

Audited Financial Statements of

School District No. 64 (Gulf Islands)

And Independent Auditors' Report thereon

June 30, 2024

School District No. 64 (Gulf Islands)

June 30, 2024

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School District No. 64 (Gulf Islands)

MANAGEMENT REPORT

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Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 64 (Gulf Islands) 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. 64 (Gulf Islands) (called the "Board") is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Board. The Board reviews internal financial statements on a quarterly basis and externally audited financial statements yearly.

The external auditors, KPMG, Victoria, 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. 64 (Gulf Islands) 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. 64 (Gulf Islands)

DRAFT

Signature of the Chairpersons of Education	Date Signed
Signature of the Superintendent	Date Signed
Signature of the Secretary Treasurer	Date Signed



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INDEPENDENT AUDITOR'S REPORT

To the Board of Education of School District No. 64 (Gulf Islands), and
To the Minister of Education and Child Care, Province of British Columbia

Opinion

We have audited the financial statements of School District No. 64 (Gulf Islands) (the Entity), which comprise:

- the statement of financial position as at June 30, 2024
- the statement of operations for the year then ended
- the statement of changes in net debt for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies (Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements as at and for the year ended June 30, 2024 of the Entity are prepared, in all material respects, in accordance with the financial reporting provisions of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

Basis for Opinion

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

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

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

Emphasis of Matter – Financial Reporting Framework

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

Our opinion is not modified in respect of this matter.



Other Information

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

- Information included in Unaudited Schedules 1-4 attached to the audited financial statements

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

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

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

We have nothing to report in this regard.

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

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

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

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

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 the financial statements.

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

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 Entity to cease to continue as a going concern.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants

Victoria, Canada
September 11, 2024

School District No. 64 (Gulf Islands)

Statement of Financial Position

As at June 30, 2024

	2024 Actual	2023 Actual
	\$	\$
Financial Assets		
Cash and Cash Equivalents	7,056,292	7,394,307
Accounts Receivable		
Due from Province - Ministry of Education and Child Care	159,701	80,282
Other (Note 3)	556,794	366,689
Portfolio Investments (Note 4)	138,896	123,964
Total Financial Assets	<u>7,911,683</u>	<u>7,965,242</u>
Liabilities		
Accounts Payable and Accrued Liabilities		
Other (Note 5)	666,406	1,223,485
Unearned Revenue (Note 6)	722,130	705,457
Deferred Revenue (Note 7)	1,766,004	1,131,721
Deferred Capital Revenue (Note 8)	21,759,037	19,501,864
Employee Future Benefits (Note 9)	1,033,345	985,318
Asset Retirement Obligation (Note 16)	1,260,000	1,260,000
Total Liabilities	<u>27,206,922</u>	<u>24,807,845</u>
Net Debt	<u>(19,295,239)</u>	<u>(16,842,603)</u>
Non-Financial Assets		
Tangible Capital Assets (Note 10)	29,097,878	26,967,764
Prepaid Expenses	229,769	329,876
Total Non-Financial Assets	<u>29,327,647</u>	<u>27,297,640</u>
Accumulated Surplus (Deficit) (Note 12)	<u>10,032,408</u>	<u>10,455,037</u>

Contractual Obligations (Note 13)

Contractual Rights (Note 13)

Contingent Liabilities (Note 15)

Approved by the Board

Signature of the Chairperson of the Board	Date Signed
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Signature of the Superintendent	Date Signed
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Signature of the Secretary Treasurer	Date Signed
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School District No. 64 (Gulf Islands)

Statement of Operations
Year Ended June 30, 2024

	2024 Budget (Note 14) \$	2024 Actual \$	2023 Actual \$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	26,700,630	27,083,526	25,942,403
Other			10,682
Tuition	557,200	587,540	655,550
Other Revenue	1,352,241	1,548,108	1,370,941
Rentals and Leases	60,000	65,811	84,196
Investment Income	198,500	348,972	256,685
Amortization of Deferred Capital Revenue	1,062,741	1,181,858	1,136,181
Total Revenue	<u>29,931,312</u>	<u>30,815,815</u>	<u>29,456,638</u>
Expenses			
Instruction	22,118,882	22,349,110	20,321,077
District Administration	1,847,811	1,818,641	1,538,488
Operations and Maintenance	4,823,314	5,129,899	4,927,025
Transportation and Housing	1,909,644	1,940,794	1,822,923
Total Expense	<u>30,699,651</u>	<u>31,238,444</u>	<u>28,609,513</u>
Surplus (Deficit) for the year	<u>(768,339)</u>	<u>(422,629)</u>	<u>847,125</u>
Accumulated Surplus (Deficit) from Operations, beginning of year		10,455,037	9,607,912
Accumulated Surplus (Deficit) from Operations, end of year		<u>10,032,408</u>	<u>10,455,037</u>

School District No. 64 (Gulf Islands)

Statement of Changes in Net Debt
Year Ended June 30, 2024

	2024 Budget (Note 14) \$	2024 Actual \$	2023 Actual \$
Surplus (Deficit) for the year	<u>(768,339)</u>	<u>(422,629)</u>	<u>847,125</u>
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets		(3,662,898)	(2,149,814)
Amortization of Tangible Capital Assets		1,532,784	1,390,879
Total Effect of change in Tangible Capital Assets	<u>-</u>	<u>(2,130,114)</u>	<u>(758,935)</u>
Use of Prepaid Expenses		100,107	(105,806)
Total Effect of change in Other Non-Financial Assets	<u>-</u>	<u>100,107</u>	<u>(105,806)</u>
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	<u>(768,339)</u>	<u>(2,452,636)</u>	<u>(17,616)</u>
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Debt		<u>(2,452,636)</u>	<u>(17,616)</u>
Net Debt, beginning of year		<u>(16,842,603)</u>	<u>(16,824,987)</u>
Net Debt, end of year		<u>(19,295,239)</u>	<u>(16,842,603)</u>

School District No. 64 (Gulf Islands)

