

Audited Financial Statements of

School District No. 63 (Saanich)

And Independent Auditors' Report thereon

June 30, 2025

School District No. 63 (Saanich)

June 30, 2025

Table of Contents

Management Report	1
Independent Auditors' Report	2-5
Statement of Financial Position - Statement 1	6
Statement of Operations - Statement 2	7
Statement of Changes in Net Debt - Statement 4	8
Statement of Cash Flows - Statement 5	9
Notes to the Financial Statements	10-32
Schedule of Changes in Accumulated Surplus (Deficit) by Fund - Schedule 1 (Unaudited)	33
Schedule of Operating Operations - Schedule 2 (Unaudited)	34
Schedule 2A - Schedule of Operating Revenue by Source (Unaudited)	35
Schedule 2B - Schedule of Operating Expense by Object (Unaudited)	36
Schedule 2C - Operating Expense by Function, Program and Object (Unaudited)	37
Schedule of Special Purpose Operations - Schedule 3 (Unaudited)	39
Schedule 3A - Changes in Special Purpose Funds and Expense by Object (Unaudited)	40
Schedule of Capital Operations - Schedule 4 (Unaudited)	43
Schedule 4A - Tangible Capital Assets (Unaudited)	44
Schedule 4B - Tangible Capital Assets - Work in Progress (Unaudited)	45
Schedule 4C - Deferred Capital Revenue (Unaudited)	46
Schedule 4D - Changes in Unspent Deferred Capital Revenue (Unaudited)	47

School District No. 63 (Saanich)

MANAGEMENT REPORT

Version: 1946-1200-8218

Management's Responsibility for the Financial Statements

The accompanying financial statements of School District No. 63 (Saanich) 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.

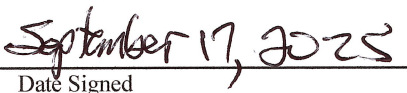
Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and reliable financial information is produced.


The Board of Education of School District No. 63 (Saanich) (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 regularly throughout the year and externally audited financial statements yearly.

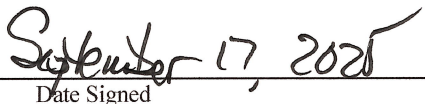
The external auditors, Office of the Auditor General of British Columbia, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of School District No. 63 (Saanich) 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.

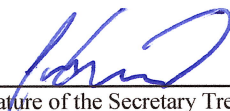
On behalf of School District No. 63 (Saanich)



Signature of the Chairperson of the Board of Education


Date Signed


Signature of the Superintendent


Date Signed


Signature of the Secretary Treasurer


Date Signed



Independent Auditor's Report

*To the Board of Education, School District No. 63 (Saanich), and
To the Minister of Education and Child Care, Province of British Columbia*

Qualified Opinion

I have audited the accompanying financial statements of School District No. 63 (Saanich) ("the entity"), which comprise the statement of financial position as at June 30, 2025, and the statements of operations, changes in net debt, and cash flows, for the year then ended, and a summary of significant accounting policies and other explanatory information.

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the entity as at June 30, 2025, and the results of its operations, changes in its net debt, and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

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

As described in Note 2 a) to the Financial Statements, the entity's accounting treatment for contributions received from governments and for externally restricted contributions received from non-government sources is to initially record them as deferred revenue (a liability) and then recognize revenue in the statement of operations either on the same basis as the related expenditures occur or, in the case of funds for the purchase or construction of capital assets, to recognize revenue on the same basis as the related assets are amortized. The entity was required to adopt this accounting policy as prescribed by Province of British Columbia Treasury Board Regulation 198/2011.

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

This departure has existed since the inception of the standard, which applies to periods beginning on or after April 1, 2012. Had the entity made an adjustment for this departure in the current year, the deferred capital revenue and deferred revenue liabilities as at June 30, 2025 would have been lower by \$117.3 million and \$0.9 million respectively, revenue, annual surplus and accumulated surplus would have been higher by \$118.2 million, and net debt would have been lower by \$118.2 million.

Independent Auditor's Report

School District No. 63 (Saanich)

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

Other Accompanying Information

Management is responsible for the other information accompanying the financial statements. The other information comprises the information included in the Financial Statement Discussion and Analysis, Unaudited Schedules 1 to 4D, and the Statement of Financial Information, but does not include the financial statements and my auditor's report thereon. The Statement of Financial Information is expected to be made available to me after the date of this auditor's report.

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

In connection with my audit of the financial statements, my responsibility is to read the other information that I have obtained prior to the date of my auditor's report and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or my knowledge obtained during the audit or otherwise appears to be materially misstated.

Prior to the date of my auditor's report, I obtained a copy of the Financial Statement Discussion and Analysis, and Unaudited Schedules 1 to 4D. If, based on the work I have performed on this other information, I conclude that there is a material misstatement therein, I am required to report that fact in this auditor's report.

As described in the Basis for Qualified Opinion section above, the entity has inappropriately deferred certain of its revenues from government transfers. I have concluded that the other information is materially misstated for the same reason with respect to the amounts or other items in the Financial Statement Discussion and Analysis and Unaudited Schedules 1 to 4D affected by this departure from Canadian public sector accounting standards.

When I read the Statement of Financial Information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance.

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

Those charged with governance are responsible for the oversight of the financial reporting process. Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Independent Auditor's Report

School District No. 63 (Saanich)

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 when the entity will continue its operations for the foreseeable future.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Independent Auditor's Report

School District No. 63 (Saanich)

I 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 I identify during my audit.

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



Sheila Dodds, CPA, CA, CIA
Acting Auditor General of British Columbia



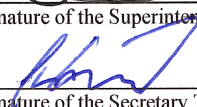
Victoria, British Columbia, Canada
September 23, 2025

School District No. 63 (Saanich)

Statement 1

Statement of Financial Position

As at June 30, 2025

	2025 Actual	2024 Actual
	\$	\$
Financial Assets		
Cash and Cash Equivalents	23,686,109	21,521,971
Accounts Receivable		
Due from Province - Ministry of Education and Child Care	1,187,143	1,379,570
Due from Province - Other	-	95,581
Due from First Nations	852,798	809,892
Other (Note 3)	856,343	1,108,086
Portfolio Investments (Note 4)	6,235,310	6,222,682
Construction Security Deposits (Note 5)	-	61,275
Total Financial Assets	32,817,703	31,199,057
Liabilities		
Accounts Payable and Accrued Liabilities		
Other (Note 6)	11,789,482	11,308,508
Unearned Revenue (Note 7)	5,761,057	6,054,707
Deferred Revenue (Note 8)	2,999,636	2,781,680
Deferred Capital Revenue (Note 9)	117,570,596	119,395,220
Employee Future Benefits (Note 10)	4,579,382	4,364,897
Asset Retirement Obligation (Note 11)	13,608,539	13,198,443
Debt (Note 12)	188,053	200,000
Total Liabilities	156,496,745	157,303,455
Net Debt	(123,679,042)	(126,104,398)
Non-Financial Assets		
Tangible Capital Assets (Note 13)	142,616,311	144,289,281
Prepaid Expenses	896,806	921,014
Total Non-Financial Assets	143,513,117	145,210,295
Accumulated Surplus (Deficit) (Note 14)	19,834,075	19,105,897
Contractual Obligations (Note 15)		
Contractual Rights (Note 16)		
Contingent Liabilities (Note 17)		
Approved by the Board		
		September 17, 2025
Signature of the Chairperson of the Board of Education		Date Signed
		September 17, 2025
Signature of the Superintendent		Date Signed
		September 17, 2025
Signature of the Secretary Treasurer		Date Signed

