

Audited Financial Statements of

School District No. 64 (Gulf Islands)

And Independent Auditors' Report thereon

June 30, 2025

School District No. 64 (Gulf Islands)

June 30, 2025

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School District No. 64 (Gulf Islands)

MANAGEMENT REPORT

Version: 8904-8158-6176

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.


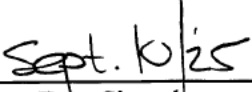

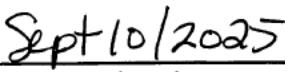

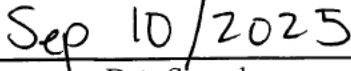
The preparation of financial statements necessarily involves the use of estimates based on management's judgment particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

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)

	
Signature of the Chairperson of the Board of Education	Date Signed
	
Signature of the Superintendent	Date Signed
	
Signature of the Secretary Treasurer	Date Signed



KPMG LLP

St. Andrew's Square II
800-730 View Street
Victoria BC V8W 3Y7
Canada
Telephone (250) 480-3500
Fax (250) 480-3539

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, 2025
- 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, 2025 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, other than the financial statements and the auditor's report thereon, included in the Financial Statement Discussion and Analysis document.
- 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 Other Information other than the financial statements and auditor's report thereon, included in the Financial Statement Discussion and Analysis document and 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.

A handwritten signature in black ink that reads 'KPMG LLP' with a horizontal line underneath.

Chartered Professional Accountants

Victoria, Canada
September 10, 2025

School District No. 64 (Gulf Islands)

Statement of Financial Position

As at June 30, 2025

Statement 1

	2025 Actual \$	2024 Actual \$
Financial Assets		
Cash and Cash Equivalents	6,091,187	7,056,292
Accounts Receivable		
Due from Province - Ministry of Education and Child Care	497,269	159,701
Other	134,489	556,794
Portfolio Investments	145,966	138,896
Total Financial Assets	6,868,911	7,911,683
Liabilities		
Accounts Payable and Accrued Liabilities		
Other	330,519	666,406
Unearned Revenue		722,130
Deferred Revenue	2,117,610	1,766,004
Deferred Capital Revenue	23,275,161	21,759,037
Employee Future Benefits	1,073,658	1,033,345
Asset Retirement Obligation	1,490,000	1,260,000
Total Liabilities	28,286,948	27,206,922
Net Debt	(21,418,037)	(19,295,239)
Non-Financial Assets		
Tangible Capital Assets	30,923,419	29,097,878
Prepaid Expenses	158,864	229,769
Total Non-Financial Assets	31,082,283	29,327,647
Accumulated Surplus (Deficit)	9,664,246	10,032,408

Approved by the Board

Signature of the Chairperson of the Board of Education

Sept. 10/25
Date Signed

Signature of the Superintendent

Sept 10/2025
Date Signed

Signature of the Secretary Treasurer

Sept 10/2025
Date Signed

School District No. 64 (Gulf Islands)

Statement 2

Statement of Operations

Year Ended June 30, 2025

	2025 Budget	2025 Actual	2024 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	27,855,300	28,028,730	27,083,526
Other		59,143	
Tuition	480,000	472,050	587,540
Other Revenue	1,565,321	1,485,636	1,548,108
Rentals and Leases	90,000	98,999	65,811
Investment Income	200,000	242,032	348,972
Amortization of Deferred Capital Revenue	1,250,000	1,259,711	1,181,858
Total Revenue	31,440,621	31,646,301	30,815,815
Expenses			
Instruction	23,168,943	22,845,076	22,349,110
District Administration	1,735,096	1,656,982	1,818,641
Operations and Maintenance	5,264,563	5,350,400	5,129,899
Transportation and Housing	2,150,865	2,162,005	1,940,794
Total Expense	32,319,467	32,014,463	31,238,444
Surplus (Deficit) for the year	(878,846)	(368,162)	(422,629)
Accumulated Surplus (Deficit) from Operations, beginning of year		10,032,408	10,455,037
Accumulated Surplus (Deficit) from Operations, end of year		9,664,246	10,032,408

School District No. 64 (Gulf Islands)

Statement 4

Statement of Changes in Net Debt

Year Ended June 30, 2025

	2025 Budget	2025 Actual	2024 Actual
	\$	\$	\$
Surplus (Deficit) for the year	(878,846)	(368,162)	(422,629)
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(275,000)	(3,523,826)	(3,662,898)
Amortization of Tangible Capital Assets	1,650,000	1,698,285	1,532,784
Total Effect of change in Tangible Capital Assets	1,375,000	(1,825,541)	(2,130,114)
Use of Prepaid Expenses		70,905	100,107
Total Effect of change in Other Non-Financial Assets	-	70,905	100,107
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	496,154	(2,122,798)	(2,452,636)
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Debt		(2,122,798)	(2,452,636)
Net Debt, beginning of year		(19,295,239)	(16,842,603)
Net Debt, end of year		(21,418,037)	(19,295,239)