Statement of Cash Flows
Year Ended June 30, 2024

	2024 Actual	2023 Actual
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	(422,629)	847,125
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(269,524)	17,002
Prepaid Expenses	100,107	(105,806)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	(557,079)	(316,456)
Unearned Revenue	16,673	(53,983)
Deferred Revenue	634,283	391,338
Employee Future Benefits	48,027	(87,787)
Amortization of Tangible Capital Assets	1,532,784	1,390,879
Amortization of Deferred Capital Revenue	(1,181,858)	(1,136,181)
Expensed portion of Bylaw Capital	(87,956)	(166,636)
Donated Tangible Capital Asset	(52,856)	
Total Operating Transactions	<u>(240,028)</u>	<u>779,495</u>
Capital Transactions		
Tangible Capital Assets Purchased	(3,054,314)	(1,800,156)
Tangible Capital Assets -WIP Purchased	(608,584)	(349,658)
Donated Tangible Capital Asset	52,856	
Total Capital Transactions	<u>(3,610,042)</u>	<u>(2,149,814)</u>
Financing Transactions		
Capital Revenue Received	3,526,987	1,415,212
Total Financing Transactions	<u>3,526,987</u>	<u>1,415,212</u>
Investing Transactions		
Investments in Portfolio Investments	(14,932)	(54,363)
Total Investing Transactions	<u>(14,932)</u>	<u>(54,363)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>(338,015)</u>	<u>(9,470)</u>
Cash and Cash Equivalents, beginning of year	<u>7,394,307</u>	<u>7,403,777</u>
Cash and Cash Equivalents, end of year	<u><u>7,056,292</u></u>	<u><u>7,394,307</u></u>
Cash and Cash Equivalents, end of year, is made up of:		
Cash	7,056,292	7,394,307
	<u><u>7,056,292</u></u>	<u><u>7,394,307</u></u>

SCHOOL DISTRICT NO. 64 (GULF ISLANDS)

Notes to Financial Statements

Year ended June 30, 2024

1. Authority and purpose:

School District No. 64 (Gulf Islands) (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. 64 (Gulf Islands)", and operates as "School District No. 64 (Gulf Islands)". 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. 64 is exempt from federal and provincial corporate income taxes.

2. Significant accounting policies:

These financial statements are prepared by management in accordance with the basis of accounting described below. Significant accounting policies of the school district are as follows:

(a) Basis of accounting:

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

Regulation 257/2010 requires all taxpayer-supported organizations in the Schools, Universities, Colleges and Hospitals sectors to adopt Canadian public sector accounting standards without any PS4200 elections effective their first fiscal year commencing after January 1, 2012.

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

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

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

- government transfers, which do not contain a stipulation that creates a liability, be recognized as revenue by the recipient when approved by the transferor and the eligibility criteria have been met in accordance with public sector accounting standard PS3410; and

SCHOOL DISTRICT NO. 64 (GULF ISLANDS)

Notes to Financial Statements

Year ended June 30, 2024

2. Significant accounting policies (continued):

(a) Basis of accounting (continued)

- externally restricted contributions be recognized as revenue in the period in which the resources are used for the purpose or purposes specified in accordance with public sector accounting standard PS3100.

As a result, revenue recognized in the statement of operations and certain related deferred capital revenue would be recorded differently under Canadian Public Sector Accounting Standards.

(b) Basis of consolidation:

These financial statements reflect the assets, liabilities, revenues, and expenses of the reporting entity, which is comprised of all controlled entities. Inter-departmental balances and organizational transactions have been eliminated.

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

The school district does not administer any trust activities on behalf of external parties.

(c) Cash and cash equivalents:

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

(d) Accounts receivable:

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

(e) Unearned revenue:

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

(f) Deferred revenue and deferred capital revenue:

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

Funding received for the acquisition of depreciable tangible capital assets is recorded as deferred capital revenue and amortized over the life of the asset acquired as revenue in the statement of operations.

SCHOOL DISTRICT NO. 64 (GULF ISLANDS)

Notes to Financial Statements

Year ended June 30, 2024

2. Significant accounting policies (continued):

(g) Employee future benefits:

The school district provides 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 (EARS�) of active employees covered under the plan.

The most recent valuation of the obligation was performed at March 31, 2022 and projected to June 30, 2024. The next valuation will be performed at March 31, 2025. For the purposes of determining the financial position of the plans and the employee future benefit costs, a measurement date of March 31 was adopted.

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.

(h) 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.
- 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.
- 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.

SCHOOL DISTRICT NO. 64 (GULF ISLANDS)

Notes to Financial Statements

Year ended June 30, 2024

2. Significant accounting policies (continued):

(h) Tangible capital assets (continued):

- 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. Work in progress is not amortized until available for productive use. 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:

Asset	Rate
Buildings	40 years
Furniture and equipment	10 years
Vehicles	10 years
Computer software	5 years
Computer hardware	5 years

(i) Liability for contaminated sites:

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

- (i) an environmental standard exists;
- (ii) contamination exceeds the environmental standard;
- (iii) the School District is directly responsible or accepts responsibility;
- (iv) it is expected that future economic benefits will be given up; and
- (v) 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.

(j) Asset retirement obligations:

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

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

SCHOOL DISTRICT NO. 64 (GULF ISLANDS)

Notes to Financial Statements

Year ended June 30, 2024

2. Significant accounting policies (continued):

(j) Asset retirement obligations (continued):

The liability includes costs for the removal of asbestos and other hazardous material in several of the buildings owned by the School District. The estimate of the asset retirement obligations includes costs directly attributable to the asset retirement activities. 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)). The carrying value of the liability is reviewed at each financial reporting date with changes to the timing or amount of the original estimate of cash flows recorded as an adjustment to the liability and related tangible capital asset.

(k) Prepaid expense:

Amounts for insurance and other services are included as a prepaid expense and 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.

(m) Revenue recognition:

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

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

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

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

SCHOOL DISTRICT NO. 64 (GULF ISLANDS)

Notes to Financial Statements

Year ended June 30, 2024

2. Significant accounting policies (continued):

(m) Revenue recognition (continued):

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.

Revenue related to fees or services received in advance of the fee being earned or the service being performed is deferred and recognized when the fee is earned or service performed.

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

(n) Expenditures:

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

(i) Allocation of costs:

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

SCHOOL DISTRICT NO. 64 (GULF ISLANDS)

Notes to Financial Statements

Year ended June 30, 2024

2. Significant accounting policies (continued):

(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, investments, and accounts payable and accrued liabilities.

Except for investments in equity instruments quoted in an active market that are recorded at fair value, 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 and amortized using the effective interest rate method. Transaction costs are incremental costs directly attributable to the acquisition or issue of a financial asset or a financial liability.

