

Audited Financial Statements of

School District No. 72 (Campbell River)

And Independent Auditors' Report thereon

June 30, 2025

School District No. 72 (Campbell River)

June 30, 2025

Table of Contents

Management Report	1
Independent Auditors' Report	2-3
Statement of Financial Position - Statement 1	4
Statement of Operations - Statement 2	5
Statement of Changes in Net Debt - Statement 4	6
Statement of Cash Flows - Statement 5	7
Notes to the Financial Statements	8-31
Schedule of Changes in Accumulated Surplus (Deficit) by Fund - Schedule 1 (Unaudited)	32
Schedule of Operating Operations - Schedule 2 (Unaudited)	33
Schedule 2A - Schedule of Operating Revenue by Source (Unaudited)	34
Schedule 2B - Schedule of Operating Expense by Object (Unaudited)	35
Schedule 2C - Operating Expense by Function, Program and Object (Unaudited)	36
Schedule of Special Purpose Operations - Schedule 3 (Unaudited)	38
Schedule 3A - Changes in Special Purpose Funds and Expense by Object (Unaudited)	39
Schedule of Capital Operations - Schedule 4 (Unaudited)	42
Schedule 4A - Tangible Capital Assets (Unaudited)	43
Schedule 4B - Tangible Capital Assets - Work in Progress (Unaudited)	44
Schedule 4C - Deferred Capital Revenue (Unaudited)	45
Schedule 4D - Changes in Unspent Deferred Capital Revenue (Unaudited)	46

School District No. 72 (Campbell River)

MANAGEMENT REPORT

Version: 7075-6330-4347

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 72 (Campbell River) have been prepared by management in accordance with the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act of British Columbia, supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

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

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and reliable financial information is produced.

The Board of Education of School District No. 72 (Campbell River) (called the "Board") is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Board. The Board reviews internal financial statements on a monthly basis and externally audited financial statements yearly.

The external auditors, MNP LLP, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of School District No. 72 (Campbell River) and meet when required. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the School District's financial statements.

On behalf of School District No. 72 (Campbell River)

Originally signed by the Board Chair

Signature of the Chairperson of the Board of Education

SEPT 26 2025

Date Signed

Originally signed by the Superintendent

Signature of the Superintendent

SEPT. 24, 2025

Date Signed

Originally signed by the Secretary-Treasurer

Signature of the Secretary Treasurer

Sept 26 2025

Date Signed

To the Board of Education of School District No. 72 (Campbell River) and the Minister of Education and Child Care:

Opinion

We have audited the financial statements of School District No. 72 (Campbell River) (the "School District"), which comprise the statement of financial position as at June 30, 2025, and the statements of operations, statement of changes in net debt and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present the financial position of the School District as at June 30, 2024, and the results of its operations, remeasurement gains and losses, changes in net debt and its cash flows for the year then ended in compliance with, in all material respects, the financial reporting framework based on Section 23.1 of the Budget Transparency and Accountability Act and the Province of British Columbia's Treasury Board Regulations 257/2010 and 198/2011.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the School District in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Financial Reporting Framework

We draw attention to Note 2 which describes the financial reporting framework being followed by School District No. 72 (Campbell River).

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report comprises of Unaudited Schedules 1-4 attached to the audited financial statements and Financial Statement Discussion and Analysis, but does not include the financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the financial reporting framework based on Section 23.1 of the Budget Transparency and Accountability Act and the Province of British Columbia's Treasury Board Regulations 257/2010 and 198/2011, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School District's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School District to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Campbell River, British Columbia

September 23, 2025

MNP LLP

Chartered Professional Accountants

School District No. 72 (Campbell River)

Statement of Financial Position

As at June 30, 2025

Statement 1

	2025 Actual	2024 Actual
	\$	\$
Financial Assets		
Cash and Cash Equivalents	15,952,702	17,740,067
Accounts Receivable		
Due from Province - Ministry of Education and Child Care	2,186,630	1,775,645
Due from Province - Other	2,350,295	
Due from First Nations	520,800	902,981
Other (Note 3)	198,978	321,515
Total Financial Assets	21,209,405	20,740,208
Liabilities		
Accounts Payable and Accrued Liabilities		
Other (Note 4)	10,392,875	10,556,370
Unearned Revenue (Note 5)	946,273	800,461
Deferred Revenue (Note 6)	1,803,989	1,910,756
Deferred Capital Revenue (Note 7)	71,286,746	68,283,882
Employee Future Benefits (Note 8)	1,442,940	1,485,634
Asset Retirement Obligation (Note 16)	13,871,171	14,157,307
Total Liabilities	99,743,994	97,194,410
Net Debt	(78,534,589)	(76,454,202)
Non-Financial Assets		
Tangible Capital Assets (Note 10)	84,480,204	84,491,140
Prepaid Expenses	609,703	414,611
Total Non-Financial Assets	85,089,907	84,905,751
Accumulated Surplus (Deficit)	6,555,318	8,451,549
Contingent Liabilities (Note 14)		
Approved by the	Originally signed by the Board Chair	
Signature of the Chairperson of the Board of Education		SEPT 26, 2025
Originally signed by the Superintendent		SEPT. 24, 2025
Signature of the Superintendent		Sept 26, 2025
Originally signed by the Secretary-Treasurer		
Signature of the Secretary Treasurer		

School District No. 72 (Campbell River)

Statement 2

Statement of Operations

Year Ended June 30, 2025

	2025 Budget (Note 15) \$	2025 Actual \$	2024 Actual \$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	81,536,506	83,448,197	76,405,329
Other		41,394	158,871
Tuition	1,031,350	1,027,148	939,264
Other Revenue	5,859,269	5,859,808	5,731,124
Rentals and Leases	163,000	236,097	165,707
Investment Income	424,000	428,767	715,226
Amortization of Deferred Capital Revenue	3,465,215	3,481,742	3,297,210
Total Revenue	<u>92,479,340</u>	<u>94,523,153</u>	<u>87,412,731</u>
Expenses			
Instruction	72,497,262	72,899,799	68,003,535
District Administration	4,048,158	3,819,020	3,489,152
Operations and Maintenance	15,723,657	17,450,087	13,909,963
Transportation and Housing	2,226,386	2,250,478	2,151,727
Total Expense	<u>94,495,463</u>	<u>96,419,384</u>	<u>87,554,377</u>
Surplus (Deficit) for the year	<u>(2,016,123)</u>	<u>(1,896,231)</u>	<u>(141,646)</u>
Accumulated Surplus (Deficit) from Operations, beginning of year		8,451,549	8,593,195
Accumulated Surplus (Deficit) from Operations, end of year		<u>6,555,318</u>	<u>8,451,549</u>

School District No. 72 (Campbell River)