School District No. 64 (Gulf Islands)

Statement 5

Statement of Cash Flows
Year Ended June 30, 2025

	2025 Actual \$	2024 Actual \$
Operating Transactions		
Surplus (Deficit) for the year	(368,162)	(422,629)
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	84,737	(269,524)
Prepaid Expenses	70,905	100,107
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	(335,887)	(557,079)
Unearned Revenue	(722,130)	16,673
Deferred Revenue	351,606	634,283
Employee Future Benefits	40,313	48,027
Amortization of Tangible Capital Assets	1,698,285	1,532,784
Amortization of Deferred Capital Revenue	(1,259,711)	(1,181,858)
Expensed Portion of Bylaw Capital	(187,447)	(87,956)
Donated Tangible Capital Asset	(71,200)	(52,856)
Total Operating Transactions	(698,691)	(240,028)
Capital Transactions		
Tangible Capital Assets Purchased	(2,956,454)	(3,054,314)
Tangible Capital Assets -WIP Purchased	(337,372)	(608,584)
Donated Tangible Capital Asset	71,200	52,856
Total Capital Transactions	(3,222,626)	(3,610,042)
Financing Transactions		
Capital Revenue Received	2,963,282	3,526,987
Total Financing Transactions	2,963,282	3,526,987
Investing Transactions		
Investments in Portfolio Investments	(7,070)	(14,932)
Total Investing Transactions	(7,070)	(14,932)
Net Increase (Decrease) in Cash and Cash Equivalents	(965,105)	(338,015)
Cash and Cash Equivalents, beginning of year	7,056,292	7,394,307
Cash and Cash Equivalents, end of year	6,091,187	7,056,292
Cash and Cash Equivalents, end of year, is made up of:		
Cash	6,091,187	7,056,292
	6,091,187	7,056,292

SCHOOL DISTRICT NO. 64 (GULF ISLANDS)

Notes to Financial Statements

Year ended June 30, 2025

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, 2025

2. Significant accounting policies (continued):

(a) Basis of accounting (continued)

- externally restricted contributions are 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. As of June 30, 2025 the international program ceased and the balance was nil.

SCHOOL DISTRICT NO. 64 (GULF ISLANDS)

Notes to Financial Statements

Year ended June 30, 2025

2. Significant accounting policies (continued):

(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(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.

(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, 2025 and projected to June 30, 2025. The next valuation will be performed at March 31, 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.

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. 64 (GULF ISLANDS)

Notes to Financial Statements

Year ended June 30, 2025

2. Significant accounting policies (continued):

(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.
- 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

SCHOOL DISTRICT NO. 64 (GULF ISLANDS)

Notes to Financial Statements

Year ended June 30, 2025

2. Significant accounting policies (continued):

(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.

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 h)). 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.

SCHOOL DISTRICT NO. 64 (GULF ISLANDS)

Notes to Financial Statements

Year ended June 30, 2025

2. Significant accounting policies (continued):

(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.

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.

SCHOOL DISTRICT NO. 64 (GULF ISLANDS)

Notes to Financial Statements

Year ended June 30, 2025

2. Significant accounting policies (continued):

(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.

(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.

SCHOOL DISTRICT NO. 64 (GULF ISLANDS)

Notes to Financial Statements

Year ended June 30, 2025

2. Significant accounting policies (continued):

(o) Financial instruments (continued):

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.

3. Accounts receivable:

	2025	2024
Due from Provincial Government	\$ 497,269	\$ 159,701
Due from Federal Government	84,726	452,335
Other	49,763	104,459
	134,489	556,794
	\$ 631,758	\$ 716,495

4. Investments:

	2025	2024
Investments in the fair value category:		
Equity instruments	\$ -	\$ 5,032
Mutual funds	145,966	133,864
	\$ 145,966	\$ 138,896

SCHOOL DISTRICT NO. 64 (GULF ISLANDS)

Notes to Financial Statements

Year ended June 30, 2025

5. Accounts payable and accrued liabilities:

	2025	2024
Trade payables	\$ 85,810	\$ 345,229
Salaries and benefits payable	169,982	209,194
Accrued vacation pay	74,727	111,983
	\$ 330,519	\$ 666,406

6. Unearned revenue:

All unearned revenue is related to the international program. The international program ceased operations as of June 30, 2025.

	2025	2024
Balance, beginning of year	\$ 722,130	\$ 705,457
Changes for the year:		
Increase:		
Tuition fees and other international fees collected	193,284	1,086,943
Decrease:		
Tuition fees and other international fees recognized	(915,414)	(1,070,270)
Net change for the year	(722,130)	16,673
Balance, end of year	\$ -	\$ 722,130

SCHOOL DISTRICT NO. 64 (GULF ISLANDS)

Notes to Financial Statements

Year ended June 30, 2025

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	2025 Total	2024 Total
Balance, beginning of year	\$ 307,524	\$ 1,458,480	\$ 1,766,004	\$ 1,131,721
Changes for the year:				
Increases:				
Grants	4,506,885	-	4,506,885	3,895,476
Other	69,500	1,112,803	1,182,303	1,312,601
Decreases:				
Transfers to revenue	(4,439,951)	(897,631)	(5,337,582)	(4,573,794)
Net change for the year	136,434	215,172	351,606	634,283
Balance, end of year	\$ 443,958	\$ 1,673,652	\$ 2,117,610	\$ 1,766,004

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.

