

Audited Financial Statements of

School District No. 70 (Pacific Rim)

And Independent Auditors' Report thereon

June 30, 2026

School District No. 70 (Pacific Rim)

June 30, 2026

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School District No. 70 (Pacific Rim)

MANAGEMENT REPORT

Version: 5874-5129-3146

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 70 (Pacific Rim) 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. 70 (Pacific Rim) (called the "Board") is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Board. The Board reviews internal financial statements on a monthly basis and externally audited financial statements yearly.

The external auditors, KPMG LLP, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of School District No. 70 (Pacific Rim) 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. 70 (Pacific Rim)

Signature of the Chairperson of the Board of Education	Sept. 29/26 Date Signed
Signature of the Superintendent	Sept 29/26 Date Signed
Signature of the Secretary Treasurer	Sept 29/26 Date Signed



KPMG LLP

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INDEPENDENT AUDITOR'S REPORT

To the Board of Education of School District No. 70 (Pacific Rim), and
To the Minister of Education and Child Care, Province of British Columbia

Opinion

We have audited the financial statements of School District No. 70 (Pacific Rim) (the "Entity"), which comprise:

- the statement of financial position as at June 30, 2026
- 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, 2026 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
- 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 and remain alert for indications that the other information appears materially misstated.

We obtained the Other Information other than the financial statements and the 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.

Chartered Professional Accountants

Victoria, Canada
September 29, 2026

School District No. 70 (Pacific Rim)

Statement of Financial Position

As at June 30, 2026

Statement 1

	2026 Actual	2025 Actual
	\$	\$
Financial Assets		
Cash and Cash Equivalents	11,756,104	6,906,963
Accounts Receivable		
Due from Province - Ministry of Education and Child Care	1,360,706	1,749,012
Due from First Nations	403,581	3,541,068
Other (Note 3)	646,225	1,004,619
Total Financial Assets	14,166,616	13,201,662
Liabilities		
Accounts Payable and Accrued Liabilities		
Other (Note 4)	6,676,580	7,482,321
Unearned Revenue (Note 5)	678,252	660,951
Deferred Revenue (Note 6)	3,977,268	3,009,713
Deferred Capital Revenue (Note 7)	124,100,781	119,177,171
Employee Future Benefits (Note 8)	464,217	448,895
Asset Retirement Obligation (Note 19)	3,608,980	3,498,244
Debt (Note 9)	78,644	135,022
Capital Lease Obligations (Note 9)	376,363	556,056
Total Liabilities	139,961,085	134,968,373
Net Debt	(125,794,469)	(121,766,711)
Non-Financial Assets		
Tangible Capital Assets (Note 10)	134,470,817	130,671,879
Restricted Assets (Endowments) (Note 11)	30,000	30,000
Prepaid Expenses	868,662	839,557
Total Non-Financial Assets	135,369,479	131,541,436
Accumulated Surplus (Deficit) (Note 13)	9,575,010	9,774,725

Contractual Obligations (Note 15)

Approved by the Board

Signature of the Chairperson of the Board of Education

Sept. 29/26

Date Signed

Signature of the Superintendent

Sept 29/26

Date Signed

Signature of the Secretary Treasurer

Sept 29/26

Date Signed

School District No. 70 (Pacific Rim)

Statement of Operations
Year Ended June 30, 2026

Statement 2

	2026 Budget (Note 16) \$	2026 Actual \$	2025 Actual \$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	57,609,214	58,308,841	54,939,125
Other	281,111	288,130	339,862
Federal Grants	7,800		33,551
Tuition	838,316	902,038	852,245
Other Revenue	5,446,125	6,555,930	6,043,702
Rentals and Leases	270,000	483,845	280,061
Investment Income	75,725	91,928	80,349
Gain (Loss) on Disposal of Tangible Capital Assets		639,000	1,934,976
Amortization of Deferred Capital Revenue	4,000,000	4,204,650	4,020,335
Total Revenue	<u>68,528,291</u>	<u>71,474,361</u>	<u>68,524,206</u>
Expenses (Note 17)			
Instruction	52,377,459	54,285,885	50,632,055
District Administration	2,925,036	3,916,682	3,379,547
Operations and Maintenance	10,374,880	10,365,903	10,359,180
Transportation and Housing	3,092,916	2,955,812	3,230,427
Debt Services	52,500	39,058	51,509
Change in Asset Retirement Obligation Estimate		110,736	
Total Expense	<u>68,822,791</u>	<u>71,674,076</u>	<u>67,652,718</u>
Surplus (Deficit) for the year	<u>(294,500)</u>	<u>(199,715)</u>	<u>871,488</u>
Accumulated Surplus (Deficit) from Operations, beginning of year		9,774,725	8,903,237
Accumulated Surplus (Deficit) from Operations, end of year		<u>9,575,010</u>	<u>9,774,725</u>

School District No. 70 (Pacific Rim)

Statement 4

Statement of Changes in Net Debt
Year Ended June 30, 2026

	2026 Budget (Note 16) \$	2026 Actual \$	2025 Actual \$
Surplus (Deficit) for the year	<u>(294,500)</u>	<u>(199,715)</u>	<u>871,488</u>
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(100,000)	(9,216,487)	(11,250,727)
Amortization of Tangible Capital Assets	5,000,000	5,295,813	4,952,502
Net carrying value of Tangible Capital Assets disposed of		11,000	2,001
Change in Asset Retirement Obligation Estimate		110,736	
Total Effect of change in Tangible Capital Assets	<u>4,900,000</u>	<u>(3,798,938)</u>	<u>(6,296,224)</u>
Acquisition of Prepaid Expenses		(868,662)	(839,557)
Use of Prepaid Expenses		839,557	312,242
Total Effect of change in Other Non-Financial Assets	<u>-</u>	<u>(29,105)</u>	<u>(527,315)</u>
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	<u>4,605,500</u>	<u>(4,027,758)</u>	<u>(5,952,051)</u>
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Debt		<u>(4,027,758)</u>	<u>(5,952,051)</u>
Net Debt, beginning of year		<u>(121,766,711)</u>	<u>(115,814,660)</u>
Net Debt, end of year		<u>(125,794,469)</u>	<u>(121,766,711)</u>

School District No. 70 (Pacific Rim)