Statement 4

Statement of Changes in Net Debt

Year Ended June 30, 2025

	2025 Budget (Note 15)	2025 Actual	2024 Actual
	\$	\$	\$
Surplus (Deficit) for the year	(2,016,123)	(1,896,231)	(141,646)
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(4,898,663)	(5,585,826)	(9,969,324)
Amortization of Tangible Capital Assets	4,634,301	4,625,722	4,454,923
Write-down carrying value of Tangible Capital Assets		684,904	
ARO Change in Estimate		286,136	
Total Effect of change in Tangible Capital Assets	(264,362)	10,936	(5,514,401)
Acquisition of Prepaid Expenses		(360,111)	(233,994)
Use of Prepaid Expenses		165,019	293,923
Total Effect of change in Other Non-Financial Assets	-	(195,092)	59,929
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	(2,280,485)	(2,080,387)	(5,596,118)
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Debt		(2,080,387)	(5,596,118)
Net Debt, beginning of year		(76,454,202)	(70,858,084)
Net Debt, end of year		(78,534,589)	(76,454,202)

School District No. 72 (Campbell River)

Statement 5

Statement of Cash Flows

Year Ended June 30, 2025

	2025 Actual	2024 Actual
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	(1,896,231)	(141,646)
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(2,256,562)	(1,792,527)
Prepaid Expenses	(195,092)	59,928
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	(163,498)	1,487,688
Unearned Revenue	145,812	16,763
Deferred Revenue	(106,767)	307,343
Employee Future Benefits	(42,692)	(11,375)
Amortization of Tangible Capital Assets	4,625,722	4,454,923
Amortization of Deferred Capital Revenue	(3,481,742)	(3,297,210)
Deferred Capital Transferred to Operations and Maintenance	(4,025,087)	(540,576)
Total Operating Transactions	(7,396,137)	543,311
Capital Transactions		
Tangible Capital Assets Purchased	(4,950,812)	(5,646,140)
Tangible Capital Assets -WIP Purchased	(635,014)	(4,323,184)
Total Capital Transactions	(5,585,826)	(9,969,324)
Financing Transactions		
Capital Revenue Received	11,194,598	7,515,746
Total Financing Transactions	11,194,598	7,515,746
Net Increase (Decrease) in Cash and Cash Equivalents	(1,787,365)	(1,910,267)
Cash and Cash Equivalents, beginning of year	17,740,067	19,650,334
Cash and Cash Equivalents, end of year	15,952,702	17,740,067
Cash and Cash Equivalents, end of year, is made up of:		
Cash	15,952,702	17,740,067
	15,952,702	17,740,067

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2025

NOTE 1 AUTHORITY AND PURPOSE

The School District, established on April 12, 1946, operates under authority of the *School Act* of British Columbia as a corporation under the name of " The Board of Education of School District No. 72 (Campbell River)", and operates as " School District No. 72 (Campbell River)". A board of education ("Board") elected for a four-year term governs the School District. The School District provides educational programs to students enrolled in schools in the district and is principally funded by the Province of British Columbia through the Ministry of Education and Child Care. School District No. 72 (Campbell River) is exempt from federal and provincial corporate income taxes.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting

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

In November 2011, Treasury Board provided a directive through Restricted Contributions Regulation 198/2011 providing direction for the reporting of restricted contributions whether they are received or receivable by the School District before or after this regulation was in effect.

As noted in Notes 2(e) and 2(m), Section 23.1 of the Budget Transparency and Accountability Act and its related regulations require the School District to recognize government transfers for the acquisition of tangible capital assets into revenue on the same basis as the related amortization expense.

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

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

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2025

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

a) Basis of Accounting (*continued*)

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

- Year-ended June 30, 2024 – increase in annual surplus by \$9,447,798.
- June 30, 2024 – increase in accumulated surplus (deficit) and decrease in deferred contributions by \$65,040,436.
- Year-ended June 30, 2025 – increase in annual surplus by \$5,112,015.
- June 30, 2025 – increase in accumulated surplus (deficit) and decrease in deferred contributions by \$65,985,805.

b) Cash and Cash Equivalents

Cash and cash equivalents include cash and highly liquid securities with original terms to maturity of three months or less when purchased and are held for the purpose of meeting short-term cash commitments rather than for investing.

c) Accounts Receivable

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

d) Unearned Revenue

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

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2025

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

e) Deferred Revenue and Deferred Capital Revenue

Deferred revenue includes contributions received with stipulations that meet the description of restricted contributions in the Restricted Contributions Regulation 198/2011 issued by Treasury Board.

When restrictions are met, deferred revenue is recognized as revenue in the fiscal year in a manner consistent with the circumstances and evidence used to support the initial recognition of the contributions received as a liability as detailed in Note 2(m).

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

f) Employee Future Benefits

The School District provides certain post-employment benefits including vested and non-vested benefits for certain employees pursuant to certain contracts and union agreements. The School District accrues its obligations and related costs including both vested and non-vested benefits under employee future benefit plans. Benefits include vested sick leave, accumulating non-vested sick leave, early retirement, retirement/severance, vacation, overtime and death benefits.

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

The most recent valuation of the obligation was performed at March 31, 2025 and projected to March 31, 2025. The next valuation will be performed at March 31, 2028 for use at June 30, 2028. For the purposes of determining the financial position of the plans and the employee future benefit costs, a measurement date of March 31 was adopted for all periods subsequent to July 1, 2004

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

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2025

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

g) Asset Retirement Obligations

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

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

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

h) Liability for Contaminated Sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when a site is not in productive use and all of the following criteria are met:

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

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

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2025

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

i) Tangible Capital Assets

The following criteria apply:

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

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

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2025

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

j) Capital Leases

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

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

k) Prepaid Expenses

Software licensing and support, memberships, dues and tuition are included as a prepaid expense, stated at acquisition cost and are charged to expense over the periods expected to benefit from it.

l) Funds and Reserves

Certain amounts, as approved by the Board are set aside in accumulated surplus for future operating and capital purposes. Transfers to and from funds and reserves are an adjustment to the respective fund when approved (see Notes 12 – Interfund Transfers and Note 9 – Accumulated Surplus). *Funds and reserves are disclosed on Schedules 2, 3 and 4.*

m) Revenue Recognition

Revenues are recorded on an accrual basis in the period in which the transactions or events occurred that gave rise to the revenues, the amounts are considered to be collectible and can be reasonably estimated.

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

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2025

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

m) Revenue Recognition (*continued*)

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

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

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

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

Revenue from transactions with performance obligations is recognized when (or as) the performance obligation is satisfied (by providing the promised goods or services to a payor).

Revenue from transactions with no performance obligations is recognized when the district:

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

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

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2025

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

n) Expenses

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

Categories of Salaries

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

Allocation of Costs

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

o) Financial Instruments

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

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

All financial assets and liabilities are recorded at cost or amortized cost and the associated transaction costs are added to the carrying value of these investments upon initial recognition.

Transaction costs are incremental costs directly attributable to the acquisition or issue of a financial asset or a financial liability.

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2025

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

o) Financial Instruments *(continued)*

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. Interest and dividends attributable to financial instruments are reported in the statement of operations.