Unrealized gains and losses from changes in the fair value of financial instruments recorded at fair value are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. During the periods presented, there are no remeasurement gains or losses, and as a result, no statement of remeasurement gains and losses has been presented.

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 requires management to make estimates and assumptions that impact reported amounts of assets and liabilities at the date of the financial statements and revenues and expenses during the reporting periods. Areas requiring the use of management estimates relate to the potential impairment of assets, liabilities for contingencies, rates for amortization, asset retirement obligations and estimated employee future benefits. Actual results could differ from those estimates.

SCHOOL DISTRICT NO. 64 (GULF ISLANDS)

Notes to Financial Statements

Year ended June 30, 2024

2. Significant accounting policies (continued):

(q) Adoption of new accounting standards:

On July 1, 2023, the District adopted Canadian Public Sector Accounting Standard PS 3400, Revenue ("PS 3400"). Under the new accounting standard, there are two categories of revenue – exchange and unilateral. If the transaction gives rise to one or more performance obligations, it is an exchange transaction. If no performance obligations are present, it is unilateral revenue. Management has assessed the impact of adopting PS 3400 on the financial statements of the District and has found that there is no resulting impact to the financial statements for fiscal years beginning on or after July 1, 2023.

3. Accounts receivable:

	2024	2023
Due from Provincial Government	\$ 159,701	\$ 80,282
Due from Federal Government	452,335	205,558
Other	104,459	161,131
	556,794	366,689
	\$ 716,495	\$ 446,971

4. Investments:

	2024	2023
Investments in the fair value category:		
Equity instruments	\$ 5,032	\$ 3,456
Mutual funds	133,864	120,508
	\$ 138,896	\$ 123,964

5. Accounts payable and accrued liabilities:

	2024	2023
Trade payables	\$ 345,229	\$ 712,704
Salaries and benefits payable	209,194	373,444
Accrued vacation pay	111,983	137,337
	\$ 666,406	\$ 1,223,485

SCHOOL DISTRICT NO. 64 (GULF ISLANDS)

Notes to Financial Statements

Year ended June 30, 2024

6. Unearned revenue:

	2024	2023
Balance, beginning of year	\$ 705,457	\$ 759,440
Changes for the year:		
Increase:		
Tuition fees and other international fees collected	1,086,943	1,104,841
Decrease:		
Tuition fees and other international fees recognized	(1,070,270)	(1,158,824)
Net change for the year	16,673	(53,983)
Balance, end of year	\$ 722,130	\$ 705,457

7. Deferred revenue:

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

	Ministry of Education and Child Care	Other	2024 Total	2023 Total
Balance, beginning of year	\$ 13,711	\$ 1,118,010	\$ 1,131,721	\$ 740,383
Changes for the year:				
Increases:				
Grants	3,895,476	-	3,895,476	3,396,855
Other	-	1,312,601	1,312,601	1,120,390
Decreases:				
Transfers to revenue	(3,601,663)	(972,131)	(4,573,794)	(4,125,907)
Net change for the year	293,813	340,470	634,283	391,338
Balance, end of year	\$ 307,524	\$ 1,458,480	\$ 1,766,004	\$ 1,131,721

SCHOOL DISTRICT NO. 64 (GULF ISLANDS)

Notes to Financial Statements

Year ended June 30, 2024

8. Deferred capital revenue:

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

	2024	2023
Deferred capital revenue subject to amortization		
Balance, beginning of year	\$ 19,146,583	\$ 18,949,422
Changes for the year:		
Increases:		
Capital additions	1,855,335	898,918
Transferred from work in progress	352,920	434,424
Decreases:		
Amortization	(1,181,858)	(1,136,181)
Net change for the year	1,026,397	197,161
Balance, end of year	\$ 20,172,980	\$ 19,146,583
Deferred capital revenue, work in progress		
Balance, beginning of year	\$ 355,281	\$ 440,047
Changes for the year:		
Increases:		
Transfer from unspent deferred capital revenue	608,584	349,658
Decreases:		
Transfer to deferred capital revenue	(352,920)	(434,424)
Net change for the year	255,664	(84,766)
Balance, end of year	\$ 610,945	\$ 355,281

SCHOOL DISTRICT NO. 64 (GULF ISLANDS)

Notes to Financial Statements

Year ended June 30, 2024

8. Deferred capital revenue (continued):

	2024	2023
Deferred capital revenue not subject to amortization		
Balance, beginning of year	\$ -	\$ -
Changes for the year:		
Increases:		
Provincial Grants - Ministry of Education and Child Care	1,978,067	1,415,212
Provincial Grants - Other	1,496,064	-
Donation	52,856	-
Decreases:		
Transfer to deferred capital revenue subject to	(1,855,335)	(898,918)
Transferred to deferred capital revenue work in progress	(608,584)	(349,658)
Transferred to revenue	(87,956)	(166,636)
Net change for the year	975,112	-
Balance, end of year	\$ 975,112	\$ -
Total deferred capital revenue balance, end of year	\$ 21,759,037	\$ 19,501,864

SCHOOL DISTRICT NO. 64 (GULF ISLANDS)

Notes to Financial Statements

Year ended June 30, 2024

9. Employee future benefits:

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

	2024	2023
Reconciliation of accrued benefit obligation:		
Accrued obligation - April 1	\$ 821,968	\$ 920,424
Service cost	91,616	93,484
Interest cost	34,985	29,439
Benefit payments	(88,633)	(195,865)
Increase in obligation due to plan amendment	-	-
Actuarial (gain) loss	(3,219)	(25,514)
Accrued benefit obligation - March 31	856,717	821,968
Reconciliation of funded status at end of fiscal year:		
Accrued benefit obligation - March 31	856,717	821,968
Market value of plan assets - March 31	-	-
Funded status - surplus (deficit)	(856,717)	(821,968)
Employer contributions after measurement date	-	26,885
Benefits expense after measurement date	(32,242)	(31,650)
Unamortized net actuarial (gain) loss	(144,386)	(158,585)
Accrued benefit asset (liability) - June 30	\$ (1,033,345)	\$ (985,318)
Reconciliation of change in accrued benefit liability:		
Accrued benefit liability (asset) - July 1	\$ 985,318	\$ 1,073,104
Net expenses for fiscal year	109,775	113,549
Employer contributions	(61,748)	(201,335)
Accrued benefit liability (asset) - June 30	1,033,345	985,318
Components of net benefit expense:		
Service cost	91,289	93,017
Interest cost	35,905	30,826
Immediate recognition of plan amendment	-	-
Amortization of net actuarial (gain) loss	(17,419)	(10,294)
Net benefit expense (income)	109,775	113,549
Assumptions:		
Discount rate - April 1	4.00%	3.25%
Discount rate - March 31	4.25%	4.00%
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	9.6	9.6