Statement 5

Statement of Cash Flows
Year Ended June 30, 2026

	2026 Actual	2025 Actual
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	(199,715)	871,488
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	3,884,187	(1,297,261)
Prepaid Expenses	(29,105)	(527,315)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	(805,741)	2,586,761
Unearned Revenue	17,301	201,825
Deferred Revenue	967,555	243,806
Employee Future Benefits	15,322	(14,850)
Asset Retirement Obligations	110,736	(297,346)
Loss (Gain) on Disposal of Tangible Capital Assets	(639,000)	(1,835,157)
Amortization of Tangible Capital Assets	5,295,813	4,952,502
Amortization of Deferred Capital Revenue	(4,204,650)	(4,020,335)
Total Operating Transactions	4,412,703	864,118
Capital Transactions		
Tangible Capital Assets Purchased	(8,545,453)	(5,668,075)
Tangible Capital Assets -WIP Purchased	(560,298)	(5,482,193)
District Portion of Proceeds on Disposal	650,000	1,837,158
District Entered		(297,346)
District Entered		(271,736)
Total Capital Transactions	(8,455,751)	(9,882,192)
Financing Transactions		
Loan Payments	(236,071)	(225,073)
Capital Revenue Received	9,128,260	11,410,269
Total Financing Transactions	8,892,189	11,185,196
Net Increase (Decrease) in Cash and Cash Equivalents	4,849,141	2,167,122
Cash and Cash Equivalents, beginning of year	6,906,963	4,739,841
Cash and Cash Equivalents, end of year	11,756,104	6,906,963
Cash and Cash Equivalents, end of year, is made up of:		
Cash	11,756,104	6,906,963
	11,756,104	6,906,963

**SCHOOL DISTRICT NO. 70 (PACIFIC RIM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026**

NOTE 1 AUTHORITY AND PURPOSE

The School District, established in 1887, 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. 70 (Pacific Rim)", and operates as "School District No. 70 (Pacific Rim)." 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. The School District is exempt from federal and provincial corporate income taxes.

NOTE 2 SUMMARY OF 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 tax-payer supported organizations in the Schools, Universities, Colleges and Hospitals sectors to adopt Canadian public sector accounting standards without any PS4200 elections.

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 tax-payer supported organizations, these contributions include government transfers and externally restricted contributions.

SCHOOL DISTRICT NO. 70 (PACIFIC RIM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

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

a) Basis of Accounting *(Continued)*

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

As a result, revenue recognized in the statement of operations and certain related deferred capital revenue would be recorded differently under Canadian public sector accounting standards.

b) Basis of Consolidation

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

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

The School District does not administer any trust activities on behalf of external parties.

c) Cash and Cash Equivalents

Cash and cash equivalents include cash 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. 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.

SCHOOL DISTRICT NO. 70 (PACIFIC RIM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 2 SUMMARY OF 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. 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.

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 multi-employer plans where assets and obligations are not separated. The costs are expensed as incurred.

SCHOOL DISTRICT NO. 70 (PACIFIC RIM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

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

h) Liability for Contaminated Sites

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

- An environmental standard exists;
- Contamination exceeds the environmental standard;
- The School District is directly responsible or accepts responsibility;
- It is expected that future economic benefits will be given up; and
- A reasonable estimate of the amount can be made.

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

i) Asset Retirement Obligations

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

- there is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- the past transaction or event giving rise to the liability has occurred;
- it is expected that future economic benefits will be given up; and
- 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 (Note 2 (j)). 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.

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 from non-related parties 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. Amortization is not recorded until assets are available for use.
- 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.

**SCHOOL DISTRICT NO. 70 (PACIFIC RIM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026**

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

j) Tangible Capital Assets (continued)

- 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. It is management's responsibility to determine the appropriate useful lives for tangible capital assets. These useful lives are reviewed on a regular basis or if significant events initiate the need to revise. Estimated useful life is as follows:

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

k) Prepaid Expenses

Payments for services and supplies (including insurance, subscriptions, membership and maintenance contracts) for use within the School District in a future period 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 Fund 13 – Accumulated Surplus).

m) Revenue Recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues, the amounts are considered to be collectible. 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 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. 70 (PACIFIC RIM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

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

m) Revenue Recognition (continued)

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

Revenue from transactions with performance obligations is recognized when (or as) the performance obligation is satisfied. Revenue from transactions with no performance obligations is recognized when the School District (a) has authority to claim or retain an inflow of economic resources; and (b) identifies a past transaction or event that gives rise to an asset.

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

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

n) Expenditures

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

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, accounts payable and accrued liabilities and debt. Except for portfolio 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.

SCHOOL DISTRICT NO. 70 (PACIFIC RIM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

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

o) Financial Instruments (continued)

Unrealized gains and losses from changes in the fair value of financial instruments measured 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. Interest and dividends attributable to financial instruments are reported in the statement of operations. There are no measurement gains or losses during the periods presented, therefore no statement of remeasurement gains or losses is included in these financial statements.

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, estimates for contingent liabilities, rates for amortization, asset retirement obligations and estimated employee future benefits. Actual results could differ from those estimates.

NOTE 3 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	2026	2025
Due from Federal Government	\$ 104,118	\$ 487,951
Other	542,107	516,668
	\$ 646,225	\$ 1,004,619

NOTE 4 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2026	2025
Trade payables	\$ 1,355,465	\$ 3,372,466
Salaries and benefits payable	\$ 4,679,804	3,653,270
Accrued vacation pay	\$ 641,311	456,585
	\$ 6,676,580	\$ 7,482,321

SCHOOL DISTRICT NO. 70 (PACIFIC RIM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 5 UNEARNED REVENUE

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

	2026	2025
Balance, beginning of year		
Tuition fees	\$ 660,951	\$ 459,126
Rental revenue	-	-
	<u>660,951</u>	<u>459,126</u>
Changes for the year:		
Increase:		
Tuition fees collected	886,282	1,054,070
Rental revenue collected	488,270	280,061
	<u>1,374,552</u>	<u>1,334,131</u>
Decrease:		
Tuition fees recognized	873,406	852,245
Rental revenue recognized	483,845	280,061
	<u>1,357,251</u>	<u>1,132,306</u>
Net changes for the year		
Tuition fees	12,876	201,825
Rental revenue	4,425	-
	<u>17,301</u>	<u>201,825</u>
Balance, end of year		
Tuition fees	673,827	660,951
Rental revenue	4,425	-
	<u>\$ 678,252</u>	<u>\$ 660,951</u>

SCHOOL DISTRICT NO. 70 (PACIFIC RIM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 6 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.