	2025	2024
Deferred capital revenue subject to amortization		
Balance, beginning of year	\$ 20,172,980	\$ 19,146,583
Changes for the year:		
Increases:		
Capital additions	2,608,668	1,855,335
Transferred from work in progress	461,345	352,920
Decreases:		
Amortization	(1,259,711)	(1,181,858)
Net change for the year	1,810,302	1,026,397
Balance, end of year	\$ 21,983,282	\$ 20,172,980

SCHOOL DISTRICT NO. 64 (GULF ISLANDS)

Notes to Financial Statements

Year ended June 30, 2025

8. Deferred capital revenue (continued):

	2025	2024
Deferred capital revenue, work in progress		
Balance, beginning of year	\$ 610,945	\$ 355,281
Changes for the year:		
Increases:		
Transfer from unspent deferred capital revenue	337,372	608,584
Decreases:		
Transfer to deferred capital revenue	(461,345)	(352,920)
Net change for the year	(123,973)	255,664
Balance, end of year	\$ 486,972	\$ 610,945
Deferred capital revenue not subject to amortization		
Balance, beginning of year	\$ 975,112	\$ -
Changes for the year:		
Increases:		
Provincial Grants - Ministry of Education and Child Care	2,785,941	1,978,067
Provincial Grants - Other	-	1,496,064
Other Capital	177,341	52,856
Decreases:		
Transfer to deferred capital revenue subject to amortization	(2,608,668)	(1,855,335)
Transferred to deferred capital revenue work in progress	(337,372)	(608,584)
Transferred to revenue	(187,447)	(87,956)
Net change for the year	(170,205)	975,112
Balance, end of year	\$ 804,907	\$ 975,112
Total deferred capital revenue balance, end of year	\$ 23,275,161	\$ 21,759,037

SCHOOL DISTRICT NO. 64 (GULF ISLANDS)

Notes to Financial Statements

Year ended June 30, 2025

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.

	2025	2024
Reconciliation of accrued benefit obligation:		
Accrued obligation - April 1	\$ 856,717	\$ 821,968
Service cost	90,306	91,616
Interest cost	38,663	34,985
Benefit payments	(54,146)	(88,633)
Actuarial (gain) loss	(13,330)	(3,219)
Accrued benefit obligation - March 31	918,210	856,717
Reconciliation of funded status at end of fiscal year:		
Accrued benefit obligation - March 31	918,210	856,717
Funded status - surplus (deficit)	(918,210)	(856,717)
Employer contributions after measurement date	19,168	-
Benefits expense after measurement date	(36,831)	(32,242)
Unamortized net actuarial (gain) loss	(137,785)	(144,386)
Accrued benefit asset (liability) - June 30	(1,073,658)	(1,033,345)
Reconciliation of change in accrued benefit liability:		
Accrued benefit liability (asset) - July 1	1,033,345	985,318
Net expenses for fiscal year	113,627	109,775
Employer contributions	(73,314)	(61,748)
Accrued benefit liability (asset) - June 30	1,073,658	1,033,345
Components of net benefit expense:		
Service cost	95,284	91,289
Interest cost	38,274	35,905
Amortization of net actuarial (gain) loss	(19,931)	(17,419)
Net benefit expense (income)	113,627	109,775
Assumptions:		
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	11.0	9.6

SCHOOL DISTRICT NO. 64 (GULF ISLANDS)

Notes to Financial Statements

Year ended June 30, 2025

10. Tangible capital assets:

June 30, 2025	Opening cost	Additions	Disposals	Transfers (WIP)	Total 2025
Sites	\$ 4,107,653	\$ -	\$ -	\$ -	\$ 4,107,653
Buildings	53,673,126	2,228,196	-	461,345	56,362,667
Buildings WIP	610,945	337,372	-	(461,345)	486,972
Furniture and equipment	1,861,551	30,000	(24,841)	-	1,866,710
Vehicles	1,670,677	682,453	-	-	2,353,130
Computer software	63,578	98,415	-	-	161,993
Computer hardware	525,757	147,390	(24,219)	-	648,928
Total	\$ 62,513,287	\$ 3,523,826	\$ (49,060)	\$ -	\$ 65,988,053

	Opening accumulated amortization	Additions	Disposals	Total 2025
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	32,286,500	1,170,655	-	33,457,155
Furniture and equipment	542,100	186,421	(24,841)	703,680
Vehicles	402,634	201,190	-	603,824
Computer software	15,737	22,557	-	38,294
Computer hardware	168,438	117,462	(24,219)	261,681
Total	\$ 33,415,409	\$ 1,698,285	\$ (49,060)	\$ 35,064,634

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

SCHOOL DISTRICT NO. 64 (GULF ISLANDS)

Notes to Financial Statements

Year ended June 30, 2025

10. Tangible capital assets (continued):

	Net book value 2025	Net book value 2024
Sites	\$ 4,107,653	\$ 4,107,653
Buildings	23,392,484	21,997,571
Furniture and equipment	1,163,030	1,319,451
Vehicles	1,749,306	1,268,043
Computer software	123,699	47,841
Computer hardware	387,247	357,319
	\$ 30,923,419	\$ 29,097,878

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 \$71,200. (2024 - \$52,856).