SCHOOL DISTRICT NO. 64 (GULF ISLANDS)

Notes to Financial Statements

Year ended June 30, 2024

10. Tangible capital assets:

June 30, 2024	Opening cost	Additions	Disposals	Transfers (WIP)	Total 2024
Sites	\$ 4,107,653	\$ -	\$ -	\$ -	\$ 4,107,653
Buildings	51,552,314	1,767,892	-	352,920	53,673,126
Buildings WIP	355,281	608,584	-	(352,920)	610,945
Furniture and equipment	1,405,497	530,497	(74,443)	-	1,861,551
Vehicles	1,535,814	505,587	(370,724)	-	1,670,677
Computer software	46,895	16,683	-	-	63,578
Computer hardware	304,549	233,655	(12,447)	-	525,757
Total	\$ 59,308,003	\$ 3,662,898	\$ (457,614)	\$ -	\$ 62,513,287

	Opening accumulated amortization	Additions	Disposals	Total 2024
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	31,171,474	1,115,026	-	32,286,500
Furniture and equipment	453,183	163,360	(74,443)	542,100
Vehicles	613,034	160,324	(370,724)	402,634
Computer software	4,690	11,047	-	15,737
Computer hardware	97,858	83,027	(12,447)	168,438
Total	\$ 32,340,239	\$ 1,532,784	\$ (457,614)	\$ 33,415,409

June 30, 2023	Opening cost	Additions	Disposals	Transfers (WIP)	Total 2023
Sites	\$ 4,107,653	\$ -	\$ -	\$ -	\$ 4,107,653
Buildings	49,879,594	443,465	-	494,255	50,817,314
Buildings WIP	499,878	349,658	-	(494,255)	355,281
Furniture and equipment	1,032,066	446,541	(73,110)	-	1,405,497
Vehicles	1,155,280	721,161	(340,627)	-	1,535,814
Computer software	-	46,895	-	-	46,895
Computer hardware	179,978	142,094	(17,523)	-	304,549
Total	\$ 56,854,449	\$ 2,149,814	\$ (431,260)	\$ -	\$ 58,573,003

	Opening accumulated amortization	Additions	Disposals	Total 2023
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	29,355,178	1,081,296	-	30,436,474
Furniture and equipment	404,407	121,886	(73,110)	453,183
Vehicles	819,106	134,555	(340,627)	613,034
Computer software	-	4,690	-	4,690
Computer hardware	66,929	48,452	(17,523)	97,858
Total	\$ 30,645,620	\$ 1,390,879	\$ (431,260)	\$ 31,605,239

SCHOOL DISTRICT NO. 64 (GULF ISLANDS)

Notes to Financial Statements

Year ended June 30, 2024

10. Tangible capital assets (continued):

	Net book value 2024	Net book value 2023
Sites	\$ 4,107,653	\$ 4,107,653
Buildings	21,997,571	20,736,121
Furniture and equipment	1,319,451	952,314
Vehicles	1,268,043	922,780
Computer software	47,841	42,205
Computer hardware	357,319	206,691
	<u>\$ 29,097,878</u>	<u>\$ 26,967,764</u>

Contributed tangible capital assets have been recognized at fair market value at the date of contribution. The value of contributed assets received during the year is \$52,856 (2023 - nil).

11. Employee pension plan:

The School District and its employees contribute to the Teachers' Pension Plan and Municipal Pension Plan (jointly trustee pension plans). The boards of trustees for these plans, representing plan members and employers, are responsible for administering the pension plans, including investing assets and administering benefits. The plans are multi-employer defined benefit pension plans. Basic pension benefits are based on a formula. As at December 31, 2023, the Teachers' Pension Plan has about 51,000 active members and approximately 42,000 retired members. As of December 31, 2023, 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, 2020, indicated a \$1,584 million surplus for basic pension benefits on a going concern basis.

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

The school district paid \$1,818,411 for employer contributions to the plans for the year ended June 30, 2024 (2023 - \$1,647,368).

SCHOOL DISTRICT NO. 64 (GULF ISLANDS)

Notes to Financial Statements

Year ended June 30, 2024

11. Employee pension plan (continued):

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

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

12. Accumulated surplus:

Accumulated surplus consists of individual fund surplus and reserves and reserve funds as follows:

	2024	2023
Invested in tangible capital assets	\$ 7,053,953	\$ 6,205,900
Operating surplus (note 18)	2,978,455	4,249,137
	<u>\$ 10,032,408</u>	<u>\$ 10,455,037</u>

Interfund transfers between the operating, special purpose and capital funds for the year ended June 30, 2024, were as follows:

\$1,198,979 (2023 - \$901,238) from the Operating Fund to the Capital Fund for capital purchases.

13. Contractual obligations and rights:

On June 21, 2012 the school district signed a 50 year lease agreement in which land use will be provided to the Capital Regional District (CRD) for \$1 per year for 50 years with an option to renew for a further 50 years. There is no transfer of title contained in the lease agreement.

On June 10, 2022, the school district signed a 5-year lease agreement with the CRD. The CRD will operate the former Salt Spring Island Middle School Building as a community recreation facility for 5 years. There is no transfer of title contained in the lease agreement and the asset is not disposed of to CRD.

The school district has the following annual contractual obligations:

- provision of water taxi services for which the amount of the obligation is negotiated, and multi-year contracts are entered into.

SCHOOL DISTRICT NO. 64 (GULF ISLANDS)

Notes to Financial Statements

Year ended June 30, 2024

14. Budget figures:

The budget figures data presented in these financial statements is based upon the 2023/2024 amended annual budget adopted by the Board on February 14, 2024. The chart following reconciles the originally approved annual budget bylaw approved June 14, 2023, to the amended annual budget bylaw reported in these financial statements.