	2026	2025
Balance, beginning of year	\$ 3,009,713	\$ 2,765,907
Changes for the year:		
Increase:		
Provincial grants	11,659,673	9,387,353
Other revenue	1,563,815	1,491,032
	<u>13,223,488</u>	<u>10,878,385</u>
Decrease:		
Allocated to revenue	12,255,933	10,623,692
Recovered	-	10,887
	<u>12,255,933</u>	<u>10,634,579</u>
Net changes for the year	<u>967,555</u>	<u>243,806</u>
Balance, end of year	<u>\$ 3,977,268</u>	<u>\$ 3,009,713</u>

SCHOOL DISTRICT NO. 70 (PACIFIC RIM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 7 DEFERRED CAPITAL REVENUE

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

	2026	2025
Deferred capital revenue subject to amortization		
Balance, beginning of year	\$ 112,425,542	\$ 111,346,932
Increases:		
Capital additions	8,120,728	5,228,764
Transfer from work in progress	5,949,741	-
Decreases:		
Amortization	(4,204,650)	(4,020,335)
Recognition on disposal of building	-	(129,819)
Net change for the year	9,865,819	1,078,610
Balance, end of year	122,291,361	112,425,542
Work in progress		
Balance, beginning of year	5,949,741	467,548
Increases:		
Transfer from unspent deferred capital revenue	560,298	5,482,193
Decreases:		
Transfer to deferred capital revenue subject to amortization	(5,949,741)	-
Net change for the year	(5,389,443)	5,482,193
Balance, end of year	560,298	5,949,741
Unspent deferred capital revenue		
Balance, beginning of year	801,888	541,839
Increases:		
Provincial Grants - Ministry of Education	5,345,179	11,385,269
Other	3,783,081	25,000
Decreases:		
Transfer to deferred capital revenue subject to amortization:		
Capital additions	(8,120,728)	(5,228,764)
Transfer to work in progress	(560,298)	(5,482,193)
Settlement of asset retirement obligation	-	(167,527)
Expenses incurred	-	(271,736)
Net change for the year	447,234	260,049
Balance, end of year	1,249,122	801,888
Total deferred capital revenue balance, end of year	\$ 124,100,781	\$ 119,177,171

SCHOOL DISTRICT NO. 70 (PACIFIC RIM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 8 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.

	2026	2025
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation - April 1	\$ 651,871	\$ 536,354
Service Cost	41,516	32,720
Interest Cost	26,515	22,690
Benefit Payments	(82,218)	(68,378)
Actuarial Loss	(4,383)	128,485
Accrued Benefit Obligation - March 31	\$ 633,301	\$ 651,871
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation - March 31	\$ 633,301	\$ 651,871
Market Value of Plan Assets - March 31	-	-
Funded Status - Deficit	(633,301)	(651,871)
Employer Contributions After Measurement Date	19,529	22,511
Benefits Expense After Measurement Date	(17,208)	(17,008)
Unamortized Net Actuarial Gain (Loss)	166,763	197,473
Accrued Benefit Liability - June 30	\$ (464,217)	\$ (448,895)
Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability - July 1	\$ 448,895	\$ 463,743
Net Expense for Fiscal Year	94,561	76,038
Employer Contributions	(79,236)	(90,686)
Accrued Benefit Liability - June 30	\$ 464,217	\$ 448,895
Components of Net Benefit Expense		
Service Cost	\$ 41,063	\$ 34,919
Interest Cost	27,168	23,646
Amortization of Net Actuarial Loss	26,330	17,473
Net Benefit Expense	\$ 94,561	\$ 76,038
Assumptions		
Discount Rate - April 1	4.00%	4.25%
Discount Rate - March 31	4.50%	4.00%
Long Term Salary Growth - April 1	2.50%+Seniority	2.50%+Seniority
Long Term Salary Growth - March 31	2.50%+Seniority	2.50%+Seniority
EARS L - March 31	11.7	11.7

SCHOOL DISTRICT NO. 70 (PACIFIC RIM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 9 DEBT

The following loans approved under Section 144 of the *School Act* are outstanding:

	Approval Date	Year Borrowed	Interest Rate	Maturity	Amount Borrowed	Amount Paid	2026 Balance	2025 Balance
Term	2010	2010	4.50%	2029	\$ 124,259	\$ 85,054	\$ 39,205	\$ 48,468
Term	2010	2010	4.50%	2029	124,259	84,821	39,438	48,468
Demand	2010	2021	4.95%	Demand	186,559	186,559	-	38,086
Capital lease	2022	2022	13.97%	2027	335,164	266,263	68,901	134,065
Capital lease	2024	2024	7.15%	2029	450,900	199,459	251,441	345,379
Capital lease	2025	2025	7.15%	2029	100,459	44,438	56,021	76,612
					\$1,321,600	\$866,593	\$455,007	\$691,078

Future principal payments on debt as currently scheduled are as follows:

2027	\$ 202,800
2028	142,200
2029	96,005
2030	14,002
	<u>\$ 455,007</u>

SCHOOL DISTRICT NO. 70 (PACIFIC RIM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 10 TANGIBLE CAPITAL ASSETS

Cost:	Balance at June 30, 2025	Additions	Disposals / Transfers	Balance at June 30, 2026
Sites	\$ 2,556,637	\$ -	\$ (11,000)	\$ 2,545,637
Buildings	181,903,009	8,280,711	5,782,214	195,965,934
Buildings – WIP	5,949,741	559,970	(5,949,741)	559,970
Furniture & Equipment	4,141,749	375,477	(36,532)	4,480,695
Furniture & Equipment – WIP	-	328	-	328
Vehicles	3,025,302	-	-	3,025,302
Computer Hardware	1,518,267	-	(97,482)	1,420,785
Total	\$ 199,094,705	\$ 9,216,486	\$ (312,541)	\$ 207,998,651

Accumulated Amortization:	Balance at June 30, 2025	Additions	Disposals	Balance at June 30, 2026
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	66,060,372	4,378,992	(167,527)	70,271,837
Furniture and Equipment	1,251,944	431,122	(36,532)	1,646,534
Vehicles	486,205	302,530	-	788,735
Computer Hardware	624,305	293,905	(97,482)	820,728
Total	\$ 68,422,826	\$ 5,406,549	\$ (301,541)	\$ 73,527,834

Net Book Value:

	2026	2025
Sites	\$ 2,545,637	\$ 2,556,637
Buildings	125,694,097	115,842,637
Buildings - WIP	559,970	5,949,741
Furniture & Equipment	2,834,161	2,889,805
Furniture & Equipment – WIP	328	-
Vehicles	2,236,567	2,539,097
Computer Hardware	600,057	893,962
Total	\$ 134,470,817	\$ 130,671,879

Works of art and historic assets - the School District manages and controls various works of art and non-operational historical cultural assets including buildings, artifacts, paintings and sculptures and public display areas. These assets are not recorded as tangible capital assets and are not amortized.

Addition to buildings include a donated building by Metis Nation British Columbia (MNBC) to the School Board 70 having a value of \$3,783,081.

Buildings Additions and Accumulated Amortization – Buildings include a change in the Asset Retirement Obligation of \$110,736.