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

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

p) Measurement Uncertainty

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

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2025

NOTE 3 ACCOUNTS RECEIVABLE – OTHER

	<u>2025</u>	<u>2024</u>
Due from Federal Government	\$13,522	\$119,070
Due from North Island College	11,000	11,000
Due from Royal Bank	14,024	35,060
Due from other	160,432	156,385
	<u>\$198,978</u>	<u>\$321,515</u>

NOTE 4 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES – OTHER

	<u>2025</u>	<u>2024</u>
Trade Payables	\$ 947,448	\$ 1,339,773
Salaries and Benefits Payable	7,077,578	6,520,162
Accrued Vacation Pay	1,044,456	934,431
Capital Trade Payables	518,476	915,189
Other Payables	804,917	846,815
	<u>\$10,392,875</u>	<u>\$10,556,370</u>

NOTE 5 UNEARNED REVENUE

Unearned revenue consists of contributions received for services to be delivered in a future period. Changes in unearned revenue are as follows:

	<u>2025</u>	<u>2024</u>
Balance, beginning of year	\$800,461	\$783,698
Changes for the year:		
Increase:		
Tuition fees	887,473	772,961
Decrease:		
Tuition fees	(741,661)	(756,198)
Net changes for the year	<u>16,763</u>	<u>16,763</u>
Balance, end of year	<u>\$946,273</u>	<u>\$800,461</u>

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2025

NOTE 6 DEFERRED REVENUE

a) Deferred Revenue – Ministry of Education and Child Care

Deferred revenue includes unspent grants and contributions received that meet the description of a restricted contribution in the Restricted Contributions Regulation 198/2011 issued by Treasury Board, i.e. the stipulations associated with those grants and contributions have not yet been fulfilled. Detailed information about the changes in deferred revenue is included in Schedule 3A.

The special purpose fund represents government grants for aboriginal improvement and early learning, repairs and minor capital improvements to facilities, special education equipment, labor equity, and social equity programs; recorded on the capital funds represents government grants for seismic, building envelope and asset disposal proceeds in use by the Ministry of Education.

	<u>2025</u>	<u>2024</u>
Balance, beginning of year	\$791,778	\$555,776
Increases:		
Provincial grants – MECC	7,956,438	7,382,101
Investment income	13,859	12,576
	<u>7,970,297</u>	<u>7,394,677</u>
Decreases:		
Transfers to Revenue	(7,971,161)	(7,152,461)
Recovery	(13,859)	(6,214)
	<u>(7,985,020)</u>	<u>(7,158,675)</u>
Net Changes for the year	<u>(14,723)</u>	<u>236,002</u>
Balance, end of the year	<u><u>\$777,055</u></u>	<u><u>\$791,778</u></u>

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2025

NOTE 6 DEFERRED REVENUE *(continued)*

b) Deferred Revenue – Other

Deferred Revenue – Other recorded in the operating fund represents an aboriginal early learning grant; recorded in the special purpose fund represents school generated funds, community supported social programs and scholarship trust funds; recorded in the capital fund represents community grants to support capital projects.

	<u>2025</u>	<u>2024</u>
Balance, beginning of year	<u>\$1,118,978</u>	<u>\$1,047,637</u>
Increases:		
School Generated Funds	2,240,833	2,151,494
Investment income	5,695	7,753
Other	141,905	163,019
	<u>2,388,433</u>	<u>2,322,266</u>
Decreases:		
Transfers to Revenue	<u>(2,480,477)</u>	<u>(2,250,925)</u>
Net Changes for the year	<u>(92,044)</u>	<u>71,341</u>
Balance, end of the year	<u><u>\$1,026,934</u></u>	<u><u>\$1,118,978</u></u>
Total Deferred Revenue	<u><u>\$1,803,989</u></u>	<u><u>\$1,910,756</u></u>

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2025

NOTE 7 DEFERRED CAPITAL REVENUE

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

	Deferred Cap Revenue	Unspent Def. Cap Revenue	2025 Total	2024 Total
Balance, beginning of year	\$65,040,436	\$3,243,446	\$68,283,882	\$64,605,922
Increases:				
Transfers from DC - capital additions	4,477,001	-	4,477,001	5,124,615
Transfers from DC – work in progress	635,014	-	635,014	4,323,184
Provincial Grants – Med	-	7,485,776	7,485,776	7,515,746
Provincial Grants – Other	-	3,708,822	3,708,882	-
Other Revenue	-	-	-	-
	<u>5,112,015</u>	<u>11,194,598</u>	<u>16,306,613</u>	<u>16,963,545</u>
Decreases:				
Amortization	3,481,742	-	3,481,742	3,297,210
Transfers to revenue - capital additions	-	4,477,001	4,477,001	5,124,615
Transfers to revenue – capital additions	-	635,014	635,014	4,323,184
Transfers to capital expense	-	471,732	471,732	290,522
Transfers to capital - approved project expense	-	3,553,356	3,553,356	250,054
Revenue recognized on write-down of buildings	684,904	-	684,904	-
	<u>4,166,646</u>	<u>9,137,103</u>	<u>13,303,749</u>	<u>13,285,585</u>
Balance, end of the year	<u>\$65,985,805</u>	<u>\$5,300,941</u>	<u>\$71,286,746</u>	<u>\$68,283,882</u>

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2025

NOTE 8 EMPLOYEE FUTURE BENEFITS

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

The period of amortization is equal to the expected average remaining service lifetime (EARSL) of active employees.

	2025	2024
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	\$1,236,558	\$1,237,124
Service Cost	107,341	108,867
Interest Cost	54,031	51,016
Benefit Payments	(128,445)	(156,788)
Actuarial Gain	210,734	(3,661)
Accrued Benefit Obligation – March 31	<u>\$1,480,219</u>	<u>\$1,236,558</u>

Reconciliation of Funded Status at End of Fiscal Year

Accrued Benefit Obligation – March 31	\$1,480,219	\$1,236,558
Funded Status - Deficit	(1,480,219)	(1,236,558)
Employer Contributions After Measurement Date	38,609	4,856
Benefit Expense After Measurement Date	(44,568)	(40,343)
Unamortized Net Actuarial Gain	43,236	(213,589)
Accrued Benefit Liability – June 30	<u>\$(1,442,942)</u>	<u>\$(1,485,634)</u>

Reconciliation of Change in Accrued Benefit Liability

Accrued Benefit Liability – July 1	\$1,485,634	\$1,497,008
Net Expense for Fiscal Year	119,504	117,952
Employer Contributions	(162,198)	(129,326)
Accrued Benefit Liability – June 30	<u>\$1,442,940</u>	<u>\$1,485,634</u>

Components of Net Benefit Expense

Service Cost	\$110,283	\$108,486
Interest Cost	55,314	51,770
Amortization of Net Actuarial Loss	(46,091)	(42,303)
Net Benefit Expense	<u>\$119,506</u>	<u>\$117,952</u>

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2025

NOTE 8 EMPLOYEE FUTURE BENEFITS – *(continued)*

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

	2025	2024
Discount Rate – April 1	4.25%	4.00%
Discount Rate – March 31	4.00%	4.25%
Long Term Salary Growth – April 1	2.50% + Seniority	2.50% + Seniority
Long Term Salary Growth – March 31	2.50% + Seniority	2.50% + Seniority
EARSL – March 31	11.6	10.6