School District No. 63 (Saanich)

Statement 2

Statement of Operations

Year Ended June 30, 2025

	2025 Budget (Note 18) \$	2025 Actual \$	2024 Actual \$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	105,013,611	105,732,192	100,548,302
Other	173,750	208,750	200,332
Federal Grants	544,918	544,918	578,601
Tuition	4,582,194	4,756,763	4,412,299
Other Revenue	10,740,579	12,207,038	11,062,163
Rentals and Leases	464,500	501,252	411,696
Investment Income	680,000	1,019,632	1,027,763
Amortization of Deferred Capital Revenue	5,350,000	5,987,675	5,632,028
Total Revenue	<u>127,549,552</u>	<u>130,958,220</u>	<u>123,873,184</u>
Expenses (Note 19)			
Instruction	105,682,935	104,109,106	98,069,767
District Administration	4,592,166	4,368,092	3,745,100
Operations and Maintenance	18,990,400	18,817,926	17,712,028
Transportation and Housing	2,570,760	2,524,822	2,089,246
Revaluation of Asset Retirement Obligation		410,096	509,802
Total Expense	<u>131,836,261</u>	<u>130,230,042</u>	<u>122,125,943</u>
Surplus (Deficit) for the year	<u>(4,286,709)</u>	<u>728,178</u>	<u>1,747,241</u>
Accumulated Surplus (Deficit) from Operations, beginning of year		19,105,897	17,358,656
Accumulated Surplus (Deficit) from Operations, end of year		<u>19,834,075</u>	<u>19,105,897</u>

School District No. 63 (Saanich)

Statement 4

Statement of Changes in Net Debt

Year Ended June 30, 2025

	2025 Budget (Note 18)	2025 Actual	2024 Actual
	\$	\$	\$
Surplus (Deficit) for the year	(4,286,709)	728,178	1,747,241
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(1,339,000)	(6,290,932)	(7,730,743)
Amortization of Tangible Capital Assets	7,650,000	7,963,902	7,524,504
Total Effect of change in Tangible Capital Assets	6,311,000	1,672,970	(206,239)
Acquisition of Prepaid Expenses		(896,806)	(921,014)
Use of Prepaid Expenses		921,014	1,032,741
Total Effect of change in Other Non-Financial Assets	-	24,208	111,727
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	2,024,291	2,425,356	1,652,729
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Debt		2,425,356	1,652,729
Net Debt, beginning of year		(126,104,398)	(127,757,127)
Net Debt, end of year		(123,679,042)	(126,104,398)

School District No. 63 (Saanich)

Statement 5

Statement of Cash Flows

Year Ended June 30, 2025

	2025 Actual	2024 Actual
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	728,178	1,747,241
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	496,845	(704,438)
Prepaid Expenses	24,208	111,727
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	480,974	1,083,220
Unearned Revenue	(293,650)	290,096
Deferred Revenue	217,956	631,743
Employee Future Benefits	214,485	284,820
Asset Retirement Obligations	410,096	509,802
Amortization of Tangible Capital Assets	7,963,902	7,524,504
Amortization of Deferred Capital Revenue	(5,987,675)	(5,632,028)
Construction Security Deposits	61,275	526,654
Total Operating Transactions	4,316,594	6,373,341
Capital Transactions		
Tangible Capital Assets Purchased	(2,322,113)	(2,270,378)
Tangible Capital Assets -WIP Purchased	(3,968,819)	(5,260,365)
Tangible Capital Assets Purchased With Loan	-	(200,000)
Total Capital Transactions	(6,290,932)	(7,730,743)
Financing Transactions		
Loan Proceeds	-	200,000
Loan Payments	(11,947)	-
Capital Revenue Received	4,163,051	6,677,640
Total Financing Transactions	4,151,104	6,877,640
Investing Transactions		
Investments in Portfolio Investments	(12,628)	(6,011,098)
Total Investing Transactions	(12,628)	(6,011,098)
Net Increase (Decrease) in Cash and Cash Equivalents	2,164,138	(490,860)
Cash and Cash Equivalents, beginning of year	21,521,971	22,012,831
Cash and Cash Equivalents, end of year	23,686,109	21,521,971
Cash and Cash Equivalents, end of year, is made up of:		
Cash	23,540,023	21,381,202
Cash Equivalents	146,086	140,769
	23,686,109	21,521,971

SCHOOL DISTRICT No. 63 (SAANICH)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 1 AUTHORITY AND PURPOSE

The school district 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. 63 (Saanich)", and operates as "School District No. 63 (Saanich)". 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. 63 (Saanich) is exempt from federal and provincial corporate income taxes.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the school district 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. This Section requires that the financial statements be prepared in accordance with Canadian public sector accounting standards except in regard to the accounting for government transfers as set out in Notes 2(f) and 2(m).

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

As noted in notes 2(f) and 2(m), Section 23.1 of the *Budget Transparency and Accountability Act* and its related regulations require the school district to recognize government transfers for the acquisition of capital assets into revenue on the same basis as the related amortization expense.

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

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

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.

SCHOOL DISTRICT No. 63 (SAANICH)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

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

b) Cash and Cash Equivalents

Cash and cash equivalents include cash and highly liquid securities 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.

c) Accounts Receivable

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

d) Portfolio Investments

The school district has investments in Guaranteed Investment Certificates (GICs) with terms to maturity of greater than three months. GICs are reported at cost.

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 (m).

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

This accounting treatment is not consistent with the requirements of Canadian public sector accounting standards, which require that government transfers be recognized as revenue when approved by the transferor and eligibility criteria have been met unless the transfer contains a stipulation that creates a liability in which case the transfer is recognized as revenue over the period that the liability is extinguished.

SCHOOL DISTRICT No. 63 (SAANICH)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

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

g) Employee Future Benefits

The school district provides certain post-employment benefits including vested and non-vested benefits for certain employees pursuant to certain contracts and union agreements. The school district accrues its obligations and related costs including both vested and non-vested benefits under employee future benefit plans. Benefits include vested sick leave, accumulating non-vested sick leave, early retirement, retirement/severance, vacation, overtime and death benefits. The benefits cost is actuarially determined using the projected unit credit method pro-rated on service and using management's best estimate of expected salary escalation, termination rates, retirement rates and mortality. The discount rate used to measure obligations is based on the cost of borrowing. The cumulative unrecognized actuarial gains and losses are amortized over the expected average remaining service lifetime (EARSL) of active employees covered under the plan.

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

The school district and its employees make contributions to the Teachers' Pension Plan and Municipal Pension Plan. The plans are jointly trustee plans where assets and obligations are not separated. The costs are expensed as incurred.

h) Asset Retirement Obligations

An asset retirement obligation is recognized when, as at the financial reporting date, all of the following criteria are met:

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

The liability for the removal of asbestos and other hazardous material in several of the buildings owned by the school district has been measured at current cost as the timing and amounts of future cash flows cannot be estimated. The resulting costs have been capitalized into the carrying amount of tangible capital assets and are being amortized on the same basis as the related tangible capital asset. Assumptions used in the calculation are reviewed annually.