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, 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 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 \$1,858,320 for employer contributions to the plans for the year ended June 30, 2025 (2024 - \$1,818,411).

SCHOOL DISTRICT NO. 64 (GULF ISLANDS)

Notes to Financial Statements

Year ended June 30, 2025

11. Employee pension plan (continued):

The next valuation for the Teachers' Pension Plan will be as at December 31, 2026. The next valuation for the Municipal Pension Plan was as at December 31, 2024, with results available later 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:

	2025	2024
Invested in tangible capital assets	\$ 6,963,165	\$ 7,053,953
Operating surplus (note 18)	2,701,081	2,978,455
	<u>\$ 9,664,246</u>	<u>\$ 10,032,408</u>

Interfund transfers between the operating, special purpose and capital funds for the year ended June 30, 2025, were as follows:

\$347,786 (2024 - \$1,198,979) 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 with the Capital Regional District (CRD) for land use at the Galiano School Site. There is no transfer of title in the lease agreement, and the land is intended for use as a community library.

On December 31, 2014, the school district signed a 60-year lease agreement with the Salt Spring Arts Council for the use of a building commonly known as Mahon Hall. There is no transfer of title in the lease agreement, and the asset remains with the school district.

On June 10, 2022, the school district signed a 5-year lease agreement with the CRD for the operation of the former Salt Spring Island Middle School Building as a community recreation facility. There is no transfer of title in the lease agreement, and the asset remains with the school district.

On November 25, 2024, the school district signed a 5-year lease agreement with the CRD for the operation of the former Phoenix Elementary School Site on Salt Spring Island. There is no transfer of title in the lease agreement, and the asset remains with the school district.

SCHOOL DISTRICT NO. 64 (GULF ISLANDS)

Notes to Financial Statements

Year ended June 30, 2025

13. Contractual obligations and rights:

The school district has the following annual contractual obligations:

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

14. Budget figures:

The budget figures data presented in these financial statements is based upon the 2024/2025 amended annual budget adopted by the Board on February 26, 2025. The chart following reconciles the originally approved annual budget bylaw approved June 14, 2024, to the amended annual budget bylaw reported in these financial statements.

	2025 amended annual budget	2025 annual budget
Revenues:		
Provincial grants:		
Ministry of Education and Child Care	\$ 27,855,300	\$ 26,765,637
Tuition	480,000	490,000
Other revenue	1,565,321	1,417,821
Rentals and leases	90,000	95,000
Investment income	200,000	280,500
Amortization of deferred capital revenue	1,250,000	1,200,000
	31,440,621	30,248,958
Expenses:		
Instruction	23,168,943	21,936,443
District administration	1,735,096	1,628,870
Operations and maintenance	5,264,563	4,898,079
Transportation and housing	2,150,865	2,059,300
	32,319,467	30,522,692
Net expense	(878,846)	(273,734)
Budgeted allocation of surplus	753,846	823,734
Budgeted surplus (deficit) for the year	\$ (125,000)	\$ 550,000

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, 2025, 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, 2025

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.

	2025	2024
Balance, beginning of year	\$ 1,260,000	\$ 1,260,000
Estimate increase	230,000	-
Balance, end of year	\$ 1,490,000	\$ 1,260,000

17. Expense by object:

	2025	2024
Salaries and benefits	\$ 24,248,832	\$ 23,681,645
Services and supplies	6,067,346	6,024,015
Amortization	1,698,285	1,532,784
	\$ 32,014,463	\$ 31,238,444

18. Internally restricted surplus - operating fund:

	2025	2024
Internally restricted surplus:		
Unspent school flex budgets	\$ -	\$ 8,302
Unspent Indigenous Education Council Funds	38,826	-
Unspent professional development and growth funds	76,917	111,637
Internally restricted surplus	115,743	119,939
Unrestricted operating surplus	2,585,338	2,858,516
Total available for future operations	\$ 2,701,081	\$ 2,978,455

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, 2025

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. The imposition of U.S. tariffs on cross-border trade will result in increased costs for goods and services procured from U.S. suppliers, impacting operations and infrastructure projects. While the long-term impact remains uncertain, Management is actively working to monitor and mitigate the risks and impacts of the tariffs.

SCHOOL DISTRICT NO. 64 (GULF ISLANDS)

Notes to Financial Statements

Year ended June 30, 2025

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 2024 related to credit, market or liquidity risks.