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2025

NOTE 9 INTERNALLY RESTRICTED SURPLUS – OPERATING FUND

	2025	2024
Internally Restricted (Appropriated) By Board For:		
Constraints On Funds		
Indigenous Education Program	\$34,732	\$135,289
Operations Spanning Multiple Years		
School Based Supply Accounts	\$97,998	\$112,481
International Program	-	89,430
International Program – to Balance	90,000	-
Next Year Budget		
Health and Safety	-	12,000
Strategic Priorities	57,458	120,000
ERP Replacement	50,000	50,000
IT Equipment Replacement	100,000	205,353
Maintenance Vehicle	-	65,000
Subtotal Operations Spanning Multiple Years	395,456	654,264
Subtotal Internally Restricted	430,188	789,553
Unrestricted Operating Surplus (Deficit)		
Operational Needs and Emergency		
Contingency	832,878	832,878
Unrestricted	-	1,000,000
Subtotal Unrestricted	832,878	1,832,878
Total Available for Future Operations	\$1,263,066	\$2,622,431

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2025

NOTE 10 TANGIBLE CAPITAL ASSETS

June 30, 2025

Cost:	Opening Cost July 1, 2024	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2025
Sites	\$8,448,233	\$ -	\$ -	\$ -	\$8,448,233
Buildings	173,401,688	2,966,055	(971,040)	4,609,781	180,006,484
Buildings – work in progress	4,609,783	635,014	-	(4,609,781)	635,016
Furniture & Equipment	2,969,793	473,756	(99,846)	-	3,343,703
Vehicles	3,495,413	1,140,179	(222,371)	-	4,413,221
Computer Hardware	2,533,161	370,821	(738,627)	-	2,165,355
Total	\$195,458,071	\$5,585,825	\$(2,031,884)	\$ -	\$199,012,012

Accumulated Amortization:	Opening Accumulated Amortization July 1, 2024	Additions	Disposals	Balance at June 30, 2025
Buildings	\$106,782,512	\$3,444,763	\$ -	\$110,227,275
Furniture & Equipment	1,296,032	315,675	(99,846)	1,511,861
Vehicles	1,391,795	395,432	(222,371)	1,564,856
Computer Hardware	1,496,592	469,852	(738,627)	1,227,817
Total	\$110,966,931	\$4,625,722	\$(1,060,844)	\$114,531,809

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2025

NOTE 10 TANGIBLE CAPITAL ASSETS (continued)

June 30, 2024

Cost:	Opening Cost July 1, 2023	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2024
Sites	\$8,448,233	\$ -	\$ -	\$ -	\$8,448,233
Buildings	168,551,627	4,653,171	-	196,890	173,401,688
Buildings – work in progress	483,489	4,323,184	-	(196,890)	4,609,783
Furniture & Equipment	2,476,702	536,922	(43,831)	-	2,969,793
Vehicles	3,845,521	156,397	(506,505)	-	3,495,413
Computer Hardware	2,462,976	299,650	(229,465)	-	2,533,161
Total	\$186,268,548	\$9,969,324	\$(779,801)	\$ -	\$195,458,071

Accumulated Amortization:	Opening Accumulated Amortization July 1, 2023	Additions	Disposals	Balance at June 30, 2024
Buildings	\$103,466,575	\$3,315,937	\$ -	\$106,782,512
Furniture & Equipment	1,067,538	272,325	(43,831)	1,296,032
Vehicles	1,531,253	367,047	(506,505)	1,391,795
Computer Hardware	1,226,443	499,614	(229,465)	1,496,592
Total	\$107,291,809	\$4,454,923	\$(779,801)	\$110,966,931

Net Book Value:

	Net Book Value June 30, 2025	Net Book Value June 30, 2024
Sites	\$8,448,233	\$8,448,233
Buildings	69,779,208	66,619,176
Buildings – work in progress	635,016	4,609,783
Furniture & Equipment	1,831,842	1,673,761
Vehicles	2,848,366	2,103,618
Computer Hardware	937,539	1,036,569
Total	\$84,480,204	\$84,491,140

Buildings – work in progress having a value of \$635,016 (2024: \$4,609,783) have not been amortized. Amortization of these assets will commence the year the asset is put into service.

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2025

NOTE 11 EMPLOYEE PENSION PLANS

The School District and its employees contribute to the Teachers' Pension Plan and Municipal Pension Plan (jointly trustee pension plans). The boards of trustees for these plans, representing plan members and employers, are responsible for administering the plans, including investment of assets and administration of benefits. The plans are multi-employer defined benefit pension plans. Basic pension benefits are based on a formula. As at December 31, 2024, the Teachers' Pension Plan has about 51,000 active members and approximately 42,000 retired members. As of December 31, 2024, the Municipal Pension Plan has about 256,000 active members, including approximately 31,000 from school districts.

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

The most recent actuarial valuation of the Teachers' Pension Plan as at December 31, 2023, indicated a \$4.572 billion surplus for basic pension benefits on a going concern basis.

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2021, indicated a \$3.761 billion funding surplus for basic pension benefits on a going concern basis.

The School District paid \$5,958,154 for employer contributions to these plans for the year ended June 30, 2025, and \$5,970,663 for the year ended June 30, 2024.

The next valuation for the Teachers' Pension Plan will be as at December 31, 2026. The next valuation for the Municipal Pension Plan will be as at December 31, 2024.

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

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2025

NOTE 12 INTERFUND TRANSFERS

Interfund transfers between the operating, special purpose and capital funds are reported on Schedule 1 (Statement of Changes in Accumulated Surplus (Deficit) by Fund). For the year ended June 30, 2025 transfers were as follows:

- A transfer in the amount of \$204,422 was made from the operating fund to the capital fund for the purchase of local capital assets.
- A transfer in the amount of \$329,079 was made from the operating fund to the capital fund for the purchase of capital assets.
- A transfer in the amount of \$53,274 was made from the special purpose fund to the capital fund for the purchase of capital assets.

NOTE 13 RELATED PARTY TRANSACTIONS

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

NOTE 14 CONTINGENT LIABILITIES

In the ordinary course of operations, the School District has legal proceedings brought against it and provision has been included in liabilities where appropriate. It is the opinion of management that final determination of these claims will not have a material effect on the financial position or operations of the School District.