	2024 amended annual budget	2024 annual budget
Revenues:		
Provincial grants:		
Ministry of Education and Child Care	\$ 26,700,630	\$ 26,334,658
Tuition	557,200	560,000
Other revenue	1,352,241	1,293,800
Rentals and leases	60,000	60,000
Investment income	198,500	190,000
Amortization of deferred capital revenue	1,062,741	1,062,741
	<u>29,931,312</u>	<u>29,501,199</u>
Expenses:		
Instruction	22,118,882	21,672,826
District administration	1,847,811	1,525,000
Operations and maintenance	4,823,314	4,508,957
Transportation and housing	1,909,644	1,919,631
	<u>30,699,651</u>	<u>29,626,414</u>
Net expense (revenue)	(768,339)	(125,215)
Budgeted allocation of surplus	1,383,635	740,511
Budgeted surplus (deficit) for the year	<u>\$ 615,296</u>	<u>\$ 615,296</u>

15. Contingent liabilities:

The nature of the school district's activities is such that there is usually litigation pending or in process at any time. With respect to unsettled claims at June 30, 2024, management believes the school district has valid defenses and appropriate insurance coverage in place. In the event any claims are successful, management believes that such claims are not expected to have a material effect on the school district's financial position.

SCHOOL DISTRICT NO. 64 (GULF ISLANDS)

Notes to Financial Statements

Year ended June 30, 2024

16. Asset retirement obligation:

Legal liabilities exist for the removal and disposal of asbestos and other environmentally hazardous materials within some district owned buildings that will undergo major renovations or demolition in the future. The timing of future settlement is unknown.

	2024	2023
Balance, beginning of year	\$ 1,260,000	\$ 1,260,000
Settlements during the year	-	-
Balance, end of year	\$ 1,260,000	\$ 1,260,000

17. Expense by object:

	2024	2023
Salaries and benefits	\$ 23,681,645	\$ 21,005,149
Services and supplies	6,024,015	6,213,485
Amortization	1,532,784	1,390,879
	\$ 31,238,444	\$ 28,609,513

18. Internally restricted surplus - operating fund:

	2024	2023
Internally restricted surplus:		
Unspent school flex budgets	\$ 8,302	\$ 28,387
Unspent professional development and growth funds	111,637	91,050
Internally restricted surplus	119,939	119,437
Unrestricted operating surplus	2,858,516	4,129,700
Total available for future operations	\$ 2,978,455	\$ 4,249,137

19. Economic dependence:

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

SCHOOL DISTRICT NO. 64 (GULF ISLANDS)

Notes to Financial Statements

Year ended June 30, 2024

20. Related party transactions:

The school district is related through common ownership to all Province of British Columbia ministries, agencies, crown corporations, school districts, health authorities, hospital societies, universities and colleges that are included in the provincial government reporting entity. Transactions with these entities, unless disclosed otherwise, are recorded at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

The school district has entered into a lease with Haggis Farm (the lessor), a related party through the Secretary Treasurer, for use of premises to deliver school programs. The lessor receives rental income equal to the value of a contractual donation given to the school district each year. Both transactions are recognized in the financial statements at the amount paid and received.

21. Risk management:

The school district has exposure to the following risks from its use of financial instruments: credit risk, market risk and liquidity risk.

The Board ensures that the school district has identified its risks and ensures that management monitors and controls them.

(a) Credit risk:

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

The school district is exposed to credit risk in the event of non-performance by a borrower. This risk is mitigated as most amounts receivable are due from the Province.

It is management's opinion that the school district is not exposed to significant credit risk associated with its cash deposits and investments as they are placed in recognized British Columbia institutions.

(b) Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency risk and interest rate risk.

(i) Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the foreign exchange rates. It is management's opinion that the school district is not exposed to significant currency risk, as amounts held and purchases made in foreign currency are insignificant.

SCHOOL DISTRICT NO. 64 (GULF ISLANDS)

Notes to Financial Statements

Year ended June 30, 2024

21. Risk management (continued):

(b) Market risk (continued):

(ii) Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The school district is exposed to interest rate risk through its investments. It is management's opinion that the school district is not exposed to significant interest rate risk as it invests primarily in Mutual Funds and Provincial Bonds and Cash Deposit Account.

(c) Liquidity risk:

Liquidity risk is the risk that the school district will not be able to meet its financial obligations as they become due.

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

Risk Management and insurance services for all school districts in British Columbia are provided by the Risk Management Branch of the Ministry of Finance. There have been no changes to risk exposures from 2023 related to credit, market or liquidity risks.

School District No. 64 (Gulf Islands)

Schedule 1 (Unaudited)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund
Year Ended June 30, 2024

	Operating Fund	Special Purpose Fund	Capital Fund	2024 Actual	2023 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	4,249,137		6,205,900	10,455,037	9,607,912
Changes for the year					
Surplus (Deficit) for the year	(71,703)		(350,926)	(422,629)	847,125
Interfund Transfers					
Tangible Capital Assets Purchased	(1,198,979)		1,198,979	-	
Net Changes for the year	(1,270,682)	-	848,053	(422,629)	847,125
Accumulated Surplus (Deficit), end of year - Statement 2	2,978,455	-	7,053,953	10,032,408	10,455,037

School District No. 64 (Gulf Islands)

Schedule of Operating Operations

Year Ended June 30, 2024

Schedule 2 (Unaudited)

	2024 Budget (Note 14)	2024 Actual	2023 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	23,114,590	23,393,907	22,392,623
Other			10,682
Tuition	557,200	587,540	655,550
Other Revenue	709,841	604,817	645,562
Rentals and Leases	60,000	65,811	84,196
Investment Income	180,000	320,132	239,301
Total Revenue	<u>24,621,631</u>	<u>24,972,207</u>	<u>24,027,914</u>
Expenses			
Instruction	17,975,591	17,878,965	16,310,473
District Administration	1,847,811	1,818,641	1,526,834
Operations and Maintenance	3,456,422	3,565,834	3,400,416
Transportation and Housing	1,775,442	1,780,470	1,688,368
Total Expense	<u>25,055,266</u>	<u>25,043,910</u>	<u>22,926,091</u>
Operating Surplus (Deficit) for the year	<u>(433,635)</u>	<u>(71,703)</u>	<u>1,101,823</u>
Budgeted Appropriation (Retirement) of Surplus (Deficit)	<u>1,383,635</u>		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased		(1,198,979)	(901,238)
Local Capital	(950,000)		
Total Net Transfers	<u>(950,000)</u>	<u>(1,198,979)</u>	<u>(901,238)</u>
Total Operating Surplus (Deficit), for the year	<u>-</u>	<u>(1,270,682)</u>	<u>200,585</u>
Operating Surplus (Deficit), beginning of year		4,249,137	4,048,552
Operating Surplus (Deficit), end of year		<u>2,978,455</u>	<u>4,249,137</u>
Operating Surplus (Deficit), end of year			
Internally Restricted		119,939	119,437
Unrestricted		2,858,516	4,129,700
Total Operating Surplus (Deficit), end of year		<u>2,978,455</u>	<u>4,249,137</u>