SCHOOL DISTRICT NO. 70 (PACIFIC RIM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 11 RESTRICTED ASSETS (ENDOWMENTS)

Restricted assets are comprised of the Garner endowment of \$30,000. There were no contributions, additions to or transfers from the endowment during the years presented.

NOTE 12 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 multi-employer defined benefit pension plans. Basic pension benefits are based on a formula. As at December 31, 2025, the Teachers' Pension Plan has about 52,000 active members and approximately 43,000 retired members. As of December 31, 2024, the Municipal Pension Plan has about 273,000 active members, including approximately 32,000 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, 2024, indicated a \$2,675 million funding surplus for basic pension benefits on a going concern basis.

The School District paid \$4,747,060 for employer contributions to the plans in the year ended June 30, 2026 (2025: \$4,429,674)

The next valuation for the Teachers' Pension Plan will be as at December 31, 2026. The next valuation for the Municipal Pension Plan will be as at December 31, 2027 with results available later in 2028.

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. 70 (PACIFIC RIM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 13 ACCUMULATED SURPLUS

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

	2026	2025
Invested in tangible capital assets	\$ 7,355,919	\$ 7,976,118
Operating surplus	114,775	208,499
Special purpose surplus	30,000	30,000
Local capital surplus	2,074,316	1,560,108
	\$ 9,575,010	\$ 9,774,725

Inter-fund transfers between the operating, special purpose and capital funds for the year ended June 30, 2026, were as follows:

- Transfer from operating fund to capital fund: \$334,870 capital asset purchases.

The operating surplus has been internally restricted by the Board for Professional Development Obligations, Indigenous Education Program Surpluses, Asset Replacement Plans and future budget deficiencies.

The District does not have an unrestricted surplus.

NOTE 14 RELATED PARTY TRANSACTIONS

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

NOTE 15 CONTRACTUAL OBLIGATIONS AND CONTINGENCIES

The School District has entered into a number of multiple-year contracts for the delivery of services and the construction of tangible capital assets. These contractual obligations will become liabilities in the future when the terms of the contracts are met. The committed balance remaining of capital construction projects is approximately \$918,452 (2025 - \$727,000).

The school district holds \$0 (2025 - \$976,888) in capital dollars for approved projects currently underway or planned.

The nature of the School District's activities are such that there is usually litigation pending or in process at any time. With respect to unsettled claims at June 30, 2026, management believes the School District has valid defenses and appropriate insurance coverage in place. In the event that any claims are successful, management believes that such claims are not expected to have a material effect on the School District's financial position or operations.

SCHOOL DISTRICT NO. 70 (PACIFIC RIM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 16 BUDGET FIGURES

The budget figures data presented in these financial statements is based upon the 2026 amended annual budget adopted by the Board on February 24, 2026. The chart following reconciles the originally approved annual budget bylaw approved June 24, 2025 to the amended annual budget bylaw reported in these financial statements.

	2026 Amended Annual Budget	2026 Annual Budget
Revenues		
Provincial Grants		
Ministry of Education	\$ 57,609,214	\$ 53,351,865
Other	281,111	223,800
Federal Grants	7,800	-
Tuition	838,316	900,000
Other Revenue	5,446,125	5,477,050
Rentals and Leases	270,000	270,000
Investment Income	75,725	150,000
Amortization of Deferred Capital Revenue	4,000,000	4,000,000
Total Revenue	68,528,291	64,372,715
Expenses		
Instruction	52,377,459	49,046,930
District Administration	2,925,036	3,160,961
Operations and Maintenance	10,374,880	9,620,433
Transportation and Housing	3,092,916	2,868,477
Debt Services	52,500	52,500
Total Expense	68,822,791	64,749,301
Net Revenue (Expense)	(294,500)	(376,586)
Budgeted Allocation (Retirement) of Surplus (Deficit)		160,086
Budgeted Surplus (Deficit) for the year	\$ (294,500)	\$ (216,500)

NOTE 17 EXPENSE BY OBJECT

	2026	2025
Salaries and benefits	\$ 57,481,845	\$ 53,385,501
Services and supplies	8,746,624	9,263,206
Interest expense	39,058	51,509
Amortization	5,295,813	4,952,502
Asset Retirement Obligation Accretion Expense	110,736	-
	\$ 71,674,076	\$ 67,652,718

SCHOOL DISTRICT NO. 70 (PACIFIC RIM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 18 ECONOMIC DEPENDENCE

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

NOTE 19 ASSET RETIREMENT OBLIGATIONS

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.

	2026	2025
Balance, beginning of year	\$ 3,498,244	\$ 3,795,590
Change in estimate	110,736	-
Settlements during the year	-	(297,346)
	\$ 3,608,980	\$ 3,498,244

NOTE 20 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, cash equivalents and amounts receivable.

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 or other government organizations and are collectible.

It is management's opinion that the School District is not exposed to significant credit risk associated with its cash and cash equivalents as they are placed in recognized British Columbia institutions and the Province of BC Provincial Treasury Central Deposit Program.

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.

SCHOOL DISTRICT NO. 70 (PACIFIC RIM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 20 RISK MANAGEMENT (Continued)

b) Market risk (continued):

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. The School District is monitoring the potential impacts and options to mitigate risks arising from tariffs and cross border trade.

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 cash equivalents. It is management's opinion that the School District is not exposed to significant interest rate risk as it invests solely in investments that are considered liquid that have a maturity date of no more than 3 years and the Province of BC Provincial Treasury Central Deposit Program. The School District is also exposed to interest rate risk on its debt, the majority of which pays interest at a variable rate.

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.

There has been no change to risk exposures from 2025 related to credit, market or liquidity risks.

Risk Management and insurance services for all School Districts in British Columbia are provided by the Risk Management Branch of the Ministry of Finance.

