

FINANCIAL STATEMENTS

July 1, 2024 to June 30, 2025



Audited Financial Statements of

School District No. 39 (Vancouver)

And Independent Auditors' Report thereon

June 30, 2025

School District No. 39 (Vancouver)

June 30, 2025

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School District No. 39 (Vancouver)

MANAGEMENT REPORT

Version: 4682-3937-1954

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 39 (Vancouver) 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. 39 (Vancouver) (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. 39 (Vancouver) 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. 39 (Vancouver)

original signed	October 1, 2025
Signature of the Chairperson of the Board of Education	Date Signed
original signed	October 1, 2025
Signature of the Superintendent	Date Signed
original signed	October 1, 2025
Signature of the Secretary Treasurer	Date Signed



KPMG LLP

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

INDEPENDENT AUDITOR'S REPORT

To the Board of Education of School District No. 39 (Vancouver)
To the Minister of Education and Child Care, Province of British Columbia

Opinion

We have audited the financial statements of School District No. 39 (Vancouver) (the "Entity"), which comprise:

- The statement of financial position as at June 30, 2025
- the statement of operations for the year then ended
- the statement of changes in net debt for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements 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.

KPMG LLP, an Ontario limited liability partnership and member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. KPMG Canada provides services to KPMG LLP.



Other Information

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

- Unaudited Schedules 1 - 4 attached to the audited financial statements; and
- Information, other than the financial statements and the auditor's report thereon, included in the Financial Statement Discussion and Analysis document.

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

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

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

We have nothing to report in this regard.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.



Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

We also:

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

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

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

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

Chartered Professional Accountants

Vancouver, Canada
October 1, 2025

School District No. 39 (Vancouver)

Statement 1

Statement of Financial Position

As at June 30, 2025

	2025 Actual	2024 Actual
	\$	\$
Financial Assets		
Cash and Cash Equivalents	204,874,430	207,569,433
Accounts Receivable		
Due from Province - Ministry of Education and Child Care	5,187,360	5,392,460
Due from Province - Other		140,408
Other (Note 3)	30,175,838	32,445,386
Portfolio Investments (Note 4)	30,208,956	50,410,724
Total Financial Assets	270,446,584	295,958,411
Liabilities		
Accounts Payable and Accrued Liabilities		
Due to Province - Other	233,539	234,839
Other (Note 5)	93,376,357	115,565,109
Unearned Revenue (Note 6)	63,079,517	57,056,260
Deferred Revenue (Note 7)	38,960,835	41,662,438
Deferred Capital Revenue (Note 8)	966,409,034	953,310,706
Employee Future Benefits (Note 9)	33,892,379	33,850,560
Asset Retirement Obligation (Note 10)	70,320,233	66,971,650
Capital Lease Obligations (Note 11)	2,607,996	2,572,960
Total Liabilities	1,268,879,890	1,271,224,522
Net Debt	(998,433,306)	(975,266,111)
Non-Financial Assets		
Tangible Capital Assets (Note 12)	1,056,645,885	1,045,745,806
Prepaid Expenses	3,008,153	3,051,811
Supplies Inventory	1,411,838	1,285,659
Other Assets		
Total Non-Financial Assets	1,061,065,876	1,050,083,276
Accumulated Surplus (Deficit) (Note 14)	62,632,570	74,817,165
Contractual Obligations (Note 15)		
Contingent Assets (Note 16)		
Contingent Liabilities (Note 17)		

Approved by the Board

original signed	October 1, 2025
Signature of the Chairperson of the Board of Education	Date Signed
original signed	October 1, 2025
Signature of the Superintendent	Date Signed
original signed	October 1, 2025
Signature of the Secretary Treasurer	Date Signed

School District No. 39 (Vancouver)

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	681,578,366	682,302,605	646,100,708
Other	8,872,382	10,062,363	9,211,318
Federal Grants	3,407,449	3,375,678	3,192,037
Tuition	24,842,423	26,400,962	26,789,970
Other Revenue	25,507,536	31,365,552	27,649,234
Rentals and Leases	7,730,139	8,925,174	7,988,402
Investment Income	6,247,968	7,521,963	9,235,795
Amortization of Deferred Capital Revenue	30,157,151	30,286,834	26,533,602
Total Revenue	<u>788,343,414</u>	<u>800,241,131</u>	<u>756,701,066</u>
Expenses (Note 19)			
Instruction	638,753,229	640,907,933	601,753,079
District Administration	34,134,395	32,601,794	28,750,251
Operations and Maintenance	126,424,971	127,294,158	119,009,276
Transportation and Housing	4,651,884	4,450,335	3,720,473
Debt Services	186,498	108,274	129,538
Write-off/down of Buildings and Sites		3,714,650	
ARO Accretion		3,348,582	
Total Expense	<u>804,150,977</u>	<u>812,425,726</u>	<u>753,362,617</u>
Surplus (Deficit) for the year	<u>(15,807,563)</u>	<u>(12,184,595)</u>	<u>3,338,449</u>
Accumulated Surplus (Deficit) from Operations, beginning of year		74,817,165	71,478,716
Accumulated Surplus (Deficit) from Operations, end of year		<u><u>62,632,570</u></u>	<u><u>74,817,165</u></u>

School District No. 39 (Vancouver)

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	(15,807,563)	(12,184,595)	3,338,449
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(61,389,591)	(49,769,179)	(90,168,921)
Amortization of Tangible Capital Assets	38,673,698	38,792,405	35,252,334
ARO Change in Estimate			215,950
ARO Retirement		76,695	
Total Effect of change in Tangible Capital Assets	(22,715,893)	(10,900,079)	(54,700,637)
Acquisition of Prepaid Expenses		(5,731,916)	(7,285,114)
Use of Prepaid Expenses		5,775,574	5,919,330
Acquisition of Supplies Inventory		(1,469,009)	(1,702,603)
Use of Supplies Inventory		1,342,830	1,529,062
Total Effect of change in Other Non-Financial Assets	-	(82,521)	(1,539,325)
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	(38,523,456)	(23,167,195)	(52,901,513)
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Debt		(23,167,195)	(52,901,513)
Net Debt, beginning of year		(975,266,111)	(922,364,598)
Net Debt, end of year		(998,433,306)	(975,266,111)

School District No. 39 (Vancouver)

Statement 5

Statement of Cash Flows

Year Ended June 30, 2025

	2025 Actual	2024 Actual
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	(12,184,595)	3,338,449
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	2,615,056	(13,375,770)
Supplies Inventories	(126,179)	(173,541)
Prepaid Expenses	43,658	(1,365,784)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	(22,190,052)	27,765,982
Unearned Revenue	6,023,257	738,199
Deferred Revenue	(2,701,603)	(632,100)
Employee Future Benefits	41,819	614,446
Asset Retirement Obligations	3,348,583	(146,061)
Amortization of Tangible Capital Assets	38,792,405	35,252,334
Amortization of Deferred Capital Revenue	(30,286,834)	(26,533,602)
Write-Off Work in Progress	3,714,650	
Total Operating Transactions	(12,909,835)	25,482,552
Capital Transactions		
Tangible Capital Assets Purchased	(1,696,872)	(2,542,379)
Tangible Capital Assets -WIP Purchased	(50,516,302)	(87,119,917)
Tangible Capital Assets - WIP Purchased Prior Period		1,599,972
Total Capital Transactions	(52,213,174)	(88,062,324)
Financing Transactions		
Capital Revenue Received	45,858,650	60,757,905
Capital Lease Payments	(1,804,084)	(1,466,624)
DCR Transfers and other items	(1,828,328)	
Total Financing Transactions	42,226,238	59,291,281
Investing Transactions		
Investments in Portfolio Investments	20,201,768	(49,991,208)
Total Investing Transactions	20,201,768	(49,991,208)
Net Increase (Decrease) in Cash and Cash Equivalents	(2,695,003)	(53,279,699)
Cash and Cash Equivalents, beginning of year	207,569,433	260,849,132
Cash and Cash Equivalents, end of year	204,874,430	207,569,433
Cash and Cash Equivalents, end of year, is made up of:		
Cash	204,874,430	207,569,433
	204,874,430	207,569,433

SCHOOL DISTRICT NO. 39 (VANCOUVER)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR
ENDED JUNE 30, 2025

1 Authority and Purpose

The School District, established on April 12, 1946, operates under authority of the *School Act* of British Columbia as a corporation under the name of "The Board of Education of School District No. 39 (Vancouver)", and operates as "School District No. 39 (Vancouver)." 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 ("MECC"). School District No. 39 (Vancouver) is exempt from federal and provincial income taxes.