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2025

NOTE 15 BUDGET FIGURES

Budget figures included in the financial statements were approved by the Board through the adoption of an amended annual budget on February 25, 2025. The Board adopted a preliminary annual budget on May 28, 2024. The amended budget is used for comparison purposes, as these are based on actual student enrollments. The difference between the two budgets is as follows:

	2025 Amended	2025 Preliminary	Difference
Revenues			
Provincial Grants	\$81,536,506	\$79,084,962	2,451,544
Tuition	1,031,350	947,050	84,300
Other Revenue	5,859,269	6,007,696	(148,427)
Rentals and Leases	163,000	163,000	-
Investment Income	424,000	626,000	(202,000)
Amortization of Deferred Capital Revenue	3,465,215	3,574,091	(108,876)
Total Revenue	\$92,479,340	\$90,402,799	\$2,076,541
Expenses			
Instruction	72,497,262	69,911,705	2,585,557
District Administration	4,048,158	3,543,214	504,944
Operations and Maintenance	11,089,356	10,649,824	439,532
Transportation and Housing	2,226,386	2,233,965	(7,579)
Debt Services	-	-	-
Amortization	4,634,301	4,715,762	(81,461)
Total Expenses	94,495,463	91,054,470	3,440,993
Deficit for the year	(2,016,123)	(651,671)	(1,346,452)
Effects of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(4,898,663)	(2,117,488)	(2,781,175)
Amortization of Tangible Capital Assets	4,634,301	4,715,762	(81,461)
Total Effect of change, Tangible Capital Assets	(264,362)	2,598,274	(2,862,636)
(Increase) Decrease in Net Financial Assets (Debt)	(2,280,485)	1,946,603	(4,227,088)

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2025

NOTE 16 ASSET RETIREMENT OBLIGATION

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

Asset Retirement Obligation, July 1, 2024	\$ 14,157,307
Change in ARO Estimate	(286,136)
Asset Retirement Obligation, closing balance	<u>\$ 13,871,171</u>

NOTE 17 EXPENSE BY OBJECT

	Budget 2025	Actual 2025	Actual 2024
Salaries	\$61,933,155	\$62,603,601	\$58,833,352
Benefits	14,750,211	15,049,536	13,610,110
Service and supplies	13,177,796	14,140,525	10,655,992
Amortization	4,634,301	4,625,722	4,454,923
	<u>\$94,495,463</u>	<u>\$96,419,384</u>	<u>\$87,554,377</u>

NOTE 18 TRUST FUNDS

Funds in the amount of \$2,396,104 (2024 - \$2,331,357) are held in trust for teachers who participate in the payroll savings plan. These funds are included in Cash and Cash Equivalents in Statement 1 for the year ended June 30, 2025, and are to be paid to teachers who participate in the plan through August 31, 2025. The amount payable is included in Salaries and Benefits Payable as stated in Note 4.

NOTE 19 ECONOMIC DEPENDENCE

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

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2025

NOTE 20 WRITE-DOWN OF BUILDINGS

In November 2024, Carihi Secondary School was damaged by fire. 13% of the building was significantly impaired and work is ongoing to remediate and rebuild the impacted areas. Carihi Secondary School was built in 1966. The total building write-down in 2024-2025 was \$684,904.

NOTE 21 RISK MANAGEMENT

All significant financial assets, financial liabilities and equity instruments of the School District are either recognized or disclosed in the financial statements together with other information relevant for making a reasonable assessment of future cash flows, interest rate risk and credit risk.

- **Credit Risk**
Financial instruments that potentially subject the School District to concentrations of credit risk consist primarily of other receivables. The maximum credit risk exposure is \$198,978 (2024 - \$321,515).

However, the School District believes that there is minimal risk associated with the collection of these amounts as they consist primarily of receivables from the Federal and Provincial Government organizations. The School District manages its credit risk by performing regular credit assessments of its customers and provides allowances for potentially uncollectible accounts receivable.

- **Liquidity Risk**
Liquidity risk is the risk that the School District will encounter difficulty in meeting obligations associated with financial liabilities.

The School District manages liquidity risk by continually monitoring actual and forecasted cash flows from operations and anticipated investing activities to ensure, as far as possible, to always have sufficient liquidity to meet its liabilities when due; under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the School District's reputation.

SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)
NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2025

NOTE 21 RISK MANAGEMENT – (continued)

- **Foreign Currency Risk**

The School District maintains a U.S. bank account and enters into transactions with vendors for supplies denominated in U.S. currency for which the related expenses and accounts payable balances are subject to exchange rate fluctuations. As at June 30, 2025, there was an insignificant balance maintained in the U.S. dollar bank account.

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. In seeking to manage the risks from foreign exchange rate fluctuations, the School District does not hold significant funds in U.S. dollars in order to reduce their risk against adverse movements in the foreign exchange rates

- **Financial Asset Impairment**

At each year-end date, the School District is required to evaluate and record any other-than-temporary impairment of its financial assets, other than those classified as held for trading. Accordingly, the School District has compared the carrying value of each of these financial assets to its fair value as at June 30, 2025. No provision for impairment was recorded in the current year, as the fair value of all financial assets tested exceeded their carrying value.

- **Fair Values of Financial Instruments**

The carrying amount of cash, accounts receivable and accounts payable and accrued liabilities approximates their fair value due to the short-term maturities of these items.

- **Risk Management Policy**

The School District, as part of its operations, has established objectives (i.e. hedging of risk exposures and avoidance of undue concentrations of risk) to mitigate credit risk as risk management objectives. In seeking to meet these objectives, the School District follows a risk management policy approved by its Board of Trustees.

School District No. 72 (Campbell River)

Schedule 1 (Unaudited)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund
Year Ended June 30, 2025

	Operating Fund	Special Purpose Fund	Capital Fund	2025 Actual	2024 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	2,622,431		5,829,118	8,451,549	8,593,195
Changes for the year					
Surplus (Deficit) for the year	(825,864)	53,274	(1,123,641)	(1,896,231)	(141,646)
Interfund Transfers					
Tangible Capital Assets Purchased	(329,079)	(53,274)	382,353	-	
Local Capital	(204,422)		204,422	-	
Net Changes for the year	(1,359,365)	-	(536,866)	(1,896,231)	(141,646)
Accumulated Surplus (Deficit), end of year - Statement 2	1,263,066	-	5,292,252	6,555,318	8,451,549

School District No. 72 (Campbell River)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2025

	2025 Budget (Note 15)	2025 Actual	2024 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	71,129,171	71,467,876	68,724,130
Other		25,467	158,871
Tuition	1,031,350	1,027,148	939,264
Other Revenue	3,397,529	3,385,026	3,487,954
Rentals and Leases	163,000	236,097	165,707
Investment Income	400,000	388,874	670,501
Total Revenue	76,121,050	76,530,488	74,146,427
Expenses			
Instruction	61,886,470	62,870,458	59,086,845
District Administration	4,048,158	3,819,020	3,489,152
Operations and Maintenance	9,404,296	8,931,533	9,018,334
Transportation and Housing	1,647,163	1,735,341	1,677,970
Total Expense	76,986,087	77,356,352	73,272,301
Operating Surplus (Deficit) for the year	(865,037)	(825,864)	874,126
Budgeted Appropriation (Retirement) of Surplus (Deficit)	1,635,390		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(570,353)	(329,079)	(326,249)
Local Capital	(200,000)	(204,422)	(161,858)
Total Net Transfers	(770,353)	(533,501)	(488,107)
Total Operating Surplus (Deficit), for the year	-	(1,359,365)	386,019
Operating Surplus (Deficit), beginning of year		2,622,431	2,236,412
Operating Surplus (Deficit), end of year		1,263,066	2,622,431
Operating Surplus (Deficit), end of year			
Internally Restricted (Note 9)		430,188	789,553
Unrestricted		832,878	1,832,878
Total Operating Surplus (Deficit), end of year		1,263,066	2,622,431

School District No. 72 (Campbell River)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2025