School District No. 70 (Pacific Rim)

Schedule 1 (Unaudited)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund
Year Ended June 30, 2026

	Operating Fund	Special Purpose Fund	Capital Fund	2026 Actual	2025 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	208,499	30,000	9,536,226	9,774,725	
Prior Period Adjustments					8,903,237
Accumulated Surplus (Deficit), beginning of year, as restated	208,499	30,000	9,536,226	9,774,725	8,903,237
Changes for the year					
Surplus (Deficit) for the year	331,001		(530,716)	(199,715)	871,488
Interfund Transfers					
Tangible Capital Assets Purchased	(334,870)		334,870	-	
Local Capital	(89,855)		89,855	-	
Net Changes for the year	(93,724)	-	(105,991)	(199,715)	871,488
Accumulated Surplus (Deficit), end of year - Statement 2	114,775	30,000	9,430,235	9,575,010	9,774,725

School District No. 70 (Pacific Rim)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2026

	2026 Budget (Note 16)	2026 Actual	2025 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	46,765,005	48,269,904	45,454,435
Other			39,640
Tuition	838,316	902,038	852,245
Other Revenue	4,400,125	4,555,823	4,799,209
Rentals and Leases	270,000	483,845	280,061
Investment Income	75,725	91,928	80,349
Total Revenue	<u>52,349,171</u>	<u>54,303,537</u>	<u>51,505,939</u>
Expenses			
Instruction	40,618,557	42,680,687	40,511,599
District Administration	2,788,347	3,521,658	3,242,858
Operations and Maintenance	6,463,068	6,163,321	6,172,467
Transportation and Housing	1,721,199	1,606,870	1,826,354
Total Expense	<u>51,591,171</u>	<u>53,972,536</u>	<u>51,753,278</u>
Operating Surplus (Deficit) for the year	<u>758,000</u>	<u>331,001</u>	<u>(247,339)</u>
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(100,000)	(334,870)	(105,497)
Local Capital	(158,000)	(89,855)	(56,764)
Other	(500,000)		(274,245)
Total Net Transfers	<u>(758,000)</u>	<u>(424,725)</u>	<u>(436,506)</u>
Total Operating Surplus (Deficit), for the year	<u>-</u>	<u>(93,724)</u>	<u>(683,845)</u>
Operating Surplus (Deficit), beginning of year		208,499	
Prior Period Adjustments			
District Entered			892,344
Operating Surplus (Deficit), beginning of year, as restated		<u>208,499</u>	<u>892,344</u>
Operating Surplus (Deficit), end of year		<u>114,775</u>	<u>208,499</u>
Operating Surplus (Deficit), end of year			
Internally Restricted		114,775	208,499
Total Operating Surplus (Deficit), end of year		<u>114,775</u>	<u>208,499</u>

School District No. 70 (Pacific Rim)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2026

	2026 Budget (Note 16)	2026 Actual	2025 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education and Child Care			
Operating Grant, Ministry of Education and Child Care	50,159,006	50,207,508	48,689,420
ISC/LEA Recovery	(4,340,070)	(4,454,774)	(4,509,218)
Other Ministry of Education and Child Care Grants			
Pay Equity	595,220	595,220	595,220
Funding for Graduated Adults	15,744	36,564	15,292
Student Transportation Fund	71,717	71,717	71,717
Support Staff Benefits Grant			25,404
Foundation Skills Assessment (FSA) Scorer Grant	5,849	8,187	8,187
Child Care Funding		-	
Labour Settlement Funding		1,340,666	473,098
Equity Scan Grants		-	
ICY Clinical Counsellor Funding	246,939	246,939	63,205
Indigenous Education Councils (IEC) Funding		165,265	
NGN Self-Provisioned Site Grants		-	
Premier's Awards		-	
Recruitment & Retention (FRSP) Grants		-	
Standard ERP Improvements		-	22,110
Industry Training Authority	7,200	34,400	
District Entered	3,400	18,212	
Total Provincial Grants - Ministry of Education and Child Care	46,765,005	48,269,904	45,454,435
Provincial Grants - Other			39,640
Tuition			
International and Out of Province Students	838,316	902,038	852,245
Total Tuition	838,316	902,038	852,245
Other Revenues			
Funding from First Nations	4,340,070	4,454,774	4,509,218
Miscellaneous			
Ucluelet Government Grand			149,932
Other International Program Revenue			41,090
Other Misc. Revenue	13,855	101,049	98,969
Preventure Grant	20,000		
Sales of small assets	1,000		
collapsed unused Pro D	25,200		
Total Other Revenue	4,400,125	4,555,823	4,799,209
Rentals and Leases	270,000	483,845	280,061
Investment Income	75,725	91,928	80,349
Total Operating Revenue	52,349,171	54,303,537	51,505,939

School District No. 70 (Pacific Rim)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object
Year Ended June 30, 2026

	2026 Budget (Note 16)	2026 Actual	2025 Actual
	\$	\$	\$
Salaries			
Teachers	19,147,533	21,283,128	19,309,843
Principals and Vice Principals	4,251,562	3,736,277	4,023,760
Educational Assistants	4,599,155	4,923,658	4,810,056
Support Staff	5,759,631	5,532,665	5,097,024
Other Professionals	1,822,441	2,457,116	1,736,850
Substitutes	1,928,874	955,111	1,924,616
Total Salaries	37,509,196	38,887,955	36,902,149
Employee Benefits	8,849,392	9,620,286	8,627,099
Total Salaries and Benefits	46,358,588	48,508,241	45,529,248
Services and Supplies			
Services	1,772,514	2,112,310	1,929,996
Student Transportation	210,972	219,936	852,137
Professional Development and Travel	371,395	428,269	474,604
Rentals and Leases	11,160	7,670	10,045
Dues and Fees	124,801	123,759	138,651
Insurance	144,533	136,176	178,791
Interest		-	
Supplies	1,649,842	1,550,483	1,627,264
Utilities	947,366	885,692	1,012,542
Total Services and Supplies	5,232,583	5,464,295	6,224,030
Total Operating Expense	51,591,171	53,972,536	51,753,278

School District No. 70 (Pacific Rim)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2026

	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	17,061,335	336,703	153,155	718,986	-	237,714	18,507,893
1.03 Career Programs	112,270	-	-	-	-	-	112,270
1.07 Library Services	470,417	117,566	-	29,482	-	-	617,465
1.08 Counselling	799,735	-	-	94,949	-	-	894,684
1.10 Inclusive Education	1,994,771	53,352	4,170,537	14,218	384,617	376,735	6,994,230
1.20 Early Learning and Child Care	-	-	-	-	-	-	-
1.30 English Language Learning	97,313	4,385	-	-	-	-	101,698
1.31 Indigenous Education	746,892	265,065	599,966	14,204	226,896	831	1,853,854
1.41 School Administration	-	2,822,876	-	336,009	58,923	57,910	3,275,718
1.60 Summer School	-	-	-	-	-	-	-
1.61 Continuing Education	-	-	-	-	-	-	-
1.62 International and Out of Province Students	-	-	-	-	243,914	-	243,914
1.64 Other	-	-	-	-	-	-	-
Total Function 1	21,282,733	3,599,947	4,923,658	1,207,848	914,350	673,190	32,601,726
4 District Administration							
4.11 Educational Administration	-	136,330	-	64,851	444,565	-	645,746
4.20 Early Learning and Child Care	-	-	-	-	-	-	-
4.40 School District Governance	-	-	-	-	115,042	-	115,042
4.41 Business Administration	395	-	-	426,839	716,919	287	1,144,440
Total Function 4	395	136,330	-	491,690	1,276,526	287	1,905,228
5 Operations and Maintenance							
5.20 Early Learning and Child Care							-
5.41 Operations and Maintenance Administration				86,184	219,545	-	305,729
5.50 Maintenance Operations				2,901,685	-	219,931	3,121,616
5.52 Maintenance of Grounds				155,537	-	-	155,537
5.56 Utilities				-	-	-	-
Total Function 5	-	-	-	3,143,406	219,545	219,931	3,582,882
7 Transportation and Housing							
7.41 Transportation and Housing Administration				29,221	46,695	-	75,916
7.70 Student Transportation				658,976	-	61,703	720,679
7.73 Housing				1,524	-	-	1,524
Total Function 7	-	-	-	689,721	46,695	61,703	798,119
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	21,283,128	3,736,277	4,923,658	5,532,665	2,457,116	955,111	38,887,955