SCHOOL DISTRICT No. 63 (SAANICH)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

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

i) Liability for Contaminated Sites

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

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

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

j) Tangible Capital Assets

The following criteria apply:

- Tangible capital assets acquired or constructed are recorded at cost which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost also includes overhead directly attributable to construction as well as interest costs that are directly attributable to the acquisition or construction of the asset.
- Donated tangible capital assets are recorded at their fair market value on the date of donation, except in circumstances where fair value cannot be reasonably determined, which are then recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.
- Work in progress is recorded as an acquisition to the applicable asset class at substantial completion.
- Tangible capital assets are written down to residual value when conditions indicate they no longer contribute to the ability of the school district to provide services or when the value of future economic benefits associated with the sites and buildings are less than their net book value. The write-downs are accounted for as expenses in the Statement of Operations.
- Buildings that are demolished or destroyed are written-off.
- Works of art, historic assets and other non-purchased 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

SCHOOL DISTRICT No. 63 (SAANICH)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

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

j) Tangible Capital Assets (continued)

regular basis or if significant events initiate the need to revise. Estimated useful life is as follows:

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

k) Prepaid Expenses

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 (see Note 14 – Accumulated Surplus).

m) Revenue Recognition

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

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

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.

SCHOOL DISTRICT No. 63 (SAANICH)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

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

m) Revenue Recognition (continued)

The accounting treatment for restricted contributions that are government transfers is not consistent with the requirements of Canadian public sector accounting standards, which require that government transfers be recognized as revenue when approved by the transferor and eligibility criteria have been met unless the transfer contains a stipulation that meets the criteria for liability recognition in which case the transfer is recognized as revenue over the period that the liability is extinguished.

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

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

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

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

n) Expenditures

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

Categories of Salaries

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

Allocation of Costs

- Operating expenses are reported by function, program, and object. Whenever possible, expenditures are determined by actual identification. Additional costs pertaining to specific instructional programs, such as special and indigenous 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. 63 (SAANICH)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 2 SUMMARY OF 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, portfolio investments, construction security deposits, accounts payable and accrued liabilities and debt. 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 instruments upon initial recognition. Transaction costs are incremental costs directly attributable to the acquisition or issue of a financial asset or a financial liability.

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

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

p) Measurement Uncertainty

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

q) Comparative Figures

Certain comparative figures presented in the financial statements have been reclassified to conform to the financial statement presentation adopted in the current year.

SCHOOL DISTRICT No. 63 (SAANICH)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 3 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	June 30, 2025	June 30, 2024
	\$	\$
Due from Federal Government	88,695	137,627
Other	99,617	213,260
Accrued Interest Receivable	26,581	128,129
BC Public School Employers' Association Benefit Surplus	641,450	629,070
	<u>856,343</u>	<u>1,108,086</u>

NOTE 4 PORTFOLIO INVESTMENTS

	June 30, 2025	June 30, 2024
Investments measured at cost:	\$	\$
GICs	6,235,310	6,222,682
	<u>6,235,310</u>	<u>6,222,682</u>

NOTE 5 CONSTRUCTION SECURITY DEPOSIT

The school district paid construction security deposits as security for performance of various obligations during construction in progress. Projects are now complete and security deposits have been returned.

	June 30, 2025	June 30, 2024
	\$	\$
District of Central Saanich	-	61,275
	<u>-</u>	<u>61,275</u>

SCHOOL DISTRICT No. 63 (SAANICH)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 6 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES – OTHER

	June 30, 2025	June 30, 2024
	\$	\$
Trade payables	1,491,412	1,898,581
Salaries and benefits payable	9,648,919	8,909,359
Accrued vacation pay	649,151	500,568
	<u>11,789,482</u>	<u>11,308,508</u>

NOTE 7 UNEARNED REVENUE

	June 30, 2025	June 30, 2024
	\$	\$
Balance, beginning of year	6,054,707	5,764,611
Changes for the year:		
Increase:		
Tuition fees collected	3,631,911	4,043,054
Homestay fees collected	2,090,888	1,893,960
Other deferred revenue	38,258	-
	<u>5,761,057</u>	<u>5,937,014</u>
Decrease:		
Tuition and other fees recognized as revenue	(4,114,457)	(3,563,795)
Homestay fees recognized as revenue	(1,940,250)	(2,083,123)
Net changes for the year	<u>(293,650)</u>	<u>290,096</u>
Balance, end of year	<u><u>5,761,057</u></u>	<u><u>6,054,707</u></u>

SCHOOL DISTRICT No. 63 (SAANICH)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 8 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. Detailed information about the changes in deferred revenue is included in Schedule 3A.

	June 30, 2025	June 30, 2024
	\$	\$
Balance, beginning of year	2,781,680	2,149,937
Changes for the year:		
Increase:		
Provincial Grants	15,466,899	15,363,938
Other	4,658,001	4,136,461
Investment Income	89,781	94,627
	20,214,681	19,595,026
Decrease:		
Transfers to Revenue	(19,996,725)	(18,963,283)
Net changes for the year	217,956	631,743
Balance, end of year	2,999,636	2,781,680

SCHOOL DISTRICT No. 63 (SAANICH)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 9 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. Detailed information about the changes in deferred capital revenue is included in Schedules 4C and 4D.

	June 30, 2025	June 30, 2024
Balance, deferred capital revenue, subject to amortization, beginning of year	\$ 118,263,088	\$ 114,196,808
Changes for the year:		
Increase:		
Capital Additions	589,553	1,369,740
Transfer from work in progress	2,314,585	8,328,568
Decrease:		
Amortization	(5,987,675)	(5,632,028)
Net changes for the year	(3,083,537)	4,066,280
Balance, deferred capital revenue, subject to amortization, end of year	115,179,551	118,263,088
Balance, deferred capital revenue, not subject to amortization, beginning of year	908,039	3,980,814
Transfer from unspent deferred capital revenue – work in progress	3,532,469	5,255,793
Transfer completed projects to deferred capital revenue, subject to amortization	(2,314,585)	(8,328,568)
Net changes for the year	1,217,884	(3,072,775)
Balance, deferred capital revenue not subject to amortization, end of year	2,125,923	908,039

SCHOOL DISTRICT No. 63 (SAANICH)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 9 DEFERRED CAPITAL REVENUE (continued)

Balance, unspent deferred capital revenue, beginning of year	224,093	171,986
Changes for the year:		
Increase:		
Provincial Grants, Ministry of Education and Child Care	3,156,542	3,654,473
Provincial Grants, Other	150,000	1,577,547
Other Capital	178,325	169,000
Investment income	8,100	40,107
Return of Construction Security Deposit after Project Completion	-	10,000
Receivable from Ministry of Education and Child Care – COA Draws	639,453	697,785
Receivable from Ministry of Education and Child Care - Daycare	30,631	528,728
Decrease:		
Transferred to deferred capital revenue – Capital Additions	(589,553)	(1,369,740)
Transferred to deferred capital revenue – Work in Progress	(3,532,469)	(5,255,793)
Net changes for the year	41,029	52,107
Balance, unspent deferred capital revenue, end of year	265,122	224,093
Balance, end of year	117,570,596	119,395,220

SCHOOL DISTRICT No. 63 (SAANICH)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 10 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.