School District No. 64 (Gulf Islands)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2024

	2024 Budget (Note 14)	2024 Actual	2023 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education and Child Care			
Operating Grant, Ministry of Education and Child Care	22,324,723	22,574,209	21,156,274
Other Ministry of Education and Child Care Grants			
Pay Equity	102,398	102,398	102,398
Funding for Graduated Adults		3,441	943
Student Transportation Fund	328,264	328,264	328,264
Support Staff Benefits Grant		26,384	26,384
FSA Scorer Grant	7,500	7,506	7,506
Early Learning Framework (ELF) Implementation			215
Labour Settlement Funding	351,705	351,705	770,639
Total Provincial Grants - Ministry of Education and Child Care	23,114,590	23,393,907	22,392,623
Provincial Grants - Other			10,682
Tuition			
International and Out of Province Students	557,200	587,540	655,550
Total Tuition	557,200	587,540	655,550
Other Revenues			
Other School District/Education Authorities	10,000	25,000	10,000
Miscellaneous			
Miscellaneous	188,321	80,587	99,513
GISPA Registration	18,000	16,500	32,775
Homestay Fees	398,000	396,979	377,509
Other International Program Fees	95,520	85,751	125,765
Total Other Revenue	709,841	604,817	645,562
Rentals and Leases	60,000	65,811	84,196
Investment Income	180,000	320,132	239,301
Total Operating Revenue	24,621,631	24,972,207	24,027,914

School District No. 64 (Gulf Islands)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2024

	2024 Budget (Note 14)	2024 Actual	2023 Actual
	\$	\$	\$
Salaries			
Teachers	7,914,877	7,851,336	7,057,301
Principals and Vice Principals	2,159,900	2,019,613	1,989,994
Educational Assistants	1,460,560	1,356,867	959,800
Support Staff	2,165,875	2,401,288	2,212,399
Other Professionals	2,011,330	2,118,681	1,682,493
Substitutes	727,775	815,493	828,764
Total Salaries	16,440,317	16,563,278	14,730,751
Employee Benefits	3,871,188	3,868,841	3,406,557
Total Salaries and Benefits	20,311,505	20,432,119	18,137,308
Services and Supplies			
Services	1,777,020	1,563,624	1,732,227
Student Transportation	1,091,600	1,082,087	1,049,658
Professional Development and Travel	479,759	500,514	508,596
Rentals and Leases	3,000	3,000	3,000
Dues and Fees	39,800	40,314	30,854
Insurance	62,281	81,086	64,286
Supplies	730,301	791,883	887,330
Utilities	560,000	549,283	512,832
Total Services and Supplies	4,743,761	4,611,791	4,788,783
Total Operating Expense	25,055,266	25,043,910	22,926,091

School District No. 64 (Gulf Islands)

Operating Expense by Function, Program and Object

Year Ended June 30, 2024

	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	6,350,511	645,598	111,720	148,987	24,485	624,820	7,906,121
1.03 Career Programs	124,222	35,817	66,073	11,286	63,384	2,673	303,455
1.07 Library Services	186,926	364		43,628		2,261	233,179
1.08 Counselling	250,003						250,003
1.10 Special Education	668,377	1,397	1,136,361	44,759	223,118	74,608	2,148,620
1.30 English Language Learning	55,855						55,855
1.31 Indigenous Education		95,226	26,976			1,064	123,266
1.41 School Administration		1,198,361		385,264		17,519	1,601,144
1.62 International and Out of Province Students	215,442	42,850			222,271		480,563
1.64 Other							-
Total Function 1	7,851,336	2,019,613	1,341,130	633,924	533,258	722,945	13,102,206
4 District Administration							
4.11 Educational Administration					483,029		483,029
4.40 School District Governance					122,501		122,501
4.41 Business Administration				71,291	497,343	286	568,920
Total Function 4	-	-	-	71,291	1,102,873	286	1,174,450
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				67,238	383,497	8,768	459,503
5.50 Maintenance Operations				1,179,480		71,576	1,251,056
5.52 Maintenance of Grounds				160,508			160,508
5.56 Utilities				13,186			13,186
Total Function 5	-	-	-	1,420,412	383,497	80,344	1,884,253
7 Transportation and Housing							
7.41 Transportation and Housing Administration				5,689	99,053		104,742
7.70 Student Transportation			15,737	269,972		11,918	297,627
7.73 Housing							-
Total Function 7	-	-	15,737	275,661	99,053	11,918	402,369
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	7,851,336	2,019,613	1,356,867	2,401,288	2,118,681	815,493	16,563,278

School District No. 64 (Gulf Islands)