School District No. 70 (Pacific Rim)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2026

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2026 Actual	2026 Budget (Note 16)	2025 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	18,507,893	4,670,681	23,178,574	785,051	23,963,625	21,841,700	23,398,040
1.03 Career Programs	112,270	40,821	153,091	68,607	221,698	275,078	109,094
1.07 Library Services	617,465	152,461	769,926	9,332	779,258	634,969	609,275
1.08 Counselling	894,684	221,500	1,116,184	18	1,116,202	1,024,681	795,489
1.10 Inclusive Education	6,994,230	1,844,116	8,838,346	318,379	9,156,725	9,158,955	9,074,699
1.20 Early Learning and Child Care	-	-	-	-	-	-	1,917
1.30 English Language Learning	101,698	25,220	126,918	718	127,636	129,283	94,327
1.31 Indigenous Education	1,853,854	445,524	2,299,378	67,952	2,367,330	2,520,156	2,358,943
1.41 School Administration	3,275,718	752,151	4,027,869	43,367	4,071,236	4,184,534	3,268,605
1.60 Summer School	-	-	-	-	-	-	-
1.61 Continuing Education	-	-	-	-	-	-	18,228
1.62 International and Out of Province Students	243,914	69,235	313,149	563,828	876,977	849,201	782,982
1.64 Other	-	-	-	-	-	-	-
Total Function 1	32,601,726	8,221,709	40,823,435	1,857,252	42,680,687	40,618,557	40,511,599
4 District Administration							
4.11 Educational Administration	645,746	153,348	799,094	228,370	1,027,464	846,700	804,843
4.20 Early Learning and Child Care	-	-	-	1,529	1,529	-	26,649
4.40 School District Governance	115,042	6,365	121,407	178,270	299,677	387,284	446,922
4.41 Business Administration	1,144,440	271,982	1,416,422	776,566	2,192,988	1,554,363	1,964,444
Total Function 4	1,905,228	431,695	2,336,923	1,184,735	3,521,658	2,788,347	3,242,858
5 Operations and Maintenance							
5.20 Early Learning and Child Care	-	-	-	-	-	-	50,211
5.41 Operations and Maintenance Administration	305,729	80,548	386,277	(18,131)	368,146	472,729	447,204
5.50 Maintenance Operations	3,121,616	675,523	3,797,139	831,069	4,628,208	4,769,991	4,285,026
5.52 Maintenance of Grounds	155,537	43,732	199,269	26,513	225,782	282,782	322,995
5.56 Utilities	-	-	-	941,185	941,185	937,566	1,067,031
Total Function 5	3,582,882	799,803	4,382,685	1,780,636	6,163,321	6,463,068	6,172,467
7 Transportation and Housing							
7.41 Transportation and Housing Administration	75,916	14,486	90,402	190	90,592	82,047	94,425
7.70 Student Transportation	720,679	152,376	873,055	532,816	1,405,871	1,557,587	1,677,827
7.73 Housing	1,524	217	1,741	108,666	110,407	81,565	54,102
Total Function 7	798,119	167,079	965,198	641,672	1,606,870	1,721,199	1,826,354
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	38,887,955	9,620,286	48,508,241	5,464,295	53,972,536	51,591,171	51,753,278

School District No. 70 (Pacific Rim)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations
Year Ended June 30, 2026

	2026 Budget (Note 16)	2026 Actual	2025 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	10,844,209	10,038,937	9,045,427
Other	281,111	288,130	300,222
Federal Grants	7,800		33,551
Other Revenue	1,046,000	1,928,866	1,244,493
Total Revenue	12,179,120	12,255,933	10,623,693
Expenses			
Instruction	11,758,902	11,605,198	10,120,456
District Administration	136,689	395,024	136,689
Operations and Maintenance	211,812	211,812	211,812
Transportation and Housing	71,717	43,899	154,736
Total Expense	12,179,120	12,255,933	10,623,693
Special Purpose Surplus (Deficit) for the year	-	-	-
Total Special Purpose Surplus (Deficit) for the year	-	-	-
Special Purpose Surplus (Deficit), beginning of year		30,000	
Prior Period Adjustments			
District Entered			30,000
Special Purpose Surplus (Deficit), beginning of year, as restated		30,000	30,000
Special Purpose Surplus (Deficit), end of year		30,000	30,000
Special Purpose Surplus (Deficit), end of year			
Endowment Contributions		30,000	30,000
Total Special Purpose Surplus (Deficit), end of year		30,000	30,000

School District No. 70 (Pacific Rim)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2026

	Annual Facility Grant	Learning Improvement Fund	Special Education Equipment	Scholarships and Bursaries	Service Delivery Transformation	Special Education Technology	School Generated Funds	Related Entities	Strong Start
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year		60,376		276,373			2,172,182		
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	211,812	168,728							136,000
Provincial Grants - Other									
Other				35,525			1,488,699		
	211,812	168,728	-	35,525	-	-	1,488,699	-	136,000
Less: Allocated to Revenue	211,812	193,155	-	71,310	-	-	1,828,892		107,631
Deferred Revenue, end of year	-	35,949	-	240,588	-	-	1,831,989	-	28,369
Revenues									
Provincial Grants - Ministry of Education and Child Care	211,812	193,155	-		-	-		-	107,631
Provincial Grants - Other									
Other Revenue				71,310			1,828,892		
	211,812	193,155	-	71,310	-	-	1,828,892	-	107,631
Expenses									
Salaries									
Teachers									
Principals and Vice Principals									
Educational Assistants		166,332							
Support Staff									81,756
Other Professionals									
Substitutes									
	-	166,332	-	-	-	-	-	-	81,756
Employee Benefits		26,823							23,178
Services and Supplies	211,812			71,310			1,828,892		2,697
	211,812	193,155	-	71,310	-	-	1,828,892	-	107,631
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers									
	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 70 (Pacific Rim)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2026