	June 30, 2025	June 30, 2024
Reconciliation of Accrued Benefit Obligation		
	\$	\$
Accrued Benefit Obligation – April 1	4,398,051	4,380,630
Service Cost	321,892	327,302
Interest Cost	191,839	180,095
Benefit Payments	(334,989)	(447,760)
Actuarial (Gain)/Loss	56,485	(42,216)
	<u>4,633,278</u>	<u>4,398,051</u>
Accrued Benefit Obligation – March 31	4,633,278	4,398,051
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation – March 31	4,633,278	4,398,051
Market Value of Plan Assets – March 31	-	-
Funded Status – Deficit	(4,633,278)	(4,398,051)
Employer Contributions After Measurement Date	216,984	181,622
Benefits Expense After Measurement Date	(144,559)	(128,433)
Unamortized Net Actuarial (Gain)/Loss	(18,529)	(20,035)
	<u>(4,579,382)</u>	<u>(4,364,897)</u>
Accrued Benefit Liability – June 30	(4,579,382)	(4,364,897)
Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability – July 1	4,364,897	4,080,077
Net expense for Fiscal Year	584,836	584,439
Employer Contributions	(370,351)	(299,619)
	<u>4,579,382</u>	<u>4,364,897</u>
Accrued Benefit Liability – June 30	4,579,382	4,364,897
Components of Net Benefit Expense		
	\$	\$
Service Cost	390,979	322,730
Interest Cost	189,042	192,882
Amortization of Net Actuarial (Gain)/Loss	8,318	54,979
Net Benefit Expense (Income)	<u>588,339</u>	<u>570,591</u>

SCHOOL DISTRICT No. 63 (SAANICH)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 10 EMPLOYEE FUTURE BENEFITS *(continued)*

The significant actuarial assumptions adopted for measuring the school district's accrued benefit obligations are:

	June 30, 2025	June 30, 2024
Discount Rate – April 1	4.25%	4.00%
Discount Rate – March 31	4.00%	4.25%
Long Term Salary Growth – April 1	2.50% + seniority	2.50% + seniority
Long Term Salary Growth – March 31	2.50% + seniority	2.50% + seniority
EARSL – March 31	12.0 years	11.1 years

NOTE 11 ASSET RETIREMENT OBLIGATION

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

	June 30, 2025	June 30, 2024
	\$	\$
Asset Retirement Obligation, opening balance	13,198,443	12,688,641
Settlements during the year	-	-
Revaluation of asset retirement obligation	410,096	509,802
Asset Retirement Obligation, closing balance	13,608,539	13,198,443

NOTE 12 DEBT

The following loan approved under *Section 144* of the *School Act* is outstanding:

	June 30, 2025	June 30, 2024
	\$	\$
Go Zero Emission School Bus British Columbia Inc. loan	188,053	200,000

Go Zero Emission School Bus British Columbia Inc. is a wholly owned subsidiary of the Association of School Transportation Services of BC. The \$200,000 loan was approved on June 21, 2023 to purchase two electric buses, borrowed on October 20, 2023 for a term of 12 years, bearing interest at 1% per annum. The loan is repayable in blended quarterly principal plus interest payments with payments not exceeding operating cost savings of electric vs. diesel buses. The loan is secured by two vehicles which have a carrying value of \$441,715 per bus. Principal and interest paid to date are \$11,947 and \$3,121 respectively.

SCHOOL DISTRICT No. 63 (SAANICH)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 12 DEBT (continued)

Anticipated annual principal repayments over the next 5 years and thereafter are as follows:

	\$					
	2026	2027	2028	2029	2030	Thereafter
Principal repayments	16,667	16,667	16,667	16,667	16,667	99,998

NOTE 13 TANGIBLE CAPITAL ASSETS

Net Book Value:

	Net Book Value 2025	Net Book Value 2024
	\$	\$
Sites	6,088,418	6,088,418
Buildings	120,958,614	125,454,692
Buildings - Work in Progress	485,237	142,902
Furniture & Equipment	8,470,691	8,084,718
Furniture & Equipment - Work in Progress	2,081,611	769,710
Vehicles	2,123,668	1,779,827
Computer Software	-	1,067
Computer Hardware	2,408,072	1,967,947
Total	142,616,311	144,289,281

SCHOOL DISTRICT No. 63 (SAANICH)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 13 TANGIBLE CAPITAL ASSETS *(continued)*

June 30, 2025

Cost:	Opening Cost	Additions	Disposals	Transfers	Total 2025
	\$	\$	\$	\$	\$
Sites	6,088,418	-	-	-	6,088,418
Buildings	248,114,679	410,096	-	1,034,296	249,559,071
Work in Progress	142,902	1,376,631	-	(1,034,296)	485,237
Furniture & Equipment	11,918,973	362,606	(342,455)	1,280,287	13,219,411
Work in Progress	769,710	2,592,188	-	(1,280,287)	2,081,611
Vehicles	2,830,301	652,325	(143,249)	-	3,339,377
Computer Software	10,698	-	(10,698)	-	-
Computer Hardware	4,046,424	1,307,182	(729,463)	-	4,624,143
Total	273,922,105	6,701,028	(1,225,865)	-	279,397,268

Accumulated Amortization:	Opening Accumulated Amortization	Additions	Disposals	Transfers	Total 2025
	\$	\$	\$	\$	\$
Sites	-	-	-	-	-
Buildings	122,659,987	5,940,470	-	-	128,600,457
Furniture & Equipment	3,834,255	1,256,920	(342,455)	-	4,748,720
Vehicles	1,050,474	308,484	(143,249)	-	1,215,709
Computer Software	9,631	1,067	(10,698)	-	-
Computer Hardware	2,078,477	867,057	(729,463)	-	2,216,071
Total	129,632,824	8,373,998	(1,225,865)	-	136,780,957

SCHOOL DISTRICT No. 63 (SAANICH)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 13 TANGIBLE CAPITAL ASSETS *(continued)*

June 30, 2024

Cost:	Opening Cost	Additions	Disposals	Transfers	Total 2024
	\$	\$	\$	\$	\$
Sites	6,088,418	-	-	-	6,088,418
Buildings	241,726,698	1,288,589	-	5,099,392	248,114,679
Work in Progress	2,793,079	2,449,215	-	(5,099,392)	142,902
Furniture & Equipment	9,060,220	939,033	(470,125)	2,389,845	11,918,973
Work in Progress	1,187,735	2,811,150	-	(3,229,175)	769,710
Vehicles	1,695,590	295,381	-	839,330	2,830,301
Computer Software	46,159	-	(35,461)	-	10,698
Computer Hardware	3,836,598	457,177	(247,351)	-	4,046,424
Total	266,434,497	8,240,545	(752,937)	-	273,922,105

Accumulated Amortization:	Opening Accumulated Amortization	Additions	Disposals	Transfers	Total 2024
	\$	\$	\$	\$	\$
Sites	-	-	-	-	-
Buildings	116,694,924	5,965,063	-	-	122,659,987
Furniture & Equipment	3,255,420	1,048,960	(470,125)	-	3,834,255
Vehicles	824,179	226,295	-	-	1,050,474
Computer Software	39,406	5,686	(35,461)	-	9,631
Computer Hardware	1,537,526	788,302	(247,351)	-	2,078,477
Total	122,351,455	8,034,306	(752,937)	-	129,632,824

SCHOOL DISTRICT No. 63 (SAANICH)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 14 ACCUMULATED SURPLUS

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

	June 30, 2025	June 30, 2024
	\$	\$
Invested in tangible capital assets	11,507,107	11,724,520
Local capital surplus	349,560	621,220
Operating surplus	7,977,408	6,760,157
	<u>19,834,075</u>	<u>19,105,897</u>

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

- \$1,649,146 was transferred from the operating fund to the capital fund and \$83,414 was transferred from the special purpose fund to the capital fund for the purchase of capital assets.
- \$146,490 was transferred from the operating fund to the local capital fund for future purchases of capital assets.