2 Summary of Significant Accounting Policies

a) Basis of Accounting

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

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(n), 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 these grants to be fully recognized into revenue.

b) Cash and Cash Equivalents

Cash and cash equivalents include cash and 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 (GIC's), Short-term Investment Certificate and bonds that have a period to maturity of greater than three months at the time of acquisition. These investments are not quoted in an active market and are reported at amortized cost, and the associated transaction costs are added to the carrying value of these investments upon initial recognition. Transaction costs are incremental costs directly attributable to the acquisition or issuance of a financial asset.

SCHOOL DISTRICT NO. 39 (VANCOUVER)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR
ENDED JUNE 30, 2025

2 Summary of Significant Accounting Policies (continued)

e) Unearned Revenue

Unearned revenue includes tuition fees received for courses to be delivered in future periods, receipt of proceeds for services or products to be delivered in a future period and the remaining balance of a 99-year ground lease. For tuition fees and the receipt of proceeds for services or products to be delivered, revenue will be recognized in that future period when the courses, services, or products are provided. For the ground lease, revenue will be recognized on a straight-line basis over the remaining term of the lease.

f) Deferred Revenue and Deferred Capital Revenue

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

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

i) Post-employment benefits

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

The benefits cost is actuarially determined using the projected unit credit method pro-rated on service and using management's best estimate of expected salary escalation, termination rates, retirement rates and mortality.

The discount rate used to measure obligations is based on the cost of borrowing. The cumulative unrecognized actuarial gains and losses are amortized over the expected average remaining service lifetime of active employees covered under the plan.

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

SCHOOL DISTRICT NO. 39 (VANCOUVER)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR
ENDED JUNE 30, 2025

2 Summary of Significant Accounting Policies (continued)

i) Pension Plans

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

h) Tangible Capital Assets

- 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 in which case the assets are 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 of tangible capital assets commences when the asset is available for productive 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.
- 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 indicate the need to revise.

Estimated useful life is as follows:

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

SCHOOL DISTRICT NO. 39 (VANCOUVER)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR
ENDED JUNE 30, 2025

2 Summary of Significant Accounting Policies (continued)

i) Asset Retirement Obligations

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

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

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

j) Capital Leases

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

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

k) Prepaid Expenses

Prepaid annual maintenance contracts, prepaid rent and membership dues 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) Supplies Inventory

Supplies inventory held for consumption or use are recorded at the lower of historical cost and replacement cost.

m) Funds and Reserves

Certain amounts, as approved by the Board, are set aside in accumulated surplus for future operating and capital purposes. Transfers to and from funds and reserves are an adjustment to the respective fund when approved.

SCHOOL DISTRICT NO. 39 (VANCOUVER)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR
ENDED JUNE 30, 2025

2 Summary of Significant Accounting Policies (continued)

n) 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 lives of the assets. Donated sites are recorded as revenue at fair market value when received or receivable.

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 governments 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 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 payer).

Revenue from transactions with no performance obligations is recognized when the School 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 the asset.

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

SCHOOL DISTRICT NO. 39 (VANCOUVER)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR
ENDED JUNE 30, 2025

2 Summary of Significant Accounting Policies (continued)

o) 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, Vice-Principals, and Directors of Instruction employed under an administrative officer contract are categorized as Principals and Vice-Principals.
- The Superintendent, Deputy Superintendent, Associate Superintendents, Secretary-Treasurer, Directors, Trustees and other employees excluded from union contracts are categorized as Other Professionals.

Allocation of Costs

- Operating expenses are reported by function, program, and object. Whenever possible expenditures are determined by actual identification. Additional costs pertaining to specific instructional programs, such as special and aboriginal education, are allocated to these programs. All other costs are allocated to 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.

p) 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, portfolio investments, accounts receivable, accounts payable and other current liabilities.

Except for portfolio investments in equity instruments quoted in an active market, or items designated by management, 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. Transaction costs are incremental costs directly attributable to the acquisition or issue of a financial asset or a financial liability.

The School District has not invested in any equity instruments that are actively quoted in the market and has not designated any financial instruments to be recorded at fair value. The School District has no instruments in the fair value category.

For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense. Interest and dividends attributable to financial instruments are reported in the statement of operations.

SCHOOL DISTRICT NO. 39 (VANCOUVER)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR
ENDED JUNE 30, 2025

2 Summary of Significant Accounting Policies (continued)

p) Financial Instruments (continued)

Unless otherwise noted, it is management's opinion that the School District is not exposed to significant interest, currency or credit risks arising from its financial instruments. The fair values of these financial instruments approximate their carrying value, unless otherwise noted.

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.

q) 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 post-remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site.

r) 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, liabilities for contaminated sites, rates for amortization and estimated employee future benefits. Actual results could differ from those estimates.

SCHOOL DISTRICT NO. 39 (VANCOUVER)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR
ENDED JUNE 30, 2025

3 Other Receivables

Other Receivables include an amount for unpaid ground lease revenue. On December 22, 2024, the Supreme Court Of British Columbia set aside an arbitration award related to market value of Kingsgate Mall for setting rent on the property. As a result of this ruling, the District now invoices the tenant a lower amount and the balance due from the tenant based on the arbitration award has been reduced with a corresponding reduction in the allowance for doubtful accounts. Previously, the District had been invoicing the tenant based on the initial arbitration ruling and the tenant had been paying a lower rental amount which resulted in the difference being included in the allowance for doubtful accounts.

	<u>June 30, 2025</u>	<u>June 30, 2024</u>
Due from Federal Government	\$ 1,253,366	\$ 488,059
Due from Municipalities	19,695,743	18,046,322
Due from Other School Districts	192,325	305,000
Rentals and Leases	3,995,814	56,766,410
Other Receivables	5,038,590	13,199,305
Total Receivables	30,175,838	88,805,096
Allowance for Doubtful Accounts	-	(56,359,710)
Net Balance	<u>\$ 30,175,838</u>	<u>\$ 32,445,386</u>

4 Portfolio Investments

Investments included in portfolio investments are Guaranteed Investment Certificates (GIC's) held with local banking institutions and earn average interest at 3.77%. Senior government bonds held earn average interest at 2.71% (2024 – 2.56%).

	<u>June 30, 2025</u>	<u>June 30, 2024</u>
Short-term Investment Certificate	\$ -	\$ 50,000,000
Senior Government Bonds	107,910	309,139
GIC's	30,101,046	101,585
Net Balance	<u>\$ 30,208,956</u>	<u>\$ 50,410,724</u>

5 Accounts Payable and Accrued Liabilities – Other

	<u>June 30, 2025</u>	<u>June 30, 2024</u>
Trade Payables	\$ 9,239,004	\$ 12,906,605
Salaries and Benefits Payable	46,918,812	43,978,045
Accrued Vacation Pay	12,007,994	11,430,503
Other	25,210,547	47,249,956
	<u>\$ 93,376,357</u>	<u>\$ 115,565,109</u>

SCHOOL DISTRICT NO. 39 (VANCOUVER)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR
ENDED JUNE 30, 2025

6 Unearned Revenue

	<u>June 30, 2025</u>	<u>June 30, 2024</u>
Balance, beginning of year		
Tuition fees	\$ 23,904,730	\$ 24,072,040
Rental and lease of facilities	13,369,523	13,398,856
Other	19,782,007	18,847,165
	<u>57,056,260</u>	<u>56,318,061</u>
 Amounts received		
Tuition fees	22,328,544	25,557,293
Rental and lease of facilities	24,046,924	7,889,069
Other	742,712	934,842
	<u>47,118,180</u>	<u>34,381,204</u>
 Amounts recognized in revenue		
Tuition fees	24,840,975	25,724,603
Rental and lease of facilities	16,253,948	7,918,402
Other	-	-
	<u>41,094,923</u>	<u>33,643,005</u>
 Balance, end of year		
Tuition fees	21,392,299	23,904,730
Rentals and lease of facilities	21,162,499	13,369,523
Other	20,524,719	19,782,007
	<u>\$ 63,079,517</u>	<u>\$ 57,056,260</u>

7 Deferred Revenue

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

SCHOOL DISTRICT NO. 39 (VANCOUVER)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR
ENDED JUNE 30, 2025