School District No. 64 (Gulf Islands)

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	2,978,455		7,053,953	10,032,408	10,455,037
Changes for the year					
Surplus (Deficit) for the year	70,412		(438,574)	(368,162)	(422,629)
Interfund Transfers					
Tangible Capital Assets Purchased	(347,786)		347,786	-	
Net Changes for the year	(277,374)	-	(90,788)	(368,162)	(422,629)
Accumulated Surplus (Deficit), end of year - Statement 2	2,701,081	-	6,963,165	9,664,246	10,032,408

School District No. 64 (Gulf Islands)**Schedule 2 (Unaudited)**

Schedule of Operating Operations

Year Ended June 30, 2025

	2025 Budget \$	2025 Actual \$	2024 Actual \$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	23,326,343	23,460,475	23,393,907
Tuition	480,000	472,050	587,540
Other Revenue	642,321	612,027	604,817
Rentals and Leases	90,000	98,999	65,811
Investment Income	200,000	218,010	320,132
Total Revenue	24,738,664	24,861,561	24,972,207
Expenses			
Instruction	18,020,635	17,612,001	17,878,965
District Administration	1,735,096	1,656,982	1,818,641
Operations and Maintenance	3,510,914	3,561,351	3,565,834
Transportation and Housing	1,950,865	1,960,815	1,780,470
Total Expense	25,217,510	24,791,149	25,043,910
Operating Surplus (Deficit) for the year	(478,846)	70,412	(71,703)
Budgeted Appropriation (Retirement) of Surplus (Deficit)	753,846		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(275,000)	(347,786)	(1,198,979)
Total Net Transfers	(275,000)	(347,786)	(1,198,979)
Total Operating Surplus (Deficit), for the year	-	(277,374)	(1,270,682)
Operating Surplus (Deficit), beginning of year		2,978,455	4,249,137
Operating Surplus (Deficit), end of year		2,701,081	2,978,455
Operating Surplus (Deficit), end of year			
Internally Restricted		115,743	119,939
Unrestricted		2,585,338	2,858,516
Total Operating Surplus (Deficit), end of year		2,701,081	2,978,455

School District No. 64 (Gulf Islands)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2025

	2025 Budget	2025 Actual	2024 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education and Child Care			
Operating Grant, Ministry of Education and Child Care	22,681,558	22,813,165	22,574,209
Other Ministry of Education and Child Care Grants			
Pay Equity	102,398	102,398	102,398
Funding for Graduated Adults		2,135	3,441
Student Transportation Fund	328,264	328,264	328,264
Support Staff Benefits Grant	26,000	26,384	26,384
FSA Scorer Grant	7,500	7,506	7,506
Labour Settlement Funding	180,623	180,623	351,705
Total Provincial Grants - Ministry of Education and Child Care	23,326,343	23,460,475	23,393,907
Tuition			
International and Out of Province Students	480,000	472,050	587,540
Total Tuition	480,000	472,050	587,540
Other Revenues			
Other School District/Education Authorities			25,000
Miscellaneous			
Miscellaneous	163,321	144,827	80,587
GISPA Registration	27,000	23,836	16,500
Homestay Fees	362,000	354,018	396,979
Other International Program Fees	90,000	89,346	85,751
Total Other Revenue	642,321	612,027	604,817
Rentals and Leases	90,000	98,999	65,811
Investment Income	200,000	218,010	320,132
Total Operating Revenue	24,738,664	24,861,561	24,972,207

School District No. 64 (Gulf Islands)**Schedule 2B (Unaudited)**

Schedule of Operating Expense by Object

Year Ended June 30, 2025

	2025 Budget	2025 Actual	2024 Actual
	\$	\$	\$
Salaries			
Teachers	7,381,758	7,039,769	7,851,336
Principals and Vice Principals	2,485,104	2,393,155	2,019,613
Educational Assistants	1,634,013	1,486,334	1,356,867
Support Staff	2,457,876	2,619,256	2,401,288
Other Professionals	1,995,829	1,957,223	2,118,681
Substitutes	749,775	963,221	815,493
Total Salaries	16,704,355	16,458,958	16,563,278
Employee Benefits	4,056,011	3,955,720	3,868,841
Total Salaries and Benefits	20,760,366	20,414,678	20,432,119
Services and Supplies			
Services	1,419,255	1,534,476	1,563,624
Student Transportation	1,149,600	1,110,544	1,082,087
Professional Development and Travel	622,683	518,321	500,514
Rentals and Leases	3,000	3,000	3,000
Dues and Fees	39,850	44,409	40,314
Insurance	82,281	83,121	81,086
Supplies	615,475	559,761	791,883
Utilities	525,000	522,839	549,283
Total Services and Supplies	4,457,144	4,376,471	4,611,791
Total Operating Expense	25,217,510	24,791,149	25,043,910

School District No. 64 (Gulf Islands)

Operating Expense by Function, Program and Object

Year Ended June 30, 2025

Schedule 2C (Unaudited)