The operating surplus has been internally restricted (appropriated) by the Board for the 2025/2026 budget.

	<u>June 30, 2025</u>
	\$
School Activities	312,057
District Activities	1,654,122
Appropriated for 2025/26 Budget	<u>2,428,256</u>
Subtotal Internally Restricted	4,394,436
Unrestricted Operating Surplus	<u>3,582,972</u>
Total Available for Future Operations	<u><u>7,977,408</u></u>

SCHOOL DISTRICT No. 63 (SAANICH)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 15 CONTRACTUAL OBLIGATIONS

The school district has entered into contracts related to capital projects with a remaining cost of approximately \$4,753,627.

The following table summarizes other contractual obligations of the school district:

\$						
Contractual Obligations	2026	2027	2028	2029	2030	Thereafter
Various purchase contracts	515,076	225,362	41,035	-	-	-

NOTE 16 CONTRACTUAL RIGHTS

Contractual rights are rights to economic resources arising from contracts or agreements that will result in revenues and assets in the future. The school district's contractual rights arise because of contracts entered into for the license or lease of district facilities. The following table summarizes the contractual rights of the school district for future assets:

\$						
Contractual Rights	2026	2027	2028	2029	2030	Thereafter
Leases of Property	454,737	446,791	181,266	169,878	172,925	1,166,262

NOTE 17 CONTINGENT LIABILITIES

The school district, in conducting its usual business activities, is involved in various legal claims and litigation. In the event any unsettled claims are successful, management believes that such claims are not expected to have a material effect on the school district's financial position, and accordingly, no provision has been made in these financial statements for any liability that may result. Any losses arising from these actions will be recorded in the year in which the related litigation is settled.

SCHOOL DISTRICT No. 63 (SAANICH)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 18 BUDGET FIGURES

Budget figures included in the financial statements were approved by the Board through the adoption of an amended annual budget bylaw on March 12, 2025. The original annual budget was adopted on June 19, 2024. The original and amended budgets are presented below.

	2025 Amended Annual Budget	2025 Annual Budget
Revenues		
	\$	\$
Provincial Grants	105,187,361	101,918,768
Federal Grants	544,918	574,915
Tuition	4,582,194	4,544,616
Other Revenue	10,740,579	9,169,380
Rentals and Leases	464,500	525,738
Investment Income	680,000	733,000
Amortization of Deferred Capital Revenue	5,350,000	5,350,000
Total Revenue	127,549,552	122,816,417
Expenses		
Instruction	105,682,935	100,348,337
District Administration	4,592,166	4,214,106
Operations and Maintenance	18,990,400	18,360,790
Transportation and Housing	2,570,760	2,152,663
Total Expense	131,836,261	125,075,896
Net Revenue (Expense)	(4,286,709)	(2,259,479)
Budgeted Allocation of Surplus	3,487,312	1,522,967
Budgeted Surplus (Deficit) for the year	(799,397)	(736,512)

SCHOOL DISTRICT No. 63 (SAANICH)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 19 EXPENSE BY OBJECT

	June 30, 2025	June 30, 2024
	\$	\$
Salaries and benefits	104,090,108	97,895,301
Services and supplies	17,765,936	16,196,336
Amortization	7,963,902	7,524,504
Revaluation of asset retirement obligation	410,096	509,802
	<u>130,230,042</u>	<u>122,125,943</u>

NOTE 20 EMPLOYEE PENSION PLANS

The school district and its employees contribute to the Teachers' Pension Plan and Municipal Pension Plan (jointly trustee pension plans). The boards of trustees for these plans, representing plan members and employers, are responsible for administering the pension plans, including investing assets and administering benefits. The plans are jointly trustee defined benefit pension plans. Basic pension benefits are based on a formula. As at December 31, 2024, the Teachers' Pension Plan has about 52,000 active members and approximately 43,000 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, 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 \$8,525,409 for employer contributions to the plans for the year ended June 30, 2025 (2024: \$8,024,885).

The next valuation for the Teachers' Pension Plan will be as at December 31, 2026 with results available in late 2027. The next valuation for the Municipal Pension Plan will be as at December 31, 2024, with results available in fall 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.

SCHOOL DISTRICT No. 63 (SAANICH)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 21 RELATED PARTY TRANSACTIONS

The school district is related through common ownership to all Province of British Columbia ministries, agencies, school districts, health authorities, colleges, universities, and crown corporations. Related parties also include key management personnel and close family members. Transactions with these entities, unless disclosed separately, are considered to be in the normal course of operations and are recorded at the exchange amount.

NOTE 22 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.

NOTE 23 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.

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 exposure from 2024 related to credit, market or liquidity risks.

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 and are collectible.

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

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.

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. 63 (SAANICH)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 23 RISK MANAGEMENT (continued)

b) Market Risk (continued)

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The school district is exposed to interest rate risk through its investments. It is management's opinion that the school district is not exposed to significant interest rate risk as they invest solely in guaranteed investment certificates that have a maturity date of no more than 3 years. The school district is also exposed to interest rate risk through its debt. It is management's opinion that the school district is not exposed to significant interest rate risk as interest rate is low and fixed.

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.

School District No. 63 (Saanich)

Schedule 1 (Unaudited)

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

	Operating Fund	Special Purpose Fund	Capital Fund	2025 Actual	2024 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	6,760,157		12,345,740	19,105,897	17,358,656
Changes for the year					
Surplus (Deficit) for the year	3,012,887	83,414	(2,368,123)	728,178	1,747,241
Interfund Transfers					
Tangible Capital Assets Purchased	(1,649,146)	(83,414)	1,732,560	-	
Local Capital	(146,490)		146,490	-	
Net Changes for the year	1,217,251	-	(489,073)	728,178	1,747,241
Accumulated Surplus (Deficit), end of year - Statement 2	7,977,408	-	11,856,667	19,834,075	19,105,897

School District No. 63 (Saanich)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2025