7 Deferred Revenue (continued)

	<u>June 30, 2025</u>	<u>June 30, 2024</u>
Balance, beginning of year		
Provincial Grants - Ministry of Education and Child Care	\$ 5,529,722	\$ 5,001,078
Provincial Grants - Other	28,574,738	30,831,936
Other Grants	6,034,264	5,971,894
Investment Income	1,523,714	489,630
	<u>41,662,438</u>	<u>42,294,538</u>
Increases during the year		
Provincial Grants - Ministry of Education and Child Care	89,785,748	78,189,881
Provincial Grants - Other	7,086,507	6,891,871
Other	8,157,842	7,544,821
Interest Income	1,241,225	1,982,248
	<u>106,271,322</u>	<u>94,608,821</u>
Allocated to Revenue		
Provincial Grants - Ministry of Education and Child Care	88,213,490	76,601,848
Provincial Grants - Other	10,000,114	9,149,069
Other Grants	7,903,665	7,482,451
Interest Income	888,037	948,164
	<u>107,005,306</u>	<u>94,181,532</u>
Recoveries		
Provincial Grants - Ministry of Education and Child Care	<u>1,967,619</u>	<u>1,059,389</u>
Balance, end of year		
Provincial Grants - Ministry of Education and Child Care	5,134,361	5,529,722
Provincial Grants - Other	25,661,131	28,574,738
Other Grants	6,288,441	6,034,264
Investment Income	1,876,902	1,523,714
	<u>\$ 38,960,835</u>	<u>\$ 41,662,438</u>

SCHOOL DISTRICT NO. 39 (VANCOUVER)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR
ENDED JUNE 30, 2025

8 Deferred Capital Revenue

Deferred Capital Revenue (DCR) 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 Regulation 198/2011 issued by the Treasury Board. Once spent, the contributions are amortized into revenue over the life of the asset acquired.

	<u>June 30, 2025</u>	<u>June 30, 2024</u>
Deferred Capital Revenue, Completed Projects		
Balance, beginning of year	\$ 870,737,396	\$ 754,002,130
Increases		
Transfers from Work in Progress	62,761,884	141,496,348
Transferred to Deferred Revenue Other from Bylaw	-	1,853,508
	<u>62,761,884</u>	<u>143,349,856</u>
Decreases		
Amortization - ByLaw Capital	28,676,459	25,378,458
Amortization - Other Provincial Capital	443,404	424,933
Amortization - Other Capital	1,166,971	730,211
ARO Settlement	-	76,695
Transfer from Completed DCR to Unspent DCR	1,634,413	-
Other items, net	76,695	4,293
	<u>31,997,942</u>	<u>26,614,590</u>
Balance, end of year	<u>901,501,338</u>	<u>870,737,396</u>
Deferred Capital Revenue, Work in Progress		
Balance, beginning of year	59,820,334	120,562,774
Increases		
Transfers from Deferred Revenue – Unspent funds	47,595,064	80,918,603
Decreases		
Transfers to Deferred Revenue Other from Bylaw	-	164,695
Transfers to Deferred Capital Revenue – Completed projects	62,761,884	141,496,348
Funding for Project Definition Reports for capital projects not funded	568,465	-
Balance, end of year	<u>44,085,049</u>	<u>59,820,334</u>
Balance DCR - Completed Projects and WIP, end of year	<u>945,586,387</u>	<u>930,557,730</u>
Deferred Capital Revenue, Unspent		
Balance, beginning of year	22,752,976	42,990,369
Increases		
Provincial Grants – Ministry of Education and Child Care	39,636,921	51,851,883
Other Grants	3,570,873	8,552,315
Investment Income	939,748	2,392,327
Transfer from Completed DCR to Unspent DCR	1,634,413	-
Others	76,695	-
	<u>45,858,650</u>	<u>62,796,525</u>
Decreases		
Transferred to Deferred Capital Revenue, WIP	47,595,064	80,918,603
Reversal of investment income	193,915	-
Settlement of Asset Retirement Obligations	-	76,695
Transfers to Deferred Revenue Other from Bylaw	-	2,038,620
	<u>47,788,979</u>	<u>83,033,918</u>
Balance, DCR - Unspent, end of year	<u>20,822,647</u>	<u>22,752,976</u>
Total Deferred Capital Revenue	<u>\$ 966,409,034</u>	<u>\$ 953,310,706</u>

SCHOOL DISTRICT NO. 39 (VANCOUVER)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR
ENDED JUNE 30, 2025

9 Employee Future Benefits

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

	<u>June 30, 2025</u>	<u>June 30, 2024</u>
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	\$ 25,988,416	\$ 26,388,850
Service Cost	1,702,176	1,730,689
Interest Cost	1,123,534	1,070,063
Benefit Payments	(2,020,968)	(1,909,561)
Increase (Decrease) in obligation due to Plan Amendment	-	-
Actuarial (Gain) Loss	1,730,962	(1,291,625)
Accrued Benefit Obligation – March 31	<u>\$ 28,524,120</u>	<u>\$ 25,988,416</u>
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation - March 31	\$ 28,524,120	\$ 25,988,416
Market Value of Plan Assets - March 31	-	-
Funded Status - Surplus (Deficit)	(28,524,120)	(25,988,416)
Employer Contributions After Measurement Date	1,419,325	1,357,261
Benefits Expense After Measurement Date	(735,425)	(706,428)
Unamortized Net Actuarial (Gain) Loss	(6,052,159)	(8,512,977)
Accrued Benefit Asset (Liability) - June 30	<u>\$ (33,892,379)</u>	<u>\$ (33,850,560)</u>
Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability (Asset) - July 1	\$ 33,850,559	\$ 33,236,114
Net Expense for Fiscal Year	2,124,851	2,720,471
Employer Contributions	(2,083,031)	(2,106,025)
Accrued Benefit Liability (Asset) - June 30	<u>\$ 33,892,379</u>	<u>\$ 33,850,560</u>
Components of Net Benefit Expense		
Service Cost	1,726,420	1,723,561
Interest Cost	1,128,287	1,083,431
Immediate Recognition of Plan Amendment	-	-
Amortization of Net Actuarial (Gain)/Loss	(729,856)	(86,521)
Net Benefit Expense (Income)	<u>\$ 2,124,851</u>	<u>\$ 2,720,471</u>

SCHOOL DISTRICT NO. 39 (VANCOUVER)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR
ENDED JUNE 30, 2025

9 Employee Future Benefits (continued)

	<u>June 30, 2025</u>	<u>June 30, 2024</u>
Assumptions		
Discount Rate - April 1	4.25%	4.00%
Discount Rate - March 31	4.00%	4.25%
Long Term Salary Growth - April 1	2.50% + seniority	2.50% + seniority
Long Term Salary Growth - March 31	2.50% + seniority	2.50% + seniority
EARSL - March 31	11.1	11.0

The impact of changes in assumptions between the March 31, 2025 measurement date and June 30, 2025 reporting date have been considered and are not considered to be material.

10 Asset Retirement Obligation

Legal liabilities exist for the removal and disposal of asbestos and other environmentally hazardous materials (lead in paint, fuel tanks) within some School 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.

	<u>June 30, 2025</u>	<u>June 30, 2024</u>
Asset Retirement Obligation, beginning of year	\$ 66,971,650	\$ 67,117,711
Change of accounting estimate	-	146,585
Settlements during the year	-	(292,646)
Accretion Expense	3,348,583	
Asset Retirement Obligation, end of year	<u>\$ 70,320,233</u>	<u>\$ 66,971,650</u>

11 Capital Lease Obligations

Repayments are due as follows:

	<u>June 30, 2025</u>	<u>June 30, 2024</u>
Fiscal year ended		
2025	\$ -	1,587,477
2026	1,587,178	1,057,384
2027	632,838	101,024
2028	499,192	-
	<u>2,719,208</u>	<u>2,745,885</u>
Interest portion	(111,212)	(172,925)
Total	<u>\$ 2,607,996</u>	<u>\$ 2,572,960</u>

SCHOOL DISTRICT NO. 39 (VANCOUVER)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR
ENDED JUNE 30, 2025

