership receives 7% of provincial gaming net proceeds collected under the *Gaming Control Act* until March 31, 2045.

Habitat Conservation Trust Fund receives surcharges on hunting and angling licences collected under the *Wildlife Act*.

Cowichan Tribes receive the annual band tobacco tax collected as per a formula set out in the Consolidated Cowichan Tribes Tobacco Tax Collection Agreement.