	2025 Budget (Note 18)	2025 Actual	2024 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	89,064,782	90,355,753	85,593,230
Other	173,750	208,750	200,332
Federal Grants	544,918	544,918	578,601
Tuition	4,582,194	4,756,763	4,412,299
Other Revenue	7,680,579	7,676,533	7,070,459
Rentals and Leases	464,500	501,252	411,696
Investment Income	650,000	911,651	983,442
Total Revenue	103,160,723	104,955,620	99,250,059
Expenses			
Instruction	87,362,516	84,799,580	79,869,117
District Administration	4,505,522	4,281,447	3,658,454
Operations and Maintenance	11,284,528	10,829,983	10,007,947
Transportation and Housing	2,008,866	2,031,723	1,744,420
Total Expense	105,161,432	101,942,733	95,279,938
Operating Surplus (Deficit) for the year	(2,000,709)	3,012,887	3,970,121
Budgeted Appropriation (Retirement) of Surplus (Deficit)	3,487,312		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(1,339,000)	(1,649,146)	(749,054)
Local Capital	(147,603)	(146,490)	(120,353)
Total Net Transfers	(1,486,603)	(1,795,636)	(869,407)
Total Operating Surplus (Deficit), for the year	-	1,217,251	3,100,714
Operating Surplus (Deficit), beginning of year		6,760,157	3,659,443
Operating Surplus (Deficit), end of year		7,977,408	6,760,157
Operating Surplus (Deficit), end of year			
Internally Restricted		4,394,436	3,678,596
Unrestricted		3,582,972	3,081,561
Total Operating Surplus (Deficit), end of year		7,977,408	6,760,157

School District No. 63 (Saanich)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2025

	2025 Budget (Note 18)	2025 Actual	2024 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education and Child Care			
Operating Grant, Ministry of Education and Child Care	91,058,993	91,775,264	86,349,920
ISC/LEA Recovery	(4,149,650)	(3,554,356)	(3,344,157)
Other Ministry of Education and Child Care Grants			
Pay Equity	377,315	377,315	377,315
Funding for Graduated Adults	550,000	592,471	454,232
Student Transportation Fund	280,000	280,000	280,000
FSA Scorer Grant	14,464	14,464	15,214
Labour Settlement Funding	989,678	870,595	1,460,706
Operating Grant Enrolment Adjustment	(144,635)		
Indigenous Education Council	88,617	-	-
Total Provincial Grants - Ministry of Education and Child Care	89,064,782	90,355,753	85,593,230
Provincial Grants - Other	173,750	208,750	200,332
Federal Grants	544,918	544,918	578,601
Tuition			
International and Out of Province Students	4,582,194	4,756,763	4,412,299
Total Tuition	4,582,194	4,756,763	4,412,299
Other Revenues			
Funding from First Nations	4,149,650	3,554,356	3,344,157
Miscellaneous			
Miscellaneous and School Generated	367,828	530,205	355,808
Cafeteria	109,176	304,010	273,820
Textbook Deposits and Distance Ed Fees	50,000	105,650	83,250
International and Out of Province Homestay Fees	2,980,500	3,025,494	2,932,087
Community Use	-	106,993	69,162
Bus Fees	23,425	49,825	12,175
Total Other Revenue	7,680,579	7,676,533	7,070,459
Rentals and Leases	464,500	501,252	411,696
Investment Income	650,000	911,651	983,442
Total Operating Revenue	103,160,723	104,955,620	99,250,059

School District No. 63 (Saanich)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2025

	2025 Budget (Note 18)	2025 Actual	2024 Actual
	\$	\$	\$
Salaries			
Teachers	40,377,138	39,499,683	37,577,492
Principals and Vice Principals	5,408,507	5,390,234	5,086,394
Educational Assistants	7,556,725	7,035,119	6,384,311
Support Staff	10,200,970	9,761,885	9,187,313
Other Professionals	4,888,663	4,461,780	3,837,304
Substitutes	4,445,674	5,439,761	4,780,151
Total Salaries	72,877,677	71,588,462	66,852,965
Employee Benefits	18,402,941	18,468,581	17,330,286
Total Salaries and Benefits	91,280,618	90,057,043	84,183,251
Services and Supplies			
Services	5,982,511	4,711,838	4,732,804
Professional Development and Travel	837,387	671,589	641,820
Rentals and Leases	164,000	166,487	157,523
Dues and Fees	701,328	730,040	684,662
Insurance	255,000	267,553	257,441
Supplies	4,477,887	3,782,838	3,100,910
Utilities	1,462,701	1,555,345	1,521,527
Total Services and Supplies	13,880,814	11,885,690	11,096,687
Total Operating Expense	105,161,432	101,942,733	95,279,938

School District No. 63 (Saanich)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2025

	Teachers Salaries	Principals and Vice Principals Salaries	Educational Assistants Salaries	Support Staff Salaries	Other Professionals Salaries	Substitutes Salaries	Total Salaries
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	29,984,395	648,558	90,095	303,052		4,313,993	35,340,093
1.03 Career Programs	434,561	93,760		71,144		5,428	604,893
1.07 Library Services	813,938			429,618		9,762	1,253,318
1.08 Counselling	1,235,415	10,571				103,913	1,349,899
1.10 Inclusive Education	4,538,800	387,803	6,543,349	357,070	1,189,377	439,187	13,455,586
1.30 English Language Learning	974,320	3,486					977,806
1.31 Indigenous Education	495,092	18,575	401,675	92,063	35,479	34,921	1,077,805
1.41 School Administration		3,807,922		1,878,773		117,862	5,804,557
1.62 International and Out of Province Students	1,023,162	178,643		414,764	232,892	1,250	1,850,711
Total Function 1	39,499,683	5,149,318	7,035,119	3,546,484	1,457,748	5,026,316	61,714,668
4 District Administration							
4.11 Educational Administration		240,916		44,981	982,378		1,268,275
4.40 School District Governance					143,430		143,430
4.41 Business Administration				506,757	997,168	18,002	1,521,927
Total Function 4	-	240,916	-	551,738	2,122,976	18,002	2,933,632
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				76,949	752,644	66,937	896,530
5.50 Maintenance Operations				4,225,298		284,895	4,510,193
5.52 Maintenance of Grounds				560,194			560,194
5.56 Utilities							-
Total Function 5	-	-	-	4,862,441	752,644	351,832	5,966,917
7 Transportation and Housing							
7.41 Transportation and Housing Administration				94,336	128,412		222,748
7.70 Student Transportation				706,886		43,611	750,497
Total Function 7	-	-	-	801,222	128,412	43,611	973,245
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	39,499,683	5,390,234	7,035,119	9,761,885	4,461,780	5,439,761	71,588,462

School District No. 63 (Saanich)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2025