	Ready, Set, Learn	OLEP	CommunityLINK	Classroom Enhancement Fund - Overhead	Classroom Enhancement Fund - Staffing	Classroom Enhancement Fund - Remedies	First Nation Student Transportation	Mental Health in Schools	Changing Results for Young Children (CR4YC)
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	6,222								
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	24,500	129,720	1,019,659	140,790	5,883,167	1,930,904	134,629	55,000	
Provincial Grants - Other									
Other			13,100						
	24,500	129,720	1,032,759	140,790	5,883,167	1,930,904	134,629	55,000	-
Less: Allocated to Revenue	30,722	129,720	1,019,659	140,790	4,991,139	1,694,803	134,629	55,000	-
Deferred Revenue, end of year	-	-	13,100	-	892,028	236,101	-	-	-
Revenues									
Provincial Grants - Ministry of Education and Child Care	30,722	129,720	1,019,659	140,790	4,991,139	1,694,803	134,629	55,000	-
Provincial Grants - Other									
Other Revenue									
	30,722	129,720	1,019,659	140,790	4,991,139	1,694,803	134,629	55,000	-
Expenses									
Salaries									
Teachers			132,857		3,977,003	1,350,441			
Principals and Vice Principals		34,195	106,760						
Educational Assistants	930		316,836						
Support Staff			104,276				25,921		
Other Professionals		7,961	58,325					20,600	
Substitutes				140,790					
	930	42,156	719,054	140,790	3,977,003	1,350,441	25,921	20,600	-
Employee Benefits	155	9,517	147,135		1,014,136	344,362	4,151	5,150	
Services and Supplies	29,637	78,047	153,470				104,557	29,250	
	30,722	129,720	1,019,659	140,790	4,991,139	1,694,803	134,629	55,000	-
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers									
	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 70 (Pacific Rim)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2026

	Seamless Day Kindergarten	Early Childhood Education (ECE) Dual Credit Program	Student & Family Affordability (SFAF)	JUST B4	Strengthening Early Years to Kindergarten (SEY2KT)	Early Care & Learning (ECL)	Feeding Futures Fund	Health Career Grants	Dual Credit Program Expansion
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year			47,235	33,748	5,446		566		
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care				25,000		525,000	462,743		
Provincial Grants - Other				5,535					
Other				7,801					
	-	-	-	38,336	-	525,000	462,743	-	-
Less: Allocated to Revenue	-	-	41,501	41,321	5,446	174,994	460,221	-	-
Deferred Revenue, end of year	-	-	5,734	30,763	-	350,006	3,088	-	-
Revenues									
Provincial Grants - Ministry of Education and Child Care	-	-	41,501	28,787	5,446	174,994	460,221	-	-
Provincial Grants - Other				5,534					
Other Revenue				7,000					
	-	-	41,501	41,321	5,446	174,994	460,221	-	-
Expenses									
Salaries									
Teachers									
Principals and Vice Principals									
Educational Assistants									
Support Staff				15,750	2,535				
Other Professionals						141,671	65,709		
Substitutes									
	-	-	-	15,750	2,535	141,671	65,709	-	-
Employee Benefits				4,609	617	33,323	20,549		
Services and Supplies			41,501	20,962	2,294		373,963		
	-	-	41,501	41,321	5,446	174,994	460,221	-	-
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers									
	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 70 (Pacific Rim)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2026

	Professional Learning Grant	National School Food Program	Work Experience Enhancement	School Age Child Care Pilot	Project Penny	School Foods Coordinated Procurement	Dual Credit Pathway to Teacher Education	School Meals Program	Early Years Family Hub
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	238,867	76,023						2,500	
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	12,000	162,910				100,000			
Provincial Grants - Other								500	70,000
Other								8,690	3,900
	12,000	162,910	-	-	-	100,000	-	9,190	73,900
Less: Allocated to Revenue	119,763	181,141	-	-	-	30,240	-	965	73,900
Deferred Revenue, end of year	131,104	57,792	-	-	-	69,760	-	10,725	-
Revenues									
Provincial Grants - Ministry of Education and Child Care	119,763	181,141	-	-	-	30,240	-		
Provincial Grants - Other									70,000
Other Revenue								965	3,900
	119,763	181,141	-	-	-	30,240	-	965	73,900
Expenses									
Salaries									
Teachers									
Principals and Vice Principals	62,828								
Educational Assistants									
Support Staff									54,286
Other Professionals									
Substitutes	23,192								
	86,020	-	-	-	-	-	-	-	54,286
Employee Benefits	14,656								14,878
Services and Supplies	19,087	181,141				30,240		965	4,736
	119,763	181,141	-	-	-	30,240	-	965	73,900
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers									
	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 70 (Pacific Rim)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2026

	Learning Lab	Elementary Sports Council	After School Sports & Arts	Public Safety & Solicitor General	Salmonid Program	Cultural Performances	PRP Kackaamin	TOTAL
	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	4,243	12,061	943	58,342	13,865	721		3,009,713
Add: Restricted Grants								
Provincial Grants - Ministry of Education and Child Care							295,000	11,417,562
Provincial Grants - Other			85,000	81,076				242,111
Other		2,850		750	2,500			1,563,815
	-	2,850	85,000	81,826	2,500	-	295,000	13,223,488
Less: Allocated to Revenue	-	434	85,463	127,133	16,365	-	287,784	12,255,933
Deferred Revenue, end of year	4,243	14,477	480	13,035	-	721	7,216	3,977,268
Revenues								
Provincial Grants - Ministry of Education and Child Care							287,784	10,038,937
Provincial Grants - Other			85,463	127,133				288,130
Other Revenue		434			16,365			1,928,866
	-	434	85,463	127,133	16,365	-	287,784	12,255,933
Expenses								
Salaries								
Teachers							197,547	5,657,848
Principals and Vice Principals								203,783
Educational Assistants							210	484,308
Support Staff			851					285,375
Other Professionals			17,650	100,296			14,048	426,260
Substitutes			1,519				11,305	176,806
	-	-	20,020	100,296	-	-	223,110	7,234,380
Employee Benefits			3,369	25,371			47,244	1,739,223
Services and Supplies		434	62,074	1,466	16,365		17,430	3,282,330
	-	434	85,463	127,133	16,365	-	287,784	12,255,933
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-
Interfund Transfers								
	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-

School District No. 70 (Pacific Rim)

Schedule of Capital Operations

Year Ended June 30, 2026

Schedule 4 (Unaudited)