12 Tangible Capital Assets

2025

Cost	July 1, 2024	Additions & ARO	Disposals & ARO	Transfers	June 30, 2025
Sites	\$ 20,781,543	\$ -	\$ -	\$ -	\$ 20,781,543
Buildings	1,486,467,041	-	(76,695)	63,622,455	1,550,012,801
Buildings – WIP	71,270,110	50,201,141	(4,283,115)	(63,622,455)	53,565,681
Furniture & Equipment	21,014,530	1,363,882	(1,432,938)	315,161	21,260,635
Furniture & Equipment - WIP	-	315,161	-	(315,161)	-
Vehicles	1,727,699	-	(191,448)	-	1,536,251
Computer Software	100,244	-	-	-	100,244
Computer Hardware	16,014,429	2,172,110	(2,244,045)	-	15,942,494
Total	\$ 1,617,375,596	\$ 54,052,294	\$ (8,228,241)	\$ -	\$ 1,663,199,649

Accumulated Amortization	July 1, 2024	Amortization & ARO	Disposals & ARO	June 30, 2025
Buildings	\$ 552,397,841	\$ 33,299,707	\$ -	\$ 585,697,548
Furniture & Equipment	8,319,273	2,113,758	1,432,938	9,000,093
Vehicles	1,051,429	163,197	191,448	1,023,178
Computer Software	51,612	20,049	-	71,661
Computer Hardware	9,809,635	3,195,694	2,244,045	10,761,284
Total	\$ 571,629,790	\$ 38,792,405	\$ 3,868,431	\$ 606,553,764

2024

Cost	July 1, 2023	Additions & ARO	Disposals & ARO	Transfers	June 30, 2024
Sites	\$ 20,781,543	\$ -	\$ -	\$ -	\$ 20,781,543
Buildings	1,342,488,647	-	(68,842)	144,047,236	1,486,467,041
Buildings – WIP	130,060,761	85,256,585	-	(144,047,236)	71,270,110
Furniture & Equipment	19,275,665	2,185,791	(2,324,151)	1,877,225	21,014,530
Furniture & Equipment - WIP	13,893	1,863,332	-	(1,877,225)	-
Vehicles	1,930,326	-	(202,627)	-	1,727,699
Computer Software	339,791	10,113	(249,660)	-	100,244
Computer Hardware	20,528,739	705,992	(5,220,302)	-	16,014,429
Total	\$ 1,535,419,365	\$ 90,021,813	\$ (8,065,582)	\$ -	\$ 1,617,375,596

Accumulated Amortization	July 1, 2023	Amortization & ARO	Disposals & ARO	June 30, 2024
Buildings	\$ 523,041,238	\$ 29,356,603	\$ -	\$ 552,397,841
Furniture & Equipment	8,628,915	2,014,509	2,324,151	8,319,273
Vehicles	1,071,155	182,901	202,627	1,051,429
Computer Software	257,269	44,003	249,660	51,612
Computer Hardware	11,375,619	3,654,318	5,220,302	9,809,635
Total	\$ 544,374,196	\$ 35,252,334	\$ 7,996,740	\$ 571,629,790

Net Book Value	June 30, 2025	June 30, 2024
Sites	\$ 20,781,543	\$ 20,781,543
Buildings	964,315,253	934,069,200
Buildings - WIP	53,565,681	71,270,110
Furniture & Equipment	12,260,542	12,695,257
Furniture & Equipment - WIP	-	-
Vehicles	513,073	676,270
Computer Software	28,583	48,632
Computer Hardware	5,181,210	6,204,794
Total	\$ 1,056,645,885	\$ 1,045,745,806

SCHOOL DISTRICT NO. 39 (VANCOUVER)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR
ENDED JUNE 30, 2025

12 Tangible Capital Assets (continued)

As at June 30, 2025, there was work in progress of \$53,565,681 (2024 – \$71,270,110) included in Buildings and Furniture & Equipment and not being amortized. Included in disposals is a write down of WIP of \$3,714,650 (2024 - \$nil).

Included within tangible capital assets purchases is \$1,839,120 (2024 – \$359,517) of assets acquired through capital lease.

13 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, 2024, 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, 2021, indicated a \$3,761 million funding surplus for basic pension benefits on a going concern basis.

The School District paid \$54,146,757 (2024 – \$51,103,565) for employer contributions to these plans in the year ended June 30, 2025.

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 late 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. 39 (VANCOUVER)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR
ENDED JUNE 30, 2025

14 Accumulated Surplus

	<u>June 30, 2025</u>	<u>June 30, 2024</u>
Local Capital Surplus		
Internally Restricted (Appropriated) by the Board for:		
Restricted for Future Capital Cost Share		
New Elementary School at Coal Harbour	\$ 1,996,488	\$ 4,208,190
Eric Hamber Secondary	-	280,000
Henry Hudson Elementary	-	322,500
Kitsilano Secondary	14,364	50,798
Equipment Replacement	867,971	500,000
Financial Provisions	200,000	200,000
Parkade and Paid Parking Lots Renewal	653,761	622,257
Renewal of Leased Facilities	240,000	-
Replacement School at Lord Roberts Annex	3,235,396	3,418,029
Technology for Student Learning	5,245	-
Automated External Defibrillators	247,931	-
Contingency Reserve for Local Capital	4,316,312	3,284,142
Total Internally Restricted Local Capital Surplus	<u>11,777,468</u>	<u>12,885,916</u>
Invested in Capital Assets	<u>25,856,261</u>	<u>35,870,972</u>
Total Local Capital Surplus	<u>37,633,729</u>	<u>48,756,888</u>
 Accumulated Operating Surplus		
Internally Restricted (Appropriated) by the Board for:		
Planned Future Operations Spanning Multiple Years		
Cafeteria Upgrades	-	50,000
Contractual Professional Development	-	200,000
Education Plan	62,714	62,714
Equity and Anti-Oppression	260,069	150,954
Indigenous Education	295,461	150,315
IT Capital Plan	155,924	294,759
Long Range Facilities Plan	120,000	120,000
Online Learning Funding for Courses in Progress	411,064	313,467
Purchase Order Commitments	786,527	1,007,020
Recruitment Strategy Review and Improvement	-	50,000
School Budget Balances	2,850,281	1,769,617
Total Planned Future Operations Spanning Multiple Years	<u>4,942,040</u>	<u>4,168,846</u>
Anticipated Future Requirements		
Financial Provisions	1,352,974	7,300,000
Risk Mitigation - Systems and Processes	673,151	700,000
Total Anticipated Future Requirements	<u>2,026,125</u>	<u>8,000,000</u>
Restricted Due to Constraints on Funds		
Early Career Mentorship	257,976	449,443
Grants and Donations	3,131,454	2,904,611
Scholarships	813,527	822,965
School Generated Funds	7,735,493	6,973,706
Total Restricted Due to Constraints on Funds	<u>11,938,450</u>	<u>11,150,725</u>
Total Internally Restricted Operating Surplus	<u>18,906,615</u>	<u>23,319,571</u>
Operating Fund Contingency	15,443,012	12,091,492
Unfunded Litigation Costs	(9,350,786)	(9,350,786)
Unrestricted Operating Fund Surplus (Contingency)	<u>6,092,226</u>	<u>2,740,706</u>
Total Accumulated Operating Accumulated Surplus	<u>24,998,841</u>	<u>26,060,277</u>
Accumulated Surplus	<u>\$ 62,632,570</u>	<u>\$ 74,817,165</u>

SCHOOL DISTRICT NO. 39 (VANCOUVER)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR
ENDED JUNE 30, 2025

15 Contractual Obligations

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.

	2026	2027	2028	2029
Approved Capital Projects	\$ 22,118,804	\$ 1,654,250	\$ 803,159	\$ 267,614
Future operating lease payments	407,918	190,917	160,658	-
	<u>\$ 22,526,722</u>	<u>\$ 1,845,167</u>	<u>\$ 963,817</u>	<u>\$ 267,614</u>

16 Contingent Assets

In fiscal year ended June 30, 2019, the School District entered into an agreement with BC Hydro for the sale of an underground air parcel at Lord Roberts Annex for the construction of an electrical substation. As a result of that sale, a contingent contractual right exists in the form of a construction lease. The issuance of the construction lease is dependent on BC Hydro receiving a Certificate of Public Convenience and Necessity from the British Columbia Utilities Commission for the construction of the substation.

In January 2022, the School District received an arbitration award regarding the annual ground lease rent for the site on which Kingsgate Mall occupies. The School District has invoiced the tenant annual rent based on the arbitration ruling, and the tenant has been paying a lower rent amount. Beedie Development LP challenged the arbitration award determining the market value of Kingsgate Mall for setting rent for the next lease renewal period. On December 20, 2024, the court set aside the 2022 award and determined the market value based on the 1.0 FSR outright use, setting the rent for the third renewal period at \$1,650,000 per annum. The School District is appealing this decision. The collectability of the amount invoiced is dependent on the outcome of the appeal.