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2025 Actual	2025 Budget (Note 18)	2024 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	35,340,093	9,514,793	44,854,886	2,099,857	46,954,743	47,802,058	42,895,351
1.03 Career Programs	604,893	154,776	759,669	485,644	1,245,313	1,146,508	1,094,740
1.07 Library Services	1,253,318	321,070	1,574,388	61,763	1,636,151	1,708,613	1,812,429
1.08 Counselling	1,349,899	270,195	1,620,094	636	1,620,730	1,390,820	1,443,617
1.10 Inclusive Education	13,455,586	3,282,287	16,737,873	578,757	17,316,630	19,329,463	17,047,009
1.30 English Language Learning	977,806	212,611	1,190,417	3,534	1,193,951	855,941	1,071,144
1.31 Indigenous Education	1,077,805	260,056	1,337,861	77,052	1,414,913	1,521,429	1,483,994
1.41 School Administration	5,804,557	1,436,100	7,240,657	53,271	7,293,928	7,262,220	7,169,441
1.62 International and Out of Province Students	1,850,711	499,545	2,350,256	3,772,965	6,123,221	6,345,464	5,851,392
Total Function 1	61,714,668	15,951,433	77,666,101	7,133,479	84,799,580	87,362,516	79,869,117
4 District Administration							
4.11 Educational Administration	1,268,275	254,372	1,522,647	95,104	1,617,751	1,587,962	1,245,452
4.40 School District Governance	143,430	5,646	149,076	87,076	236,152	237,280	233,855
4.41 Business Administration	1,521,927	387,062	1,908,989	518,555	2,427,544	2,680,280	2,179,147
Total Function 4	2,933,632	647,080	3,580,712	700,735	4,281,447	4,505,522	3,658,454
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	896,530	165,899	1,062,429	385,684	1,448,113	1,466,202	1,381,973
5.50 Maintenance Operations	4,510,193	1,294,487	5,804,680	1,192,501	6,997,181	7,448,470	6,374,721
5.52 Maintenance of Grounds	560,194	144,734	704,928	124,416	829,344	907,155	729,726
5.56 Utilities	-	-	-	1,555,345	1,555,345	1,462,701	1,521,527
Total Function 5	5,966,917	1,605,120	7,572,037	3,257,946	10,829,983	11,284,528	10,007,947
7 Transportation and Housing							
7.41 Transportation and Housing Administration	222,748	46,339	269,087	35,358	304,445	281,238	289,665
7.70 Student Transportation	750,497	218,609	969,106	758,172	1,727,278	1,727,628	1,454,755
Total Function 7	973,245	264,948	1,238,193	793,530	2,031,723	2,008,866	1,744,420
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	71,588,462	18,468,581	90,057,043	11,885,690	101,942,733	105,161,432	95,279,938

School District No. 63 (Saanich)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2025

	2025 Budget (Note 18)	2025 Actual	2024 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	15,948,829	15,376,439	14,955,072
Other Revenue	3,060,000	4,530,505	3,991,704
Investment Income	16,000	89,781	16,507
Total Revenue	<u>19,024,829</u>	<u>19,996,725</u>	<u>18,963,283</u>
Expenses			
Instruction	18,320,419	19,309,526	18,200,650
District Administration	86,644	86,645	86,646
Operations and Maintenance	405,872	405,872	405,872
Transportation and Housing	211,894	111,268	118,531
Total Expense	<u>19,024,829</u>	<u>19,913,311</u>	<u>18,811,699</u>
Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>83,414</u>	<u>151,584</u>
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased		(83,414)	(151,584)
Total Net Transfers	<u>-</u>	<u>(83,414)</u>	<u>(151,584)</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. 63 (Saanich)

Schedule 3A (Unaudited)

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

	Annual Facility Grant	Learning Improvement Fund	Scholarships and Bursaries	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK	Classroom Enhancement Fund - Overhead
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	-	103,916	323,460	1,629,624	-	1,183	31,642	-	-
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	305,872	317,292			96,000	22,050	198,864	486,599	967,993
Other			120,849	4,537,152					
Investment Income			18,181	71,600					
	305,872	317,292	139,030	4,608,752	96,000	22,050	198,864	486,599	967,993
Less: Allocated to Revenue	305,872	297,616	119,921	4,500,365	96,000	20,036	224,897	486,599	967,993
Deferred Revenue, end of year	-	123,592	342,569	1,738,011	-	3,197	5,609	-	-
Revenues									
Provincial Grants - Ministry of Education and Child Care	305,872	297,616			96,000	20,036	224,897	486,599	967,993
Other Revenue			101,740	4,428,765					
Investment Income			18,181	71,600					
	305,872	297,616	119,921	4,500,365	96,000	20,036	224,897	486,599	967,993
Expenses									
Salaries									
Teachers							42,494		
Principals and Vice Principals								72,625	143,442
Educational Assistants		241,237							195,312
Support Staff					59,669			311,196	78,125
Other Professionals									72,811
Substitutes							44,283		276,764
	-	241,237	-	-	59,669	-	86,777	383,821	766,454
Employee Benefits		55,328			13,992		15,531	102,778	174,539
Services and Supplies	305,872	1,051	119,921	4,416,951	22,339	20,036	122,589		27,000
	305,872	297,616	119,921	4,416,951	96,000	20,036	224,897	486,599	967,993
Net Revenue (Expense) before Interfund Transfers	-	-	-	83,414	-	-	-	-	-
Interfund Transfers									
Tangible Capital Assets Purchased				(83,414)					
	-	-	-	(83,414)	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 63 (Saanich)

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

Schedule 3A (Unaudited)

	Classroom Enhancement Fund - Staffing	Classroom Enhancement Fund - Remedies	First Nation Student Transportation	Mental Health in Schools	Changing Results for Young Children	Student & Family Affordability	SEY2KT (Early Years to Kindergarten)	ECL (Early Care & Learning)	Feeding Futures Fund
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	-	-	117,374	-	3,700	230,389	6,107	101,350	232,935
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	10,078,355	1,507,103	94,520	52,000	12,450		13,300	175,000	913,662
Other									
Investment Income									
	10,078,355	1,507,103	94,520	52,000	12,450	-	13,300	175,000	913,662
Less: Allocated to Revenue	10,078,355	1,507,103	111,268	52,000	9,074	228,441	2,998	219,647	768,540
Deferred Revenue, end of year	-	-	100,626	-	7,076	1,948	16,409	56,703	378,057
Revenues									
Provincial Grants - Ministry of Education and Child Care	10,078,355	1,507,103	111,268	52,000	9,074	228,441	2,998	219,647	768,540
Other Revenue									
Investment Income									
	10,078,355	1,507,103	111,268	52,000	9,074	228,441	2,998	219,647	768,540
Expenses									
Salaries									
Teachers	8,030,562	170,864						90,976	
Principals and Vice Principals									28,987
Educational Assistants				16,807					159,514
Support Staff			37,021						67,436
Other Professionals									
Substitutes		1,095,609			4,994		1,891	33,614	
	8,030,562	1,266,473	37,021	16,807	4,994	-	1,891	124,590	255,937
Employee Benefits	2,047,793	240,630	10,311	3,193	949		359	27,332	64,097
Services and Supplies			63,936	32,000	3,131	228,441	748	67,725	448,506
	10,078,355	1,507,103	111,268	52,000	9,074	228,441	2,998	219,647	768,540
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers									
Tangible Capital Assets Purchased									
	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 63 (Saanich)

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

Schedule 3A (Unaudited)

	Professional Learning Grant	TOTAL
	\$	\$
Deferred Revenue, beginning of year		2,781,680
Add: Restricted Grants		
Provincial Grants - Ministry of Education and Child Care	225,839	15,466,899
Other		4,658,001
Investment Income		89,781
	225,839	20,214,681
Less: Allocated to Revenue	-	19,996,725
Deferred Revenue, end of year	225,839	2,999,636
Revenues		
Provincial Grants - Ministry of Education and Child Care		15,376,439
Other Revenue		4,530,505
Investment Income		89,781
	-	19,996,725
Expenses		
Salaries		
Teachers		8,334,896
Principals and Vice Principals		245,054
Educational Assistants		612,870
Support Staff		553,447
Other Professionals		72,811
Substitutes		1,457,155
	-	11,276,233
Employee Benefits		2,756,832
Services and Supplies		5,880,246
	-	19,913,311
Net Revenue (Expense) before Interfund Transfers	-	83,414
Interfund Transfers		
Tangible Capital Assets Purchased		(83,414)
	-	(83,414)
Net Revenue (Expense)	-	-