	2025 Budget (Note 15)	2025 Actual	2024 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education and Child Care			
Operating Grant, Ministry of Education and Child Care	71,851,979	72,151,335	69,303,487
ISC/LEA Recovery	(2,361,978)	(2,269,380)	(2,362,502)
Other Ministry of Education and Child Care Grants			
Pay Equity	75,322	75,322	75,322
Funding for Graduated Adults	629		
Student Transportation Fund	316,860	316,860	316,860
Support Staff Benefits Grant	63,499	63,499	63,499
FSA Scorer Grant	8,187	8,187	8,187
Child Care Funding	485,954	433,334	156,540
Labour Settlement Funding	688,719	688,719	1,162,737
Total Provincial Grants - Ministry of Education and Child Care	71,129,171	71,467,876	68,724,130
Provincial Grants - Other		25,467	158,871
Tuition			
International and Out of Province Students	1,031,350	1,027,148	939,264
Total Tuition	1,031,350	1,027,148	939,264
Other Revenues			
Other School District/Education Authorities	480,240	480,573	505,756
Funding from First Nations	2,361,978	2,269,380	2,362,502
Miscellaneous			
Contract Services - Inclusive Education	71,626	82,486	71,626
Miscellaneous Revenue/Transcripts	148,419	171,345	261,399
Child Care Fees	335,266	381,242	286,671
Total Other Revenue	3,397,529	3,385,026	3,487,954
Rentals and Leases	163,000	236,097	165,707
Investment Income	400,000	388,874	670,501
Total Operating Revenue	76,121,050	76,530,488	74,146,427

School District No. 72 (Campbell River)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2025

	2025 Budget (Note 15)	2025 Actual	2024 Actual
	\$	\$	\$
Salaries			
Teachers	32,384,846	32,758,870	31,546,363
Principals and Vice Principals	4,778,209	4,639,665	4,146,628
Educational Assistants	7,279,782	7,360,868	6,579,121
Support Staff	7,642,998	7,694,352	7,382,019
Other Professionals	2,354,402	2,664,814	2,337,426
Substitutes	1,818,407	1,899,430	1,882,467
Total Salaries	56,258,644	57,017,999	53,874,024
Employee Benefits	13,317,048	13,640,028	12,399,787
Total Salaries and Benefits	69,575,692	70,658,027	66,273,811
Services and Supplies			
Services	2,323,530	1,664,380	1,829,238
Student Transportation	46,860	53,412	65,436
Professional Development and Travel	768,028	849,539	721,217
Rentals and Leases	67,700	80,626	39,379
Dues and Fees	86,300	87,454	76,295
Insurance	203,024	187,362	123,781
Supplies	2,442,453	2,204,263	2,524,247
Utilities	1,472,500	1,571,289	1,618,897
Total Services and Supplies	7,410,395	6,698,325	6,998,490
Total Operating Expense	76,986,087	77,356,352	73,272,301

School District No. 72 (Campbell River)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2025

	Teachers Salaries	Principals and Vice Principals Salaries	Educational Assistants Salaries	Support Staff Salaries	Other Professionals Salaries	Substitutes Salaries	Total Salaries
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	23,756,942	739,021	104,468	696,037	30,670	1,624,260	26,951,398
1.03 Career Programs	69,829			4,057		1,443	75,329
1.07 Library Services	891,832	28,580		163,564		28,928	1,112,904
1.08 Counselling	1,489,859			25,242		5,349	1,520,450
1.10 Inclusive Education	4,803,900	441,731	5,881,588	48,359		145,562	11,321,140
1.20 Early Learning and Child Care			558,948	425			559,373
1.30 English Language Learning	568,959					18,628	587,587
1.31 Indigenous Education	684,104	182,122	797,412	45,288		20,484	1,729,410
1.41 School Administration		3,208,280		630,022		1,380	3,839,682
1.60 Summer School	158,713	12,875	18,265	8,234		4,809	202,896
1.62 International and Out of Province Students	334,732	9,224	187	62,125	195,753	6,148	608,169
Total Function 1	32,758,870	4,621,833	7,360,868	1,683,353	226,423	1,856,991	48,508,338
4 District Administration							
4.11 Educational Administration		1,725		60,160	908,085	6,256	976,226
4.20 Early Learning and Child Care				25,771			25,771
4.40 School District Governance		16,107		5,042	119,462		140,611
4.41 Business Administration				424,528	1,015,038	36,183	1,475,749
Total Function 4	-	17,832	-	515,501	2,042,585	42,439	2,618,357
5 Operations and Maintenance							
5.20 Early Learning and Child Care				58,011			58,011
5.41 Operations and Maintenance Administration				130,632	101,297		231,929
5.50 Maintenance Operations				3,965,625	243,905		4,209,530
5.52 Maintenance of Grounds				416,348			416,348
5.56 Utilities							-
Total Function 5	-	-	-	4,570,616	345,202	-	4,915,818
7 Transportation and Housing							
7.70 Student Transportation				924,882	50,604		975,486
7.73 Housing							-
Total Function 7	-	-	-	924,882	50,604	-	975,486
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	32,758,870	4,639,665	7,360,868	7,694,352	2,664,814	1,899,430	57,017,999

School District No. 72 (Campbell River)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2025

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2025 Actual	2025 Budget (Note 15)	2024 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	26,951,398	6,406,949	33,358,347	1,688,558	35,046,905	34,063,642	34,176,090
1.03 Career Programs	75,329	17,039	92,368	104,665	197,033	90,936	1,989
1.07 Library Services	1,112,904	272,844	1,385,748	195,378	1,581,126	1,560,131	1,413,252
1.08 Counselling	1,520,450	354,189	1,874,639		1,874,639	1,735,240	1,381,547
1.10 Inclusive Education	11,321,140	2,842,154	14,163,294	152,534	14,315,828	14,163,918	13,087,717
1.20 Early Learning and Child Care	559,373	99,923	659,296	40,540	699,836	675,833	584,419
1.30 English Language Learning	587,587	141,712	729,299	12,632	741,931	655,206	572,229
1.31 Indigenous Education	1,729,410	454,017	2,183,427	136,499	2,319,926	2,468,499	2,183,205
1.41 School Administration	3,839,682	869,344	4,709,026	155,256	4,864,282	5,142,557	4,637,326
1.60 Summer School	202,896	43,654	246,550	19,793	266,343	259,729	202,509
1.62 International and Out of Province Students	608,169	154,306	762,475	200,134	962,609	1,070,779	846,562
Total Function 1	48,508,338	11,656,131	60,164,469	2,705,989	62,870,458	61,886,470	59,086,845
4 District Administration							
4.11 Educational Administration	976,226	225,777	1,202,003	104,140	1,306,143	1,301,127	1,141,528
4.20 Early Learning and Child Care	25,771	5,252	31,023		31,023	68,727	
4.40 School District Governance	140,611	13,344	153,955	85,766	239,721	324,782	225,572
4.41 Business Administration	1,475,749	357,863	1,833,612	408,521	2,242,133	2,353,522	2,122,052
Total Function 4	2,618,357	602,236	3,220,593	598,427	3,819,020	4,048,158	3,489,152
5 Operations and Maintenance							
5.20 Early Learning and Child Care	58,011	18,650	76,661		76,661	76,660	8,721
5.41 Operations and Maintenance Administration	231,929	54,588	286,517	5,468	291,985	435,271	360,917
5.50 Maintenance Operations	4,209,530	981,962	5,191,492	1,271,154	6,462,646	6,749,490	6,597,988
5.52 Maintenance of Grounds	416,348	98,619	514,967	(26,827)	488,140	611,375	380,864
5.56 Utilities	-	-	-	1,612,101	1,612,101	1,531,500	1,669,844
Total Function 5	4,915,818	1,153,819	6,069,637	2,861,896	8,931,533	9,404,296	9,018,334
7 Transportation and Housing							
7.70 Student Transportation	975,486	227,842	1,203,328	496,313	1,699,641	1,597,163	1,640,870
7.73 Housing	-	-	-	35,700	35,700	50,000	37,100
Total Function 7	975,486	227,842	1,203,328	532,013	1,735,341	1,647,163	1,677,970
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	57,017,999	13,640,028	70,658,027	6,698,325	77,356,352	76,986,087	73,272,301