	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	5,729,209	739,304	85,964	113,393	43,408	752,276	7,463,554
1.03 Career Programs	148,369	25,523	116,268		61,275	3,642	355,077
1.07 Library Services	137,272			38,452		2,646	178,370
1.08 Counselling	157,222						157,222
1.10 Inclusive Education	673,645	126,787	1,195,629	61,189	228,588	78,656	2,364,494
1.30 English Language Learning	21,475						21,475
1.31 Indigenous Education	3,579	148,581	81,524		3,333	1,393	238,410
1.41 School Administration		1,322,560		396,230		20,242	1,739,032
1.62 International and Out of Province Students	168,998	30,400			155,310		354,708
1.64 Other							-
Total Function 1	7,039,769	2,393,155	1,479,385	609,264	491,914	858,855	12,872,342
4 District Administration							
4.11 Educational Administration					442,344		442,344
4.40 School District Governance					131,054		131,054
4.41 Business Administration				53,272	430,340	1,428	485,040
Total Function 4	-	-	-	53,272	1,003,738	1,428	1,058,438
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				68,890	383,061	5,034	456,985
5.50 Maintenance Operations				1,313,141		86,744	1,399,885
5.52 Maintenance of Grounds				185,242			185,242
5.56 Utilities							-
Total Function 5	-	-	-	1,567,273	383,061	91,778	2,042,112
7 Transportation and Housing							
7.41 Transportation and Housing Administration				5,195	78,510		83,705
7.70 Student Transportation			6,949	384,252		11,160	402,361
7.73 Housing							-
Total Function 7	-	-	6,949	389,447	78,510	11,160	486,066
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	7,039,769	2,393,155	1,486,334	2,619,256	1,957,223	963,221	16,458,958

School District No. 64 (Gulf Islands)

Operating Expense by Function, Program and Object

Year Ended June 30, 2025

Schedule 2C (Unaudited)

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2025 Actual	2025 Budget	2024 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	7,463,554	1,924,084	9,387,638	577,959	9,965,597	9,933,981	10,488,883
1.03 Career Programs	355,077	83,500	438,577	75,817	514,394	422,248	450,627
1.07 Library Services	178,370	39,064	217,434	42,804	260,238	268,930	306,359
1.08 Counselling	157,222	41,886	199,108		199,108	295,011	311,727
1.10 Inclusive Education	2,364,494	551,383	2,915,877	102,604	3,018,481	3,256,928	2,777,392
1.30 English Language Learning	21,475	3,660	25,135		25,135	45,155	66,932
1.31 Indigenous Education	238,410	50,359	288,769	90,292	379,061	320,260	248,863
1.41 School Administration	1,739,032	410,218	2,149,250	162,782	2,312,032	2,567,094	2,124,553
1.62 International and Out of Province Students	354,708	88,268	442,976	490,357	933,333	911,028	1,103,629
1.64 Other	-		-	4,622	4,622		
Total Function 1	12,872,342	3,192,422	16,064,764	1,547,237	17,612,001	18,020,635	17,878,965
4 District Administration							
4.11 Educational Administration	442,344	68,037	510,381	50,775	561,156	650,038	629,131
4.40 School District Governance	131,054	8,156	139,210	76,577	215,787	184,992	212,292
4.41 Business Administration	485,040	138,582	623,622	256,417	880,039	900,066	977,218
Total Function 4	1,058,438	214,775	1,273,213	383,769	1,656,982	1,735,096	1,818,641
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	456,985	118,886	575,871	92,579	668,450	709,152	646,958
5.50 Maintenance Operations	1,399,885	287,881	1,687,766	411,623	2,099,389	2,039,485	2,122,207
5.52 Maintenance of Grounds	185,242	42,290	227,532	43,141	270,673	237,277	230,933
5.56 Utilities	-		-	522,839	522,839	525,000	565,736
Total Function 5	2,042,112	449,057	2,491,169	1,070,182	3,561,351	3,510,914	3,565,834
7 Transportation and Housing							
7.41 Transportation and Housing Administration	83,705	21,368	105,073		105,073	113,673	128,471
7.70 Student Transportation	402,361	78,098	480,459	1,362,158	1,842,617	1,822,192	1,627,814
7.73 Housing	-		-	13,125	13,125	15,000	24,185
Total Function 7	486,066	99,466	585,532	1,375,283	1,960,815	1,950,865	1,780,470
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	16,458,958	3,955,720	20,414,678	4,376,471	24,791,149	25,217,510	25,043,910

School District No. 64 (Gulf Islands)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2025

	2025 Budget	2025 Actual	2024 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	4,328,957	4,380,808	3,601,663
Other		59,143	
Other Revenue	923,000	873,609	943,291
Investment Income		24,022	28,840
Total Revenue	<u>5,251,957</u>	<u>5,337,582</u>	<u>4,573,794</u>
Expenses			
Instruction	5,148,308	5,233,075	4,470,145
Operations and Maintenance	103,649	104,507	103,649
Total Expense	<u>5,251,957</u>	<u>5,337,582</u>	<u>4,573,794</u>
Special Purpose Surplus (Deficit) for the year	<u>-</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, 2025