	2026 Budget (Note 16)	2026 Actual			2025 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Provincial Grants					
Ministry of Education and Child Care				-	439,263
Other Revenue			71,241	71,241	
Gain (Loss) on Disposal of Tangible Capital Assets		639,000		639,000	1,934,976
Amortization of Deferred Capital Revenue	4,000,000	4,204,650		4,204,650	4,020,335
Total Revenue	4,000,000	4,843,650	71,241	4,914,891	6,394,574
Expenses					
Operations and Maintenance				-	271,736
Amortization of Tangible Capital Assets					
Operations and Maintenance	3,700,000	3,990,770		3,990,770	3,703,165
Transportation and Housing	1,300,000	1,305,043		1,305,043	1,249,337
Debt Services					
Capital Lease Interest	45,000		37,645	37,645	44,835
Capital Loan Interest	7,500		1,413	1,413	6,674
Change in Asset Retirement Obligation Estimate		110,736		110,736	
Total Expense	5,052,500	5,406,549	39,058	5,445,607	5,275,747
Capital Surplus (Deficit) for the year	(1,052,500)	(562,899)	32,183	(530,716)	1,118,827
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	100,000	334,870		334,870	105,497
Local Capital	158,000		89,855	89,855	56,764
Capital Lease Payment	210,000			-	209,185
Capital Loan Payment	66,000			-	65,060
District Entered	224,000			-	
Total Net Transfers	758,000	334,870	89,855	424,725	436,506
Other Adjustments to Fund Balances					
District Portion of Proceeds on Disposal		(650,000)	650,000	-	
Tangible Capital Assets Purchased from Local Capital		89,855	(89,855)	-	
Principal Payment					
Capital Lease		104,508	(104,508)	-	
Capital Loan		63,467	(63,467)	-	
Total Other Adjustments to Fund Balances		(392,170)	392,170	-	
Total Capital Surplus (Deficit) for the year	(294,500)	(620,199)	514,208	(105,991)	1,555,333
Capital Surplus (Deficit), beginning of year		7,976,118	1,560,108	9,536,226	
Prior Period Adjustments					
District Entered					7,980,893
Capital Surplus (Deficit), beginning of year, as restated		7,976,118	1,560,108	9,536,226	7,980,893
Capital Surplus (Deficit), end of year		7,355,919	2,074,316	9,430,235	9,536,226

School District No. 70 (Pacific Rim)

Schedule 4A (Unaudited)

Tangible Capital Assets
Year Ended June 30, 2026

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	2,556,637	181,903,009	4,141,749	3,025,302		1,518,267	193,144,964
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		3,147,399	236,488				3,383,887
Deferred Capital Revenue - Other		4,683,274	53,567				4,736,841
Operating Fund		334,870					334,870
Local Capital		4,432	85,423				89,855
Change in Asset Retirement Obligation Estimate		110,736					110,736
Transferred from Work in Progress		5,949,741					5,949,741
	-	14,230,452	375,478	-	-	-	14,605,930
Decrease:							
Disposed of	11,000	167,527					178,527
Deemed Disposals			36,532			97,482	134,014
	11,000	167,527	36,532	-	-	97,482	312,541
Cost, end of year	2,545,637	195,965,934	4,480,695	3,025,302	-	1,420,785	207,438,353
Work in Progress, end of year		559,970	328				560,298
Cost and Work in Progress, end of year	2,545,637	196,525,904	4,481,023	3,025,302	-	1,420,785	207,998,651
Accumulated Amortization, beginning of year		66,060,372	1,251,944	486,205		624,305	68,422,826
Changes for the Year							
Amortization for the Year		4,268,256	431,122	302,530		293,905	5,295,813
		4,268,256	431,122	302,530	-	293,905	5,295,813
Disposed of		167,527					167,527
Deemed Disposals			36,532			97,482	134,014
Written-off During Year							-
Change in Asset Retirement Obligation Estimate		(110,736)					(110,736)
		56,791	36,532	-	-	97,482	190,805
Accumulated Amortization, end of year		70,271,837	1,646,534	788,735	-	820,728	73,527,834
Tangible Capital Assets - Net	2,545,637	126,254,067	2,834,489	2,236,567	-	600,057	134,470,817

School District No. 70 (Pacific Rim)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress
Year Ended June 30, 2026

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
Work in Progress, beginning of year	5,949,741				5,949,741
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	559,970	328			560,298
	559,970	328	-	-	560,298
Decrease:					
Transferred to Tangible Capital Assets	5,949,741				5,949,741
	5,949,741	-	-	-	5,949,741
Net Changes for the Year	(5,389,771)	328	-	-	(5,389,443)
Work in Progress, end of year	559,970	328	-	-	560,298

School District No. 70 (Pacific Rim)

Schedule 4C (Unaudited)

Deferred Capital Revenue
Year Ended June 30, 2026

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	104,360,240	7,976,380	88,922	112,425,542
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	3,383,887	953,760	3,783,081	8,120,728
Transferred from Work in Progress		5,949,741		5,949,741
	3,383,887	6,903,501	3,783,081	14,070,469
Decrease:				
Amortization of Deferred Capital Revenue	3,940,378	324,850	(60,578)	4,204,650
	3,940,378	324,850	(60,578)	4,204,650
Net Changes for the Year	(556,491)	6,578,651	3,843,659	9,865,819
Deferred Capital Revenue, end of year	103,803,749	14,555,031	3,932,581	122,291,361
Work in Progress, beginning of year	-	5,949,741	-	5,949,741
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	560,298			560,298
	560,298	-	-	560,298
Decrease				
Transferred to Deferred Capital Revenue		5,949,741		5,949,741
	-	5,949,741	-	5,949,741
Net Changes for the Year	560,298	(5,949,741)	-	(5,389,443)
Work in Progress, end of year	560,298	-	-	560,298
Total Deferred Capital Revenue, end of year	104,364,047	14,555,031	3,932,581	122,851,659

School District No. 70 (Pacific Rim)

Changes in Unspent Deferred Capital Revenue
Year Ended June 30, 2026

	Bylaw Capital	MECC Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	615,794	84,329	76,765		25,000	801,888
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education and Child Care	4,468,184		876,995			5,345,179
Other					3,783,081	3,783,081
	4,468,184	-	876,995	-	3,783,081	9,128,260
Decrease:						
Transferred to DCR - Capital Additions	3,383,887		953,760		3,783,081	8,120,728
Transferred to DCR - Work in Progress	560,298					560,298
	3,944,185	-	953,760	-	3,783,081	8,681,026
Net Changes for the Year	523,999	-	(76,765)	-	-	447,234
Balance, end of year	1,139,793	84,329	-	-	25,000	1,249,122