School District No. 72 (Campbell River)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2025

	2025 Budget (Note 15)	2025 Actual	2024 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	8,601,589	7,971,161	7,140,623
Other Revenue	2,461,740	2,474,782	2,243,170
Investment Income	6,000	19,554	19,593
Total Revenue	<u>11,069,329</u>	<u>10,465,497</u>	<u>9,403,386</u>
Expenses			
Instruction	10,610,792	10,029,341	8,916,690
Operations and Maintenance	263,177	263,177	263,177
Transportation and Housing	195,360	119,705	106,710
Total Expense	<u>11,069,329</u>	<u>10,412,223</u>	<u>9,286,577</u>
Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>53,274</u>	<u>116,809</u>
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased		(53,274)	(116,809)
Total Net Transfers	<u>-</u>	<u>(53,274)</u>	<u>(116,809)</u>
Total Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>-</u>	<u>-</u>
Special Purpose Surplus (Deficit), beginning of year			
Special Purpose Surplus (Deficit), end of year		<u>-</u>	<u>-</u>

School District No. 72 (Campbell River)

Schedule 3A (Unaudited)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2025

	Annual Facility Grant	Learning Improvement Fund	Scholarships and Bursaries	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK	Classroom Enhancement Fund - Overhead
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year		20,400	156,033	850,212		16,299	18,408	28,551	
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	263,177	256,609			128,000	31,850	191,479	602,848	332,681
Other			22,598	2,240,833					
Investment Income			5,695			742			
	263,177	256,609	28,293	2,240,833	128,000	32,592	191,479	602,848	332,681
Less: Allocated to Revenue	263,177	277,009	33,762	2,294,392	128,000	19,486	209,887	631,399	332,681
Deferred Revenue, end of year	-	-	150,564	796,653	-	29,405	-	-	-
Revenues									
Provincial Grants - Ministry of Education and Child Care	263,177	277,009			128,000	18,744	209,887	631,399	332,681
Other Revenue			28,067	2,294,392					
Investment Income			5,695			742			
	263,177	277,009	33,762	2,294,392	128,000	19,486	209,887	631,399	332,681
Expenses									
Salaries									
Teachers							77,321		
Principals and Vice Principals									
Educational Assistants		220,926			96,965	4,596		463,726	
Support Staff									41,216
Other Professionals									181,781
Substitutes							18,632		32,065
	-	220,926	-	-	96,965	4,596	95,953	463,726	255,062
Employee Benefits		56,083			27,641	1,355	22,231	125,629	77,619
Services and Supplies	263,177		33,762	2,294,392	3,394	13,535	91,703	42,044	
	263,177	277,009	33,762	2,294,392	128,000	19,486	209,887	631,399	332,681
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers									
Tangible Capital Assets Purchased	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 72 (Campbell River)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2025

Schedule 3A (Unaudited)

	Classroom Enhancement Fund - Staffing	Classroom Enhancement Fund - Remedies	First Nation Student Transportation	Mental Health in Schools	Changing Results for Young Children	Early Childhood Education Dual Credit Program	Student & Family Affordability	SEY2KT (Early Years to Kindergarten)	ECL (Early Care & Learning)
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year			100,735	78,173	25,627		200,773	19,737	
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	4,370,852	110,421	94,624	52,000	11,250	37,000		19,000	175,000
Other									
Investment Income				1,477				97	
	4,370,852	110,421	94,624	53,477	11,250	37,000	-	19,097	175,000
Less: Allocated to Revenue	4,370,852	104,772	119,705	73,086	36,877	37,000	200,773	34,990	175,000
Deferred Revenue, end of year	-	5,649	75,654	58,564	-	-	-	3,844	-
Revenues									
Provincial Grants - Ministry of Education and Child Care	4,370,852	104,772	119,705	71,609	36,877	37,000	200,773	34,893	175,000
Other Revenue									
Investment Income				1,477				97	
	4,370,852	104,772	119,705	73,086	36,877	37,000	200,773	34,990	175,000
Expenses									
Salaries									
Teachers	3,496,681								
Principals and Vice Principals				25,590	22,545			1,242	141,310
Educational Assistants							4,334	15,063	
Support Staff			90,043			28,120			
Other Professionals									
Substitutes		90,756			5,898				
	3,496,681	90,756	90,043	25,590	28,443	28,120	4,334	16,305	141,310
Employee Benefits	874,171	14,016	28,434	6,752	8,391	8,880	982	5,150	33,690
Services and Supplies			1,228	40,744	43		184,882	13,535	
	4,370,852	104,772	119,705	73,086	36,877	37,000	190,198	34,990	175,000
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	10,575	-	-
Interfund Transfers									
Tangible Capital Assets Purchased							(10,575)		
	-	-	-	-	-	-	(10,575)	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 72 (Campbell River)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2025

Schedule 3A (Unaudited)

	Feeding Futures Fund	Professional Learning Grant	District Trust Funds	Van Foundation KELP Grant	Compass PRP	TOTAL
	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	283,068		39,986	72,754		1,910,756
Add: Restricted Grants						
Provincial Grants - Ministry of Education and Child Care	843,149	225,839			210,659	7,956,438
Other			119,307			2,382,738
Investment Income	9,591	1,952				19,554
	852,740	227,791	119,307	-	210,659	10,358,730
Less: Allocated to Revenue	684,667	75,000	152,323	-	210,659	10,465,497
Deferred Revenue, end of year	451,141	152,791	6,970	72,754	-	1,803,989
Revenues						
Provincial Grants - Ministry of Education and Child Care	675,076	73,048			210,659	7,971,161
Other Revenue			152,323			2,474,782
Investment Income	9,591	1,952				19,554
	684,667	75,000	152,323	-	210,659	10,465,497
Expenses						
Salaries						
Teachers		57,000			125,363	3,756,365
Principals and Vice Principals	88,572		11,903		16,578	307,740
Educational Assistants	144,396					950,006
Support Staff	47,048		17,281		5,300	229,008
Other Professionals						181,781
Substitutes	69				13,282	160,702
	280,085	57,000	29,184	-	160,523	5,585,602
Employee Benefits	51,633	18,000	10,715		38,136	1,409,508
Services and Supplies	339,354		83,320		12,000	3,417,113
	671,072	75,000	123,219	-	210,659	10,412,223
Net Revenue (Expense) before Interfund Transfers	13,595	-	29,104	-	-	53,274
Interfund Transfers						
Tangible Capital Assets Purchased	(13,595)		(29,104)			(53,274)
	(13,595)	-	(29,104)	-	-	(53,274)
Net Revenue (Expense)	-	-	-	-	-	-