Operating Expense by Function, Program and Object

Year Ended June 30, 2024

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2024 Actual	2024 Budget (Note 14)	2023 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	7,906,121	1,974,001	9,880,122	608,761	10,488,883	10,075,030	9,558,127
1.03 Career Programs	303,455	73,984	377,439	73,188	450,627	453,174	460,486
1.07 Library Services	233,179	45,540	278,719	27,640	306,359	348,559	211,659
1.08 Counselling	250,003	61,724	311,727		311,727	213,204	226,270
1.10 Special Education	2,148,620	479,098	2,627,718	149,674	2,777,392	3,266,068	2,362,027
1.30 English Language Learning	55,855	11,077	66,932		66,932	154,284	8,526
1.31 Indigenous Education	123,266	27,895	151,161	97,702	248,863	297,815	208,767
1.41 School Administration	1,601,144	371,271	1,972,415	152,138	2,124,553	2,127,208	2,028,276
1.62 International and Out of Province Students	480,563	110,805	591,368	512,261	1,103,629	1,040,249	1,228,319
1.64 Other	-	-	-	-	-	-	18,016
Total Function 1	13,102,206	3,155,395	16,257,601	1,621,364	17,878,965	17,975,591	16,310,473
4 District Administration							
4.11 Educational Administration	483,029	64,358	547,387	81,744	629,131	848,640	396,281
4.40 School District Governance	122,501	8,220	130,721	81,571	212,292	208,220	204,233
4.41 Business Administration	568,920	120,210	689,130	288,088	977,218	790,951	926,320
Total Function 4	1,174,450	192,788	1,367,238	451,403	1,818,641	1,847,811	1,526,834
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	459,503	109,999	569,502	77,456	646,958	648,323	494,951
5.50 Maintenance Operations	1,251,056	283,310	1,534,366	587,841	2,122,207	1,996,667	2,113,853
5.52 Maintenance of Grounds	160,508	33,293	193,801	37,132	230,933	231,731	261,350
5.56 Utilities	13,186	3,267	16,453	549,283	565,736	579,701	530,262
Total Function 5	1,884,253	429,869	2,314,122	1,251,712	3,565,834	3,456,422	3,400,416
7 Transportation and Housing							
7.41 Transportation and Housing Administration	104,742	23,729	128,471		128,471	125,814	80,309
7.70 Student Transportation	297,627	67,060	364,687	1,263,127	1,627,814	1,631,628	1,588,500
7.73 Housing	-	-	-	24,185	24,185	18,000	19,559
Total Function 7	402,369	90,789	493,158	1,287,312	1,780,470	1,775,442	1,688,368
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	16,563,278	3,868,841	20,432,119	4,611,791	25,043,910	25,055,266	22,926,091

School District No. 64 (Gulf Islands)

Schedule of Special Purpose Operations

Year Ended June 30, 2024

Schedule 3 (Unaudited)

	2024 Budget (Note 14)	2024 Actual	2023 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	3,586,040	3,601,663	3,383,144
Other Revenue	642,400	943,291	725,379
Investment Income	18,500	28,840	17,384
Total Revenue	<u>4,246,940</u>	<u>4,573,794</u>	<u>4,125,907</u>
Expenses			
Instruction	4,143,291	4,470,145	4,010,604
District Administration			11,654
Operations and Maintenance	8,821	103,649	103,649
Total Expense	<u>4,152,112</u>	<u>4,573,794</u>	<u>4,125,907</u>
Special Purpose Surplus (Deficit) for the year	<u>94,828</u>	<u>-</u>	<u>-</u>
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(94,828)		
Total Net Transfers	<u>(94,828)</u>	<u>-</u>	<u>-</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. 64 (Gulf Islands)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2024

	Annual Facility Grant	Learning Improvement Fund	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK	Classroom Enhancement Fund - Overhead	Classroom Enhancement Fund - Staffing
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year			253,787						
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	103,649	84,320		128,000	19,600	183,189	163,748	355,130	1,817,024
Other			605,364						
Investment Income			601						
	103,649	84,320	605,965	128,000	19,600	183,189	163,748	355,130	1,817,024
Less: Allocated to Revenue	103,649	84,320	648,070	128,000	19,600	103,189	163,748	355,130	1,817,024
Deferred Revenue, end of year	-	-	211,682	-	-	80,000	-	-	-
Revenues									
Provincial Grants - Ministry of Education and Child Care	103,649	84,320		128,000	19,600	103,189	163,748	355,130	1,817,024
Other Revenue			647,469						
Investment Income			601						
	103,649	84,320	648,070	128,000	19,600	103,189	163,748	355,130	1,817,024
Expenses									
Salaries									
Teachers						15,991			1,458,396
Principals and Vice Principals				100,427	10,000	51,690	98,192		
Educational Assistants		72,410						50,000	
Support Staff								54,806	
Other Professionals					429				
Substitutes				5,984	1,664	2,774		184,178	
	-	72,410	-	106,411	12,093	70,455	98,192	288,984	1,458,396
Employee Benefits		11,878		19,519	4,002	14,588	24,941	56,146	358,628
Services and Supplies	103,649	32	648,070	2,070	3,505	18,146	40,615	10,000	
	103,649	84,320	648,070	128,000	19,600	103,189	163,748	355,130	1,817,024
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 64 (Gulf Islands)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2024

	Classroom Enhancement Fund - Remedies	First Nation Student Transportation	Mental Health in Schools	Seamless Day Kindergarten	Student & Family Affordability	SEY2KT (Early Years to Kindergarten)	ECL (Early Care & Learning)	Feeding Futures Fund	Health Career Grants
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year					13,711				
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	184,266	150	57,000	55,400	100,000	19,000	175,000	350,000	100,000
Other									
Investment Income									
	184,266	150	57,000	55,400	100,000	19,000	175,000	350,000	100,000
Less: Allocated to Revenue	184,266	-	57,000	55,400	15,012	19,000	175,000	228,223	93,102
Deferred Revenue, end of year	-	150	-	-	98,699	-	-	121,777	6,898
Revenues									
Provincial Grants - Ministry of Education and Child Care	184,266		57,000	55,400	15,012	19,000	175,000	228,223	93,102
Other Revenue									
Investment Income									
	184,266	-	57,000	55,400	15,012	19,000	175,000	228,223	93,102
Expenses									
Salaries									
Teachers	38,861								14,397
Principals and Vice Principals							145,015	106,442	38,086
Educational Assistants				45,062		4,000		2,043	
Support Staff								7,593	
Other Professionals									
Substitutes	121,525					2,274	636		
	160,386	-	-	45,062	-	6,274	145,651	116,078	52,483
Employee Benefits	23,880			9,825		1,272	29,349	23,747	11,073
Services and Supplies			57,000	513	15,012	11,454		88,398	29,546
	184,266	-	57,000	55,400	15,012	19,000	175,000	228,223	93,102
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 64 (Gulf Islands)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2024

	ACE-IT	CES Apprenticeships	Education Trust	Mayne Island Teacherage	TOTAL
	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year		22,400	841,823		1,131,721
Add: Restricted Grants					
Provincial Grants - Ministry of Education and Child Care					3,895,476
Other	11,411	57,932	602,254	6,800	1,283,761
Investment Income			28,239		28,840
	11,411	57,932	630,493	6,800	5,208,077
Less: Allocated to Revenue	11,411	54,178	258,472	-	4,573,794
Deferred Revenue, end of year	-	26,154	1,213,844	6,800	1,766,004
Revenues					
Provincial Grants - Ministry of Education and Child Care					3,601,663
Other Revenue	11,411	54,178	230,233		943,291
Investment Income			28,239		28,840
	11,411	54,178	258,472	-	4,573,794
Expenses					
Salaries					
Teachers					1,527,645
Principals and Vice Principals					289,543
Educational Assistants					383,824
Support Staff		20,711			78,304
Other Professionals					55,235
Substitutes					319,035
	-	20,711	-	-	2,653,586
Employee Benefits		7,092			595,940
Services and Supplies	11,411	26,375	258,472		1,324,268
	11,411	54,178	258,472	-	4,573,794
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-
Interfund Transfers	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-