Contingent assets are not recorded in the financial statements.

17 Contingent Liabilities

In the ordinary course of business, VSB has legal proceedings brought against it. It is the opinion of management that final determination of these claims will not have a material impact on the financial positions or operations of VSB. The District is involved in ongoing legal proceedings initiated by the Conseil Scolaire Francophone de la Colombie-Britannique (the "Conseil") against His Majesty the King in Right of the Province of British Columbia, the MECC, and the District. The proceedings are related, in part, to the Conseil's claim that it is entitled to the fee simple transfer of specific school sites from the School District to the Conseil. The Conseil has also claimed that there should be court orders overriding the District's school closure and surplus disposal policies and compelling MECC to exercise powers under the School Act to require the fee simple transfer of such school sites.

SCHOOL DISTRICT NO. 39 (VANCOUVER)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR
ENDED JUNE 30, 2025

17 Contingent Liabilities (continued)

The Conseil filed a Notice of Civil Claim on December 22, 2020, initiating the lawsuit and seeking the fee simple transfer of the Queen Elizabeth Annex (QEA) to the Conseil. The Conseil filed its Third Amended Notice of Civil Claim on August 26, 2022, expanding the relief sought to include additional sites in Vancouver and other communities. On July 28, 2023, the Conseil filed its Fourth Amended Notice of Civil Claim, seeking the fee simple transfer of the QEA site, the Laurier Annex site, and the Dr. A.R. Lord site. On May 23, 2025, after a 9 month long trial, the British Columbia Supreme Court issued reasons for judgment. Regarding the claims against the VSB, the Court dismissed the Conseil's claim that fee simple transfers were necessary to give effect to s. 23 rights under the Canadian Charter of Rights and Freedoms (minority French language education rights). Instead, the Court found that s. 23 rights could be fulfilled through the use of long term leases as suggested by the VSB.

The Court ordered that a transfer of tenure, either long term lease or fee simple, of QEA be made and the VSB is working diligently to fulfill that order. The Court ordered that the VSB must make Laurier Annex site available for a transfer of tenure, again either long term lease or fee simple transfer, subject to decisions being made by the MECC and the Conseil. The Court dismissed the Conseil's claim in relation to the Dr. A.R. Lord site because there was insufficient evidence of failed negotiations between the VSB and the Conseil at this point in the time to justify an order.

The Conseil filed an appeal of the Court's order and in particular the order dismissing their claim that a fee simple transfer is necessary to give effect to the s. 23 rights. The VSB filed a cross-appeal in relation to the order respecting the Laurier Annex site. This appeal will likely be heard in 2026.

An estimate of the remaining costs to defend the legal case are reported under Accumulated Operating Appropriated Surplus as Unfunded Litigation Expenses. The outcome of these legal proceedings is uncertain, and the financial impact on the School District cannot be determined at this time. The School District continues to defend against the Conseil's claims.

According to a directive from MECC, funding remedies through the CEF require an agreement with the school district's teachers' associations. As of September 10, 2025, VSB had not secured agreements with the teachers' associations for remedies earned during the 2024-25 fiscal year, making both the amount and likelihood of a payout indeterminable.

18 Budget Figures

Budget figures reflect the amended annual budget approved by the Board on March 11, 2025. The School District has elected to present the amended annual budget as it reflects a budget based on funding as a result of final enrollment numbers versus estimated annual projections. As the 2024/25 Amended Annual Budget is used for comparative purposes, a reconciliation between the 2024/25 Annual and the 2024/25

SCHOOL DISTRICT NO. 39 (VANCOUVER)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR
ENDED JUNE 30, 2025

Amended Annual Budgets is provided:

	<u>Annual Budget</u>	<u>Change</u>	<u>Amended Budget</u>
Revenues			
Provincial Grants			
Ministry of Education and Child Care	\$ 676,802,286	\$ 4,776,080	\$ 681,578,366
Other	8,872,382	-	8,872,382
Federal Grants	3,408,597	(1,148)	3,407,449
Tuition	24,494,729	347,694	24,842,423
Other Revenue	22,801,867	2,705,669	25,507,536
Rentals and Leases	7,518,248	211,891	7,730,139
Investment Income	6,810,010	(562,042)	6,247,968
Amortization of Deferred Capital Revenue	29,137,830	1,019,321	30,157,151
Total Revenue	<u>779,845,949</u>	<u>8,497,465</u>	<u>788,343,414</u>
Expenses			
Instruction	627,533,618	11,219,611	638,753,229
District Administration	27,694,373	6,440,022	34,134,395
Operations and Maintenance	122,714,197	3,710,774	126,424,971
Transportation and Housing	3,478,818	1,173,066	4,651,884
Debt Services	187,521	(1,023)	186,498
Total Expense	<u>781,608,527</u>	<u>22,542,450</u>	<u>804,150,977</u>
Surplus (Deficit) for the year	<u>(1,762,578)</u>	<u>(14,044,985)</u>	<u>(15,807,563)</u>
Budgeted Allocation of Surplus	929,104	12,894,469	13,823,573
Budgeted Surplus (Deficit), for the year	<u>\$ (833,474)</u>	<u>\$ (1,150,516)</u>	<u>\$ (1,983,990)</u>
 Budgeted Surplus (Deficit), for the year	 <u>\$ (1,762,578)</u>	 <u>\$ (14,044,985)</u>	 <u>\$ (15,807,563)</u>
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(54,479,293)	(6,910,298)	(61,389,591)
Amortization of Tangible Capital Assets	37,358,698	1,315,000	38,673,698
Total Effect of Change in Tangible Capital Assets	<u>(17,120,595)</u>	<u>(5,595,298)</u>	<u>(22,715,893)</u>
Increase (Decrease) in Net Financial Debt	<u>\$ (18,883,173)</u>	<u>\$ (19,640,283)</u>	<u>\$ (38,523,456)</u>

SCHOOL DISTRICT NO. 39 (VANCOUVER)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR
ENDED JUNE 30, 2025

19 Expense by Object

	2025	2024
	Actual	Actual
Salaries		
Teachers	\$ 316,876,687	\$ 299,794,225
Principals and Vice Principals	31,959,569	32,239,192
Educational Assistants	60,481,519	56,329,934
Support Staff	73,638,981	72,286,652
Other Professionals	18,569,341	17,877,806
Substitutes	19,336,312	18,483,764
	<u>520,862,409</u>	<u>497,011,573</u>
Employee Benefits	148,383,898	134,187,878
Services and supplies	100,930,157	86,781,293
Amortization	42,140,987	35,252,335
Interest	108,275	129,538
	<u>\$ 812,425,726</u>	<u>\$ 753,362,617</u>

20 Interfund Transfers

Interfund Transfers between the operating, special purpose and capital funds for the year were as follows:

- \$1,029,238 from operating to capital for capital assets purchased
- \$1,901,262 from operating to capital for capital lease payments
- 1,039,780 from capital to operating for capital financing costs in prior periods
- \$170,285 from special purpose to capital for capital assets purchased
- \$11,098 from special purpose to capital for capital lease payments

21 Economic Dependence

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

22 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. The School District is also related to key management personnel who have the authority and responsibility for planning, directing and controlling the activities of the School District. The key management personnel are the Board of Education, Superintendent of Schools and the Secretary Treasurer. All transactions with these entities, unless disclosed separately, are considered to be in the normal course of operations and are recorded at the exchange amount.

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.

SCHOOL DISTRICT NO. 39 (VANCOUVER)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR
ENDED JUNE 30, 2025

23 Risk Management (continued)

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, amounts receivable and investments.

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 held by recognized British Columbia institutions and the School District invests solely in guaranteed investment certificates, term deposits, Senior Government Bonds and the Central Deposit Program of BC.

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.

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 because it invests solely in guaranteed investment certificates, term deposits, and Senior Government Bonds.

c) Liquidity risk

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

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

Risk management and insurance services for all School Districts in British Columbia are provided by the Risk Management Branch of the Ministry of Finance. There have been no changes to risk exposure from 2024 related to credit, market or liquidity risks, with the exception of additional exposure to market risks from tariffs. The School District is monitoring the potential impacts and options to mitigate risks arising from tariffs and cross border trade.