Deferred Revenue, beginning of year

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

Less: Allocated to Revenue

Deferred Revenue, end of year

Revenues

Provincial Grants - Ministry of Education and Child Care
Provincial Grants - Other
Other Revenue
Investment Income

Expenses

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

Employee Benefits
Services and Supplies

Net Revenue (Expense) before Interfund Transfers

Interfund Transfers

Net Revenue (Expense)

Annual Facility Grant	Learning Improvement Fund	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK	Classroom Enhancement Fund - Overhead	Classroom Enhancement Fund - Staffing
\$	\$	\$	\$	\$	\$	\$	\$	\$
103,649	79,854	211,682	128,000	19,600	80,000	164,268	370,118	2,301,786
103,649	79,854	590,961	128,000	19,600	73,252	164,268	370,118	2,301,786
103,649	79,854	594,953	128,000	19,600	80,744	164,268	370,118	2,301,786
-	-	207,690	-	-	72,508	-	-	-
103,649	79,854	594,953	128,000	19,600	80,744	164,268	370,118	2,301,786
103,649	79,854	594,953	128,000	19,600	80,744	164,268	370,118	2,301,786
-	60,997	-	99,644	10,000	39,899	134,760	70,000	1,872,932
-	18,857	-	1,076	230	6,428	134,760	74,515	428,854
103,649	79,854	594,953	128,000	19,600	80,744	164,268	370,118	2,301,786
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-

School District No. 64 (Gulf Islands)

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

Deferred Revenue, beginning of year

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

Less: Allocated to Revenue

Deferred Revenue, end of year

Revenues

Provincial Grants - Ministry of Education and Child Care
Provincial Grants - Other
Other Revenue
Investment Income

Expenses

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

Employee Benefits

Services and Supplies

Net Revenue (Expense) before Interfund Transfers

Interfund Transfers

Net Revenue (Expense)

Classroom Enhancement Fund - Remedies	First Nation Student Transportation	Mental Health in Schools	Changing Results for Young Children	Seamless Day Kindergarten	Student & Family Affordability	SEY2KT (Early Years to Kindergarten)	ECL (Early Care & Learning)	Feeding Futures Fund
\$	\$	\$	\$	\$	\$	\$	\$	\$
	150				98,699			121,777
317,250	150	57,000	6,750	55,400		19,000	175,000	378,255
317,250	300	57,000	6,750	55,400	98,699	19,000	175,000	394,886
-	-	-	-	14,962	-	-	-	105,146
317,250	300	57,000	6,750	40,438	98,699	19,000	175,000	394,886
317,250	300	57,000	6,750	40,438	98,699	19,000	175,000	394,886
130,882		38,583		33,832		10,393	109,177	106,795
							34,154	3,397
								6,925
123,666						2,355		
254,548	-	38,583	-	33,832	-	12,748	143,331	117,117
62,702	300	12,861		5,157		1,068	31,276	24,689
	300	5,556	6,750	1,449	98,699	5,184	393	253,080
317,250	300	57,000	6,750	40,438	98,699	19,000	175,000	394,886
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-

School District No. 64 (Gulf Islands)
Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2025

Deferred Revenue, beginning of year

Health Career Grants	Professional Learning Grant	ACE-IT	CES	Education	Mayne Teachage	TOTAL
\$	\$	\$	\$	\$	\$	\$
6,898			26,154	1,213,844	6,800	1,766,004
10,000	247,553		62,000			4,506,885
7,500		22,297	23,195	438,525	14,400	1,088,781
				23,425		24,022
17,500	247,553	22,297	85,195	461,950	14,400	5,689,188
10,417	13,049	5,961	59,143	296,159	558	5,337,582
13,981	234,504	16,336	52,206	1,379,635	20,642	2,117,610

Add: Restricted Grants

Provincial Grants - Ministry of Education and Child Care
Provincial Grants - Other
Other
Investment Income

Less: Allocated to Revenue

Deferred Revenue, end of year

Revenues

Provincial Grants - Ministry of Education and Child Care
Provincial Grants - Other
Other Revenue
Investment Income

Expenses

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

Employee Benefits

Services and Supplies

Net Revenue (Expense) before Interfund Transfers

Interfund Transfers

Net Revenue (Expense)

School District No. 64 (Gulf Islands)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2025