School District No. 64 (Gulf Islands)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2024

	2024	2024 Actual			2023
	Budget (Note 14)	Invested in Tangible Capital Assets	Local Capital	Fund Balance	Actual
	\$	\$	\$	\$	\$
Revenues					
Provincial Grants					
Ministry of Education and Child Care		87,956		87,956	166,636
Amortization of Deferred Capital Revenue	1,062,741	1,181,858		1,181,858	1,136,181
Total Revenue	1,062,741	1,269,814	-	1,269,814	1,302,817
Expenses					
Operations and Maintenance		87,956		87,956	166,636
Amortization of Tangible Capital Assets					
Operations and Maintenance	1,358,071	1,372,460		1,372,460	1,256,324
Transportation and Housing	134,202	160,324		160,324	134,555
Total Expense	1,492,273	1,620,740	-	1,620,740	1,557,515
Capital Surplus (Deficit) for the year	(429,532)	(350,926)	-	(350,926)	(254,698)
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	94,828	1,198,979		1,198,979	901,238
Local Capital	950,000			-	
Total Net Transfers	1,044,828	1,198,979	-	1,198,979	901,238
Total Capital Surplus (Deficit) for the year	615,296	848,053	-	848,053	646,540
Capital Surplus (Deficit), beginning of year		6,205,900		6,205,900	5,559,360
Capital Surplus (Deficit), end of year		7,053,953	-	7,053,953	6,205,900

School District No. 64 (Gulf Islands)

Tangible Capital Assets
Year Ended June 30, 2024

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	4,107,653	51,552,314	1,405,497	1,535,814	46,895	304,549	58,952,722
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		1,158,455	193,547				1,352,002
Deferred Capital Revenue - Other		363,776		139,557			503,333
Operating Fund		245,661	336,950	366,030	16,683	233,655	1,198,979
Transferred from Work in Progress		352,920					352,920
	-	2,120,812	530,497	505,587	16,683	233,655	3,407,234
Decrease:							
Deemed Disposals			74,443	370,724		12,447	457,614
	-	-	74,443	370,724	-	12,447	457,614
Cost, end of year	4,107,653	53,673,126	1,861,551	1,670,677	63,578	525,757	61,902,342
Work in Progress, end of year		610,945					610,945
Cost and Work in Progress, end of year	4,107,653	54,284,071	1,861,551	1,670,677	63,578	525,757	62,513,287
Accumulated Amortization, beginning of year		31,171,474	453,183	613,034	4,690	97,858	32,340,239
Changes for the Year							
Increase: Amortization for the Year		1,115,026	163,360	160,324	11,047	83,027	1,532,784
Decrease:							
Deemed Disposals			74,443	370,724		12,447	457,614
			74,443	370,724	-	12,447	457,614
Accumulated Amortization, end of year		32,286,500	542,100	402,634	15,737	168,438	33,415,409
Tangible Capital Assets - Net	4,107,653	21,997,571	1,319,451	1,268,043	47,841	357,319	29,097,878

School District No. 64 (Gulf Islands)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2024

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
Work in Progress, beginning of year	355,281				355,281
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	458,984				458,984
Deferred Capital Revenue - Other	149,600				149,600
	608,584	-	-	-	608,584
Decrease:					
Transferred to Tangible Capital Assets	352,920				352,920
	352,920	-	-	-	352,920
Net Changes for the Year	255,664	-	-	-	255,664
Work in Progress, end of year	610,945	-	-	-	610,945

School District No. 64 (Gulf Islands)

Schedule 4C (Unaudited)

Deferred Capital Revenue
Year Ended June 30, 2024

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	18,247,800	755,522	143,261	19,146,583
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	1,352,002	450,477	52,856	1,855,335
Transferred from Work in Progress	352,920			352,920
	<u>1,704,922</u>	<u>450,477</u>	<u>52,856</u>	<u>2,208,255</u>
Decrease:				
Amortization of Deferred Capital Revenue	1,119,485	44,530	17,843	1,181,858
	<u>1,119,485</u>	<u>44,530</u>	<u>17,843</u>	<u>1,181,858</u>
Net Changes for the Year	<u>585,437</u>	<u>405,947</u>	<u>35,013</u>	<u>1,026,397</u>
Deferred Capital Revenue, end of year	<u>18,833,237</u>	<u>1,161,469</u>	<u>178,274</u>	<u>20,172,980</u>
Work in Progress, beginning of year	355,281			355,281
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	458,984	149,600		608,584
	<u>458,984</u>	<u>149,600</u>	<u>-</u>	<u>608,584</u>
Decrease				
Transferred to Deferred Capital Revenue	352,920			352,920
	<u>352,920</u>	<u>-</u>	<u>-</u>	<u>352,920</u>
Net Changes for the Year	<u>106,064</u>	<u>149,600</u>	<u>-</u>	<u>255,664</u>
Work in Progress, end of year	<u>461,345</u>	<u>149,600</u>	<u>-</u>	<u>610,945</u>
Total Deferred Capital Revenue, end of year	<u>19,294,582</u>	<u>1,311,069</u>	<u>178,274</u>	<u>20,783,925</u>

School District No. 64 (Gulf Islands)

Changes in Unspent Deferred Capital Revenue
Year Ended June 30, 2024

	Bylaw Capital	MECC Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year						-
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education and Child Care	1,978,067					1,978,067
Provincial Grants - Other			1,496,064			1,496,064
Donations					52,856	52,856
	1,978,067	-	1,496,064	-	52,856	3,526,987
Decrease:						
Transferred to DCR - Capital Additions	1,352,002		450,477		52,856	1,855,335
Transferred to DCR - Work in Progress	458,984		149,600			608,584
Expensed Portion of Bylaw Capital	87,956					87,956
	1,898,942	-	600,077	-	52,856	2,551,875
Net Changes for the Year	79,125	-	895,987	-	-	975,112
Balance, end of year	79,125	-	895,987	-	-	975,112