School District No. 39 (Vancouver)

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	26,060,277		48,756,888	74,817,165	71,478,716
Changes for the year					
Surplus (Deficit) for the year	829,284	181,383	(13,195,262)	(12,184,595)	3,338,449
Interfund Transfers					
Tangible Capital Assets Purchased	(1,029,238)	(170,285)	1,199,523	-	
Other	(861,482)	(11,098)	872,580	-	
Net Changes for the year	(1,061,436)	-	(11,123,159)	(12,184,595)	3,338,449
Accumulated Surplus (Deficit), end of year - Statement 2	24,998,841	-	37,633,729	62,632,570	74,817,165

School District No. 39 (Vancouver)

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	593,184,509	594,089,115	569,422,165
Other	78,135	62,249	62,249
Federal Grants	3,407,449	3,375,678	3,192,037
Tuition	24,842,423	26,400,962	26,789,970
Other Revenue	18,010,710	23,010,327	19,709,498
Rentals and Leases	5,631,738	6,697,240	5,674,966
Investment Income	5,583,506	6,282,119	7,611,518
Total Revenue	650,738,470	659,917,690	632,462,403
Expenses			
Instruction	537,188,344	536,552,340	512,138,877
District Administration	33,506,773	31,960,231	27,986,277
Operations and Maintenance	85,448,522	86,272,194	79,887,539
Transportation and Housing	4,505,190	4,303,641	3,573,966
Total Expense	660,648,829	659,088,406	623,586,659
Operating Surplus (Deficit) for the year	(9,910,359)	829,284	8,875,744
Budgeted Appropriation (Retirement) of Surplus (Deficit)	13,823,573		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(1,841,066)	(1,029,238)	(2,024,567)
Local Capital	-	-	-
Other	(2,072,148)	(861,482)	(1,584,110)
Total Net Transfers	(3,913,214)	(1,890,720)	(3,608,677)
Total Operating Surplus (Deficit), for the year	-	(1,061,436)	5,267,067
Operating Surplus (Deficit), beginning of year		26,060,277	20,793,210
Operating Surplus (Deficit), end of year		24,998,841	26,060,277
Operating Surplus (Deficit), end of year			
Internally Restricted (Note 14)		18,906,615	23,319,571
Unrestricted		6,092,226	2,740,706
Total Operating Surplus (Deficit), end of year		24,998,841	26,060,277

School District No. 39 (Vancouver)

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	577,658,415	579,188,435	551,127,508
Other Ministry of Education and Child Care Grants			
Pay Equity	7,294,124	7,294,124	7,294,124
Funding for Graduated Adults	1,109,550	1,683,352	1,525,321
Student Transportation Fund	53,423	53,423	53,423
FSA Scorer Grant	43,871	43,871	41,621
Child Care Funding	-	44,495	-
Labour Settlement Funding	5,781,415	5,781,415	9,375,668
Forecasted Enrolment Increase	1,243,711	-	-
Premier's Award for Excellence in Education - bursary funds	-	-	3,000
Equity Scan	-	-	1,500
Total Provincial Grants - Ministry of Education and Child Care	593,184,509	594,089,115	569,422,165
Provincial Grants - Other	78,135	62,249	62,249
Federal Grants	3,407,449	3,375,678	3,192,037
Tuition			
Summer School Fees	886,453	897,373	679,539
Continuing Education	422,300	471,518	385,828
International and Out of Province Students	23,533,670	25,032,071	25,724,603
Total Tuition	24,842,423	26,400,962	26,789,970
Other Revenues			
Other School District/Education Authorities	1,804,825	2,374,831	1,675,000
Miscellaneous			
Instructional Cafeteria Revenue	1,096,108	945,774	874,837
Miscellaneous Fees and Revenue	2,668,618	3,884,042	4,177,535
School Generated Funds	12,159,539	14,558,775	12,418,243
Other Grants	257,300	1,246,905	563,883
Other Grants - Child Care	24,320		
Total Other Revenue	18,010,710	23,010,327	19,709,498
Rentals and Leases	5,631,738	6,697,240	5,674,966
Investment Income	5,583,506	6,282,119	7,611,518
Total Operating Revenue	650,738,470	659,917,690	632,462,403

School District No. 39 (Vancouver)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2025

	2025 Budget (Note 18)	2025 Actual	2024 Actual
	\$	\$	\$
Salaries			
Teachers	275,299,958	275,775,846	267,750,776
Principals and Vice Principals	31,313,342	31,073,774	31,184,491
Educational Assistants	55,328,397	53,240,124	48,461,067
Support Staff	67,560,217	66,540,040	63,630,878
Other Professionals	13,771,044	14,691,110	13,202,853
Substitutes	17,874,622	18,452,188	17,733,813
Total Salaries	461,147,580	459,773,082	441,963,878
Employee Benefits	127,250,081	130,694,721	118,048,543
Total Salaries and Benefits	588,397,661	590,467,803	560,012,421
Services and Supplies			
Services	23,940,842	21,055,363	16,732,549
Student Transportation	4,469,353	4,257,455	3,521,351
Professional Development and Travel	2,220,359	1,439,884	969,717
Rentals and Leases	954,016	759,439	828,267
Dues and Fees	1,040,840	1,060,360	744,045
Insurance	1,762,295	1,588,197	1,525,976
Supplies	26,374,309	27,024,501	27,848,954
Utilities	11,489,154	11,435,404	11,403,379
Total Services and Supplies	72,251,168	68,620,603	63,574,238
Total Operating Expense	660,648,829	659,088,406	623,586,659

School District No. 39 (Vancouver)

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	205,919,713	4,206,572	266,797	4,154,879	4,715	13,322,406	227,875,082
1.03 Career Programs	98,313	183,732	146	89,808	-	20,203	392,202
1.07 Library Services	6,714,021	-	1,316	144,539	-	444,571	7,304,447
1.08 Counselling	8,527,270	-	177	505	273,033	564,993	9,365,978
1.10 Inclusive Education	33,083,217	1,419,173	48,033,077	913,788	347,628	2,017,935	85,814,818
1.20 Early Learning and Child Care	-	-	167,884	3,917	-	-	171,801
1.30 English Language Learning	11,496,988	171,223	2,855,799	486,538	221,970	797,849	16,030,367
1.31 Indigenous Education	1,006,273	393,165	1,195,165	190,328	-	9,911	2,794,842
1.41 School Administration	-	21,414,943	570	11,901,742	3,072	949,953	34,270,280
1.60 Summer School	2,032,937	311,703	516,863	235,917	-	-	3,097,420
1.61 Continuing Education	-	-	-	-	-	-	-
1.62 International and Out of Province Students	6,897,114	175,878	183,790	536,489	355,219	280,427	8,428,917
1.64 Other	-	-	-	902,226	177,000	372	1,079,598
Total Function 1	275,775,846	28,276,389	53,221,584	19,560,676	1,382,637	18,408,620	396,625,752
4 District Administration							
4.11 Educational Administration	-	2,579,920	-	495,151	1,678,665	2,092	4,755,828
4.20 Early Learning and Child Care	-	-	-	-	-	-	-
4.40 School District Governance	-	-	-	79,689	886,969	7,456	974,114
4.41 Business Administration	-	217,465	17,714	3,260,384	6,029,900	34,020	9,559,483
Total Function 4	-	2,797,385	17,714	3,835,224	8,595,534	43,568	15,289,425
5 Operations and Maintenance							
5.20 Early Learning and Child Care	-	-	-	-	89,269	-	89,269
5.41 Operations and Maintenance Administration	-	-	-	1,718,500	4,604,204	-	6,322,704
5.50 Maintenance Operations	-	-	826	37,508,776	-	-	37,509,602
5.52 Maintenance of Grounds	-	-	-	3,859,684	19,466	-	3,879,150
5.56 Utilities	-	-	-	-	-	-	-
Total Function 5	-	-	826	43,086,960	4,712,939	-	47,800,725
7 Transportation and Housing							
7.70 Student Transportation	-	-	-	57,180	-	-	57,180
Total Function 7	-	-	-	57,180	-	-	57,180
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	275,775,846	31,073,774	53,240,124	66,540,040	14,691,110	18,452,188	459,773,082

School District No. 39 (Vancouver)