	2025 Budget	2025 Actual			2024 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Provincial Grants					
Ministry of Education and Child Care	200,000	187,447		187,447	87,956
Amortization of Deferred Capital Revenue	1,250,000	1,259,711		1,259,711	1,181,858
Total Revenue	<u>1,450,000</u>	<u>1,447,158</u>	-	<u>1,447,158</u>	<u>1,269,814</u>
Expenses					
Operations and Maintenance	200,000	187,447		187,447	87,956
Amortization of Tangible Capital Assets					
Operations and Maintenance	1,450,000	1,497,095		1,497,095	1,372,460
Transportation and Housing	200,000	201,190		201,190	160,324
Total Expense	<u>1,850,000</u>	<u>1,885,732</u>	-	<u>1,885,732</u>	<u>1,620,740</u>
Capital Surplus (Deficit) for the year	<u>(400,000)</u>	<u>(438,574)</u>	-	<u>(438,574)</u>	<u>(350,926)</u>
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	275,000	347,786		347,786	1,198,979
Total Net Transfers	<u>275,000</u>	<u>347,786</u>	-	<u>347,786</u>	<u>1,198,979</u>
Total Capital Surplus (Deficit) for the year	<u>(125,000)</u>	<u>(90,788)</u>	-	<u>(90,788)</u>	<u>848,053</u>
Capital Surplus (Deficit), beginning of year		7,053,953		7,053,953	6,205,900
Capital Surplus (Deficit), end of year		<u>6,963,165</u>	-	<u>6,963,165</u>	<u>7,053,953</u>

School District No. 64 (Gulf Islands)

Tangible Capital Assets
Year Ended June 30, 2025

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	4,107,653	53,673,126	1,861,551	1,670,677	63,578	525,757	61,902,342
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		1,896,215	30,000	505,112			2,431,327
Deferred Capital Revenue - Other				177,341			177,341
Operating Fund		101,981			98,415	147,390	347,786
Asset Retirement Obligation Adjustment		230,000					230,000
Transferred from Work in Progress		461,345					461,345
	-	2,689,541	30,000	682,453	98,415	147,390	3,647,799
Decrease:							
Deemed Disposals			24,841			24,219	49,060
	-	-	24,841	-	-	24,219	49,060
Cost, end of year	4,107,653	56,362,667	1,866,710	2,353,130	161,993	648,928	65,501,081
Work in Progress, end of year		486,972					486,972
Cost and Work in Progress, end of year	4,107,653	56,849,639	1,866,710	2,353,130	161,993	648,928	65,988,053
Accumulated Amortization, beginning of year							
Cost, end of year		32,286,500	542,100	402,634	15,737	168,438	33,415,409
Changes for the Year							
Increase: Amortization for the Year		1,170,655	186,421	201,190	22,557	117,462	1,698,285
Decrease:							
Deemed Disposals			24,841			24,219	49,060
	-	-	24,841	-	-	24,219	49,060
Accumulated Amortization, end of year		33,457,155	703,680	603,824	38,294	261,681	35,064,634
Tangible Capital Assets - Net	4,107,653	23,392,484	1,163,030	1,749,306	123,699	387,247	30,923,419

School District No. 64 (Gulf Islands)

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	610,945				610,945
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	246,292				246,292
Deferred Capital Revenue - Other	91,080				91,080
	<u>337,372</u>	-	-	-	<u>337,372</u>
Decrease:					
Transferred to Tangible Capital Assets	461,345				461,345
	<u>461,345</u>	-	-	-	<u>461,345</u>
Net Changes for the Year	<u>(123,973)</u>	-	-	-	<u>(123,973)</u>
Work in Progress, end of year	<u>486,972</u>	-	-	-	<u>486,972</u>

School District No. 64 (Gulf Islands)

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	18,833,237	1,161,469	178,274	20,172,980
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	2,431,327		177,341	2,608,668
Transferred from Work in Progress	461,345			461,345
	2,892,672	-	177,341	3,070,013
Decrease:				
Amortization of Deferred Capital Revenue	1,180,586	53,506	25,619	1,259,711
	1,180,586	53,506	25,619	1,259,711
Net Changes for the Year	1,712,086	(53,506)	151,722	1,810,302
Deferred Capital Revenue, end of year	20,545,323	1,107,963	329,996	21,983,282
Work in Progress, beginning of year	461,345	149,600		610,945
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	246,292	91,080		337,372
	246,292	91,080	-	337,372
Decrease				
Transferred to Deferred Capital Revenue	461,345			461,345
	461,345	-	-	461,345
Net Changes for the Year	(215,053)	91,080	-	(123,973)
Work in Progress, end of year	246,292	240,680	-	486,972
Total Deferred Capital Revenue, end of year	20,791,615	1,348,643	329,996	22,470,254

School District No. 64 (Gulf Islands)

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	79,125		895,987			975,112
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education and Child Care	2,785,941					2,785,941
Other				106,141		106,141
Donated				71,200		71,200
	2,785,941	-	-	-	177,341	2,963,282
Decrease:						
Transferred to DCR - Capital Additions	2,431,327				177,341	2,608,668
Transferred to DCR - Work in Progress	246,292		91,080			337,372
Expensed Portion of Bylaw Capital	187,447					187,447
	2,865,066	-	91,080	-	177,341	3,133,487
Net Changes for the Year	(79,125)	-	(91,080)	-	-	(170,205)
Balance, end of year	-	-	804,907	-	-	804,907