School District No. 63 (Saanich)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2025

	2025 Budget (Note 18)	2025 Actual			2024 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Investment Income	14,000		18,200	18,200	27,814
Amortization of Deferred Capital Revenue	5,350,000	5,987,675		5,987,675	5,632,028
Total Revenue	5,364,000	5,987,675	18,200	6,005,875	5,659,842
Expenses					
Amortization of Tangible Capital Assets					
Operations and Maintenance	7,300,000	7,582,071		7,582,071	7,298,209
Transportation and Housing	350,000	381,831		381,831	226,295
Revaluation of Asset Retirement Obligation		410,096		410,096	509,802
Total Expense	7,650,000	8,373,998	-	8,373,998	8,034,306
Capital Surplus (Deficit) for the year	(2,286,000)	(2,386,323)	18,200	(2,368,123)	(2,374,464)
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	1,339,000	1,732,560		1,732,560	900,638
Local Capital	147,603		146,490	146,490	120,353
Total Net Transfers	1,486,603	1,732,560	146,490	1,879,050	1,020,991
Other Adjustments to Fund Balances					
Tangible Capital Assets WIP Purchased from Local Capital		436,350	(436,350)	-	
Total Other Adjustments to Fund Balances		436,350	(436,350)	-	
Total Capital Surplus (Deficit) for the year	<u>(799,397)</u>	<u>(217,413)</u>	<u>(271,660)</u>	<u>(489,073)</u>	<u>(1,353,473)</u>
Capital Surplus (Deficit), beginning of year		11,724,520	621,220	12,345,740	13,699,213
Capital Surplus (Deficit), end of year		<u>11,507,107</u>	<u>349,560</u>	<u>11,856,667</u>	<u>12,345,740</u>

School District No. 63 (Saanich)

Schedule 4A (Unaudited)

Tangible Capital Assets
Year Ended June 30, 2025

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	6,088,418	248,114,679	11,918,973	2,830,301	10,698	4,046,424	273,009,493
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw				277,082			277,082
Deferred Capital Revenue - Other				312,471			312,471
Operating Fund			285,112	62,772		1,301,262	1,649,146
Special Purpose Funds			77,494			5,920	83,414
Transferred from Work in Progress		1,034,296	1,280,287				2,314,583
	-	1,034,296	1,642,893	652,325	-	1,307,182	4,636,696
Decrease:							
Deemed Disposals			342,455	143,249	10,698	729,463	1,225,865
Revaluation of Asset Retirement Obligation		(410,096)					(410,096)
	-	(410,096)	342,455	143,249	10,698	729,463	815,769
Cost, end of year	6,088,418	249,559,071	13,219,411	3,339,377	-	4,624,143	276,830,420
Work in Progress, end of year		485,237	2,081,611				2,566,848
Cost and Work in Progress, end of year	6,088,418	250,044,308	15,301,022	3,339,377	-	4,624,143	279,397,268
Accumulated Amortization, beginning of year		122,659,987	3,834,255	1,050,474	9,631	2,078,477	129,632,824
Changes for the Year							
Increase: Amortization for the Year		5,530,374	1,256,920	308,484	1,067	867,057	7,963,902
Decrease:							
Deemed Disposals			342,455	143,249	10,698	729,463	1,225,865
Revaluation of Asset Retirement Obligation		(410,096)					(410,096)
		(410,096)	342,455	143,249	10,698	729,463	815,769
Accumulated Amortization, end of year		128,600,457	4,748,720	1,215,709	-	2,216,071	136,780,957
Tangible Capital Assets - Net	6,088,418	121,443,851	10,552,302	2,123,668	-	2,408,072	142,616,311

School District No. 63 (Saanich)

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	142,902	769,710			912,612
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	926,725	2,592,188			3,518,913
Deferred Capital Revenue - Other	13,556				13,556
Local Capital	436,350				436,350
	<u>1,376,631</u>	<u>2,592,188</u>	<u>-</u>	<u>-</u>	<u>3,968,819</u>
Decrease:					
Transferred to Tangible Capital Assets	1,034,296	1,280,287			2,314,583
	<u>1,034,296</u>	<u>1,280,287</u>	<u>-</u>	<u>-</u>	<u>2,314,583</u>
Net Changes for the Year	<u>342,335</u>	<u>1,311,901</u>	<u>-</u>	<u>-</u>	<u>1,654,236</u>
Work in Progress, end of year	<u>485,237</u>	<u>2,081,611</u>	<u>-</u>	<u>-</u>	<u>2,566,848</u>

School District No. 63 (Saanich)

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	103,441,519	13,703,359	1,118,210	118,263,088
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	277,082	150,000	162,471	589,553
Transferred from Work in Progress	2,301,029	13,556		2,314,585
	<u>2,578,111</u>	<u>163,556</u>	<u>162,471</u>	<u>2,904,138</u>
Decrease:				
Amortization of Deferred Capital Revenue	5,359,004	532,971	95,700	5,987,675
	<u>5,359,004</u>	<u>532,971</u>	<u>95,700</u>	<u>5,987,675</u>
Net Changes for the Year	<u>(2,780,893)</u>	<u>(369,415)</u>	<u>66,771</u>	<u>(3,083,537)</u>
Deferred Capital Revenue, end of year	<u>100,660,626</u>	<u>13,333,944</u>	<u>1,184,981</u>	<u>115,179,551</u>
 Work in Progress, beginning of year	 908,039	 -	 -	 908,039
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	3,518,913	13,556		3,532,469
	<u>3,518,913</u>	<u>13,556</u>	<u>-</u>	<u>3,532,469</u>
Decrease				
Transferred to Deferred Capital Revenue	2,301,029	13,556		2,314,585
	<u>2,301,029</u>	<u>13,556</u>	<u>-</u>	<u>2,314,585</u>
Net Changes for the Year	<u>1,217,884</u>	<u>-</u>	<u>-</u>	<u>1,217,884</u>
Work in Progress, end of year	<u>2,125,923</u>	<u>-</u>	<u>-</u>	<u>2,125,923</u>
Total Deferred Capital Revenue, end of year	<u>102,786,549</u>	<u>13,333,944</u>	<u>1,184,981</u>	<u>117,305,474</u>

School District No. 63 (Saanich)

Schedule 4D (Unaudited)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2025

	Bylaw Capital	MECC Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	-	186,390	31,159		6,544	224,093
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education and Child Care	3,795,995		30,631			3,826,626
Provincial Grants - Other			150,000			150,000
Other					178,325	178,325
Investment Income		8,100				8,100
	3,795,995	8,100	180,631	-	178,325	4,163,051
Decrease:						
Transferred to DCR - Capital Additions	277,082		150,000		162,471	589,553
Transferred to DCR - Work in Progress	3,518,913		13,556			3,532,469
	3,795,995	-	163,556	-	162,471	4,122,022
Net Changes for the Year	-	8,100	17,075	-	15,854	41,029
Balance, end of year	-	194,490	48,234	-	22,398	265,122