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	227,875,082	61,338,767	289,213,849	17,149,909	306,363,758	309,913,919	298,218,235
1.03 Career Programs	392,202	114,318	506,520	655,327	1,161,847	1,779,074	1,941,804
1.07 Library Services	7,304,447	2,061,775	9,366,222	2,003,895	11,370,117	12,202,573	11,935,025
1.08 Counselling	9,365,978	2,643,618	12,009,596	489,406	12,499,002	13,819,415	13,390,132
1.10 Inclusive Education	85,814,818	27,287,724	113,102,542	2,237,856	115,340,398	109,230,166	96,426,272
1.20 Early Learning and Child Care	171,801	48,676	220,477	5,351	225,828	302,863	250,315
1.30 English Language Learning	16,030,367	4,547,238	20,577,605	462,086	21,039,691	25,877,963	25,368,811
1.31 Indigenous Education	2,794,842	802,272	3,597,114	538,377	4,135,491	4,377,648	3,819,059
1.41 School Administration	34,270,280	9,673,202	43,943,482	1,476,462	45,419,944	43,335,545	41,761,109
1.60 Summer School	3,097,420	874,278	3,971,698	230,979	4,202,677	4,262,102	4,090,015
1.61 Continuing Education	-	-	-	-	-	-	-
1.62 International and Out of Province Students	8,428,917	2,386,020	10,814,937	2,065,709	12,880,646	12,087,076	14,938,100
1.64 Other	1,079,598	273,963	1,353,561	559,380	1,912,941	-	-
Total Function 1	396,625,752	112,051,851	508,677,603	27,874,737	536,552,340	537,188,344	512,138,877
4 District Administration							
4.11 Educational Administration	4,755,828	1,378,556	6,134,384	1,346,514	7,480,898	7,818,346	7,945,663
4.20 Early Learning and Child Care	-	-	-	-	-	-	-
4.40 School District Governance	974,114	275,401	1,249,515	240,937	1,490,452	1,406,978	1,404,333
4.41 Business Administration	9,559,483	3,031,323	12,590,806	10,398,075	22,988,881	24,281,449	18,636,281
Total Function 4	15,289,425	4,685,280	19,974,705	11,985,526	31,960,231	33,506,773	27,986,277
5 Operations and Maintenance							
5.20 Early Learning and Child Care	89,269	25,195	114,464	-	114,464	168,712	-
5.41 Operations and Maintenance Administration	6,322,704	1,559,462	7,882,166	2,915,896	10,798,062	9,033,200	8,420,779
5.50 Maintenance Operations	37,509,602	11,166,607	48,676,209	8,443,710	57,119,919	57,970,047	53,995,272
5.52 Maintenance of Grounds	3,879,150	1,190,188	5,069,338	1,684,148	6,753,486	6,791,707	6,217,723
5.56 Utilities	-	-	-	11,486,263	11,486,263	11,484,856	11,253,765
Total Function 5	47,800,725	13,941,452	61,742,177	24,530,017	86,272,194	85,448,522	79,887,539
7 Transportation and Housing							
7.70 Student Transportation	57,180	16,138	73,318	4,230,323	4,303,641	4,505,190	3,573,966
Total Function 7	57,180	16,138	73,318	4,230,323	4,303,641	4,505,190	3,573,966
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	459,773,082	130,694,721	590,467,803	68,620,603	659,088,406	660,648,829	623,586,659

School District No. 39 (Vancouver)

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	88,393,857	88,213,490	76,601,848
Other	8,794,247	10,000,114	9,149,069
Other Revenue	7,050,304	7,903,665	7,482,451
Investment Income	118,516	888,037	948,164
Total Revenue	<u>104,356,924</u>	<u>107,005,306</u>	<u>94,181,532</u>
Expenses			
Instruction	101,564,885	104,355,593	89,614,202
District Administration	627,622	641,563	763,974
Operations and Maintenance	1,350,489	1,680,073	3,139,824
Transportation and Housing	146,694	146,694	146,507
Total Expense	<u>103,689,690</u>	<u>106,823,923</u>	<u>93,664,507</u>
Special Purpose Surplus (Deficit) for the year	<u>667,234</u>	<u>181,383</u>	<u>517,025</u>
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(661,685)	(170,285)	(504,973)
Other	(5,549)	(11,098)	(12,052)
Total Net Transfers	<u>(667,234)</u>	<u>(181,383)</u>	<u>(517,025)</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. 39 (Vancouver)

Schedule 3A (Unaudited)

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

	Annual Facility Grant	Learning Improvement Fund	Special Education Equipment	Scholarships and Bursaries	Special Education Technology	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year		590,674	-	564,323	210,369	4,360,912		11,632	253,654
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	2,238,403	2,063,515			9,792,997		608,000	218,050	763,817
Provincial Grants - Other				10,360		7,753,438			
Other				18,291	37,918				18,045
Investment Income									(30,000)
Accrued Provincial Grants - Ministry of Education and Child Care	(558,330)								
	1,680,073	2,063,515	-	28,651	9,830,915	7,753,438	608,000	218,050	751,862
Less: Allocated to Revenue	1,680,073	1,823,925	-	15,350	9,684,461	7,634,170	608,000	187,771	824,404
Recovered					166,529				
Recovered Funds - Accounts Payable									
Deferred Revenue, end of year	-	830,264	-	577,624	190,294	4,480,180	-	41,911	181,112
Revenues									
Provincial Grants - Ministry of Education and Child Care	1,680,073	1,823,925			9,646,543		608,000	187,771	806,359
Provincial Grants - Other									
Federal Grants				-					
Other Revenue				15,350		7,634,170			
Investment Income					37,918				18,045
	1,680,073	1,823,925	-	15,350	9,684,461	7,634,170	608,000	187,771	824,404
Expenses									
Salaries									
Teachers					2,542,630				115,636
Principals and Vice Principals					329,522				13,089
Educational Assistants		1,338,061			367	522	424,053	143	
Support Staff	1,023,265				1,340,161	70,266		59,081	
Other Professionals					25,699				
Substitutes					2,556			25,514	58,621
	1,023,265	1,338,061	-	-	4,240,935	70,788	424,053	84,738	187,346
Employee Benefits	288,300	485,864			1,289,627	14,067	155,327	27,486	46,385
Services and Supplies	368,508			15,350	4,153,899	7,455,746	28,620	75,547	590,673
	1,680,073	1,823,925	-	15,350	9,684,461	7,540,601	608,000	187,771	824,404
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	93,569	-	-	-
Interfund Transfers									
Tangible Capital Assets Purchased						(82,471)			
Other						(11,098)			
	-	-	-	-	-	(93,569)	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-
Additional Expenses funded by, and reported in, the Operating Fund									

School District No. 39 (Vancouver)

Schedule 3A (Unaudited)

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

	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	Seamless Day Kindergarten	Early Childhood Education Dual Credit Program
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	64,971			1,370,830		4,902	6,173		44,634
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	10,647,334	4,604,881	41,910,572	3,345,582	146,694	47,000	11,250	55,400	70,000
Provincial Grants - Other									
Other									
Investment Income									
Accrued Provincial Grants - Ministry of Education and Child Care				1,183,981					
	10,647,334	4,604,881	41,910,572	4,529,563	146,694	47,000	11,250	55,400	70,000
Less: Allocated to Revenue	10,127,669	4,604,881	41,873,584	3,174,257	146,694	20,402	15,196	55,400	41,074
Recovered				1,971,247					
Recovered Funds - Accounts Payable				(600,417)					
Deferred Revenue, end of year	584,636	-	36,988	1,355,306	-	31,500	2,227	-	73,560
Revenues									
Provincial Grants - Ministry of Education and Child Care	10,127,669	4,604,881	41,873,584	3,174,257	146,694	20,402	15,196	55,400	41,074
Provincial Grants - Other									
Federal Grants									
Other Revenue									
Investment Income									
	10,127,669	4,604,881	41,873,584	3,174,257	146,694	20,402	15,196	55,400	41,074
Expenses									
Salaries									
Teachers	2,122,789		32,834,301	1,420,053					14,308
Principals and Vice Principals	187,973								
Educational Assistants	2,993,751	2,337,417						40,658	
Support Staff	230,110								
Other Professionals	1,572,239	503,187							
Substitutes	17,347	576,971		155,429			6,325		
	7,124,209	3,417,575	32,834,301	1,575,482	-	-	6,325	40,658	14,308
Employee Benefits	2,181,069	1,107,173	9,039,283	425,667			1,421	14,742	3,939
Services and Supplies	822,391	80,133		1,173,108	146,694	20,402	7,450		22,827
	10,127,669	4,604,881	41,873,584	3,174,257	146,694	20,402	15,196	55,400	41,074
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers									
Tangible Capital Assets Purchased									
Other	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-
Additional Expenses funded by, and reported in, the Operating Fund	1,398,289								