School District No. 72 (Campbell River)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2025

	2025 Budget (Note 15)	2025 Actual			2024 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Provincial Grants					
Ministry of Education and Child Care	1,805,746	4,009,160		4,009,160	540,576
Other		15,927		15,927	
Investment Income	18,000		20,339	20,339	25,132
Amortization of Deferred Capital Revenue	3,465,215	3,481,742		3,481,742	3,297,210
Total Revenue	5,288,961	7,506,829	20,339	7,527,168	3,862,918
Expenses					
Operations and Maintenance	1,805,746	4,025,087		4,025,087	540,576
Amortization of Tangible Capital Assets					
Operations and Maintenance	4,250,438	4,230,290		4,230,290	4,087,876
Transportation and Housing	383,863	395,432		395,432	367,047
Total Expense	6,440,047	8,650,809	-	8,650,809	4,995,499
Capital Surplus (Deficit) for the year	(1,151,086)	(1,143,980)	20,339	(1,123,641)	(1,132,581)
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	570,353	382,353		382,353	443,058
Local Capital	200,000		204,422	204,422	161,858
Total Net Transfers	770,353	382,353	204,422	586,775	604,916
Other Adjustments to Fund Balances					
Tangible Capital Assets Purchased from Local Capital		91,458	(91,458)	-	
Total Other Adjustments to Fund Balances		91,458	(91,458)	-	
Total Capital Surplus (Deficit) for the year	(380,733)	(670,169)	133,303	(536,866)	(527,665)
Capital Surplus (Deficit), beginning of year		5,156,238	672,880	5,829,118	6,356,783
Capital Surplus (Deficit), end of year		4,486,069	806,183	5,292,252	5,829,118

School District No. 72 (Campbell River)

Schedule 4A (Unaudited)

Tangible Capital Assets
Year Ended June 30, 2025

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	8,448,233	173,401,688	2,969,793	3,495,413		2,533,161	190,848,288
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		2,012,444	319,017	769,255		57,870	3,158,586
Deferred Capital Revenue - Other		953,610	78,668	286,137			1,318,415
Operating Fund			16,127			312,952	329,079
Special Purpose Funds			53,274				53,274
Local Capital			6,670	84,788			91,458
Transferred from Work in Progress		4,609,781					4,609,781
	-	7,575,835	473,756	1,140,180	-	370,822	9,560,593
Decrease:							
Deemed Disposals			99,846	222,371		738,627	1,060,844
Written-off/down During Year		684,904					684,904
ARO Change in Estimate		286,136					286,136
	-	971,040	99,846	222,371	-	738,627	2,031,884
Cost, end of year	8,448,233	180,006,483	3,343,703	4,413,222	-	2,165,356	198,376,997
Work in Progress, end of year		635,016					635,016
Cost and Work in Progress, end of year	8,448,233	180,641,499	3,343,703	4,413,222	-	2,165,356	199,012,013
Accumulated Amortization, beginning of year		106,782,512	1,296,032	1,391,795		1,496,592	110,966,931
Changes for the Year							
Increase: Amortization for the Year		3,444,763	315,675	395,432		469,852	4,625,722
Decrease:							
Deemed Disposals			99,846	222,371		738,627	1,060,844
		-	99,846	222,371	-	738,627	1,060,844
Accumulated Amortization, end of year		110,227,275	1,511,861	1,564,856	-	1,227,817	114,531,809
Tangible Capital Assets - Net	8,448,233	70,414,224	1,831,842	2,848,366	-	937,539	84,480,204

School District No. 72 (Campbell River)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2025

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
Work in Progress, beginning of year	4,609,783				4,609,783
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	508,497				508,497
Deferred Capital Revenue - Other	126,517				126,517
	635,014	-	-	-	635,014
Decrease:					
Transferred to Tangible Capital Assets	4,609,781				4,609,781
	4,609,781	-	-	-	4,609,781
Net Changes for the Year	(3,974,767)	-	-	-	(3,974,767)
Work in Progress, end of year	635,016	-	-	-	635,016

School District No. 72 (Campbell River)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2025

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	51,011,393	8,775,367	643,893	60,430,653
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	3,158,586	1,318,415		4,477,001
Transferred from Work in Progress	483,664	4,126,118		4,609,782
	<u>3,642,250</u>	<u>5,444,533</u>	<u>-</u>	<u>9,086,783</u>
Decrease:				
Amortization of Deferred Capital Revenue	3,049,664	399,179	32,899	3,481,742
Revenue Recognized on Write-off/down of Buildings	684,904			684,904
	<u>3,734,568</u>	<u>399,179</u>	<u>32,899</u>	<u>4,166,646</u>
Net Changes for the Year	<u>(92,318)</u>	<u>5,045,354</u>	<u>(32,899)</u>	<u>4,920,137</u>
Deferred Capital Revenue, end of year	<u>50,919,075</u>	<u>13,820,721</u>	<u>610,994</u>	<u>65,350,790</u>
Work in Progress, beginning of year	483,664	4,126,119		4,609,783
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	508,497	126,517		635,014
	<u>508,497</u>	<u>126,517</u>	<u>-</u>	<u>635,014</u>
Decrease				
Transferred to Deferred Capital Revenue	483,664	4,126,118		4,609,782
	<u>483,664</u>	<u>4,126,118</u>	<u>-</u>	<u>4,609,782</u>
Net Changes for the Year	<u>24,833</u>	<u>(3,999,601)</u>	<u>-</u>	<u>(3,974,768)</u>
Work in Progress, end of year	<u>508,497</u>	<u>126,518</u>	<u>-</u>	<u>635,015</u>
Total Deferred Capital Revenue, end of year	<u>51,427,572</u>	<u>13,947,239</u>	<u>610,994</u>	<u>65,985,805</u>

School District No. 72 (Campbell River)

Schedule 4D (Unaudited)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2025

	Bylaw Capital	MECC Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	875,734	2,246,521	121,191			3,243,446
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education and Child Care	7,485,776					7,485,776
Provincial Grants - Other			3,708,822			3,708,822
Transfer project surplus to MECC Restricted (from) Bylaw	(127,303)	127,303				-
	7,358,473	127,303	3,708,822	-	-	11,194,598
Decrease:						
Transferred to DCR - Capital Additions	3,158,586		1,318,415			4,477,001
Transferred to DCR - Work in Progress	508,497		126,517			635,014
AFG Spent on Non-Capital	471,732					471,732
Capital Approved Project Expenses	3,537,429		15,927			3,553,356
	7,676,244	-	1,460,859	-	-	9,137,103
Net Changes for the Year	(317,771)	127,303	2,247,963	-	-	2,057,495
Balance, end of year	557,963	2,373,824	2,369,154	-	-	5,300,941