School District No. 39 (Vancouver)

Schedule 3A (Unaudited)

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

	Student & Family Affordability	SEY2KT (Early Years to Kindergarten)	ECL (Early Care & Learning)	Feeding Futures Fund	Professional Learning Grant	National School Food Program	Community Link Other	CAYA	Assistive Technology AT-BC
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	2,038,068	20,101	61,738				438,863	16,442,900	13,606,313
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	-	19,000	175,000	5,653,374	204,125	125,725			
Provincial Grants - Other							170,000		6,828,507
Other							29,990		
Investment Income								576,337	511,866
Accrued Provincial Grants - Ministry of Education and Child Care	-	19,000	175,000	5,653,374	204,125	125,725	199,990	576,337	7,340,373
Less: Allocated to Revenue	1,649,037	11,753	210,926	5,653,374	6,668	8,812	226,543	4,195,641	6,479,696
Recovered									
Recovered Funds - Accounts Payable									
Deferred Revenue, end of year	389,031	27,348	25,812	-	197,457	116,913	412,310	12,823,596	14,466,990
Revenues									
Provincial Grants - Ministry of Education and Child Care	1,649,037	11,753	210,926	5,653,374	6,668	8,812			
Provincial Grants - Other							104,780	3,896,902	5,998,432
Federal Grants									
Other Revenue							121,763		
Investment Income								298,739	481,264
	1,649,037	11,753	210,926	5,653,374	6,668	8,812	226,543	4,195,641	6,479,696
Expenses									
Salaries									
Teachers									
Principals and Vice Principals			170,067						
Educational Assistants		1,780							
Support Staff				1,907,653		5,665		713,458	732,871
Other Professionals				84,404				301,662	1,029,163
Substitutes		2,016			5,345				
	-	3,796	170,067	1,992,057	5,345	5,665	-	1,015,120	1,762,034
Employee Benefits		741	39,910	618,122	1,201	1,457		340,978	507,171
Services and Supplies	1,649,037	7,216	949	3,043,195	122	1,690	226,543	2,839,543	4,210,491
	1,649,037	11,753	210,926	5,653,374	6,668	8,812	226,543	4,195,641	6,479,696
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers									
Tangible Capital Assets Purchased									
Other	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-
Additional Expenses funded by, and reported in, the Operating Fund									

School District No. 39 (Vancouver)

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2025

Schedule 3A (Unaudited)

	PRP	PRCVI	Miscellaneous	Work Experience Grant	TOTAL
	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	151,352	1,012,352	407,677		41,662,438
Add: Restricted Grants					
Provincial Grants - Ministry of Education and Child Care	3,178,553	3,260,825	-	50,000	89,190,097
Provincial Grants - Other		88,000			7,086,507
Other			364,054		8,157,842
Investment Income		54,071	24,697		1,241,225
Accrued Provincial Grants - Ministry of Education and Child Care					595,651
	3,178,553	3,402,896	388,751	50,000	106,271,322
Less: Allocated to Revenue	3,025,952	2,887,148	132,382	63	107,005,306
Recovered	151,352	278,908			2,568,036
Recovered Funds - Accounts Payable					(600,417)
Deferred Revenue, end of year	152,601	1,249,192	664,046	49,937	38,960,835
Revenues					
Provincial Grants - Ministry of Education and Child Care	3,025,952	2,835,077		63	88,213,490
Provincial Grants - Other					10,000,114
Federal Grants					-
Other Revenue			132,382		7,903,665
Investment Income	-	52,071			888,037
	3,025,952	2,887,148	132,382	63	107,005,306
Expenses					
Salaries					
Teachers	1,829,616	221,508			41,100,841
Principals and Vice Principals	185,144				885,795
Educational Assistants	97,110		7,533		7,241,395
Support Staff	135,705	880,706			7,098,941
Other Professionals	12,108	349,769			3,878,231
Substitutes	34,000				884,124
	2,293,683	1,451,983	7,533	-	61,089,327
Employee Benefits	631,842	464,671	2,734		17,689,177
Services and Supplies	100,427	970,494	34,301	63	28,045,419
	3,025,952	2,887,148	44,568	63	106,823,923
Net Revenue (Expense) before Interfund Transfers	-	-	87,814	-	181,383
Interfund Transfers					
Tangible Capital Assets Purchased			(87,814)		(170,285)
Other					(11,098)
	-	-	(87,814)	-	(181,383)
Net Revenue (Expense)	-	-	-	-	-
Additional Expenses funded by, and reported in, the Operating Fund					1,398,289

School District No. 39 (Vancouver)

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					
Provincial Grants					
Ministry of Education and Child Care				-	76,695
Other Revenue	446,522	171,678	279,882	451,560	457,285
Rentals and Leases	2,098,401		2,227,934	2,227,934	2,313,436
Investment Income	545,946		351,807	351,807	676,113
Amortization of Deferred Capital Revenue	30,157,151	30,286,834		30,286,834	26,533,602
Total Revenue	33,248,020	30,458,512	2,859,623	33,318,135	30,057,131
Expenses					
Operations and Maintenance	952,262		549,486	549,486	729,579
Amortization of Tangible Capital Assets					
Operations and Maintenance	38,673,698	38,792,405		38,792,405	35,252,334
Write-off/down of Buildings and Sites		3,714,650		3,714,650	
Debt Services					
Capital Lease Interest	186,498		108,274	108,274	129,538
ARO Accretion		3,348,582		3,348,582	
Total Expense	39,812,458	45,855,637	657,760	46,513,397	36,111,451
Capital Surplus (Deficit) for the year	(6,564,438)	(15,397,125)	2,201,863	(13,195,262)	(6,054,320)
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	2,502,751	1,199,523		1,199,523	2,529,540
Tangible Capital Assets - Work in Progress	-			-	
Capital Lease Payment	2,077,697		1,912,360	1,912,360	1,596,162
Other		(1,039,780)		(1,039,780)	
Total Net Transfers	4,580,448	159,743	1,912,360	2,072,103	4,125,702
Other Adjustments to Fund Balances					
Tangible Capital Assets Purchased from Local Capital		497,349	(497,349)	-	
Tangible Capital Assets WIP Purchased from Local Capital		2,921,238	(2,921,238)	-	
Principal Payment					
Capital Lease		1,804,084	(1,804,084)	-	
Total Other Adjustments to Fund Balances		5,222,671	(5,222,671)	-	
Total Capital Surplus (Deficit) for the year	(1,983,990)	(10,014,711)	(1,108,448)	(11,123,159)	(1,928,618)
Capital Surplus (Deficit), beginning of year		35,870,972	12,885,916	48,756,888	50,685,506
Capital Surplus (Deficit), end of year		25,856,261	11,777,468	37,633,729	48,756,888

School District No. 39 (Vancouver)

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	20,781,543	1,486,467,041	21,014,530	1,727,699	100,244	16,014,429	1,546,105,486
Changes for the Year							
Increase:							
Purchases from:							
Operating Fund			755,591			273,647	1,029,238
Special Purpose Funds			110,942			59,343	170,285
Local Capital			497,349				497,349
Capital Lease						1,839,120	1,839,120
Transferred from Work in Progress		63,622,455	315,161				63,937,616
	-	63,622,455	1,679,043	-	-	2,172,110	67,473,608
Decrease:							
Deemed Disposals			1,432,938	191,448		2,244,045	3,868,431
ARO Retirement		76,695					76,695
	-	76,695	1,432,938	191,448	-	2,244,045	3,945,126
Cost, end of year	20,781,543	1,550,012,801	21,260,635	1,536,251	100,244	15,942,494	1,609,633,968
Work in Progress, end of year		53,565,681					53,565,681
Cost and Work in Progress, end of year	20,781,543	1,603,578,482	21,260,635	1,536,251	100,244	15,942,494	1,663,199,649
Accumulated Amortization, beginning of year		552,397,841	8,319,273	1,051,429	51,612	9,809,635	571,629,790
Changes for the Year							
Increase: Amortization for the Year		33,299,707	2,113,765	163,193	20,048	3,195,692	38,792,405
Decrease:							
Deemed Disposals			1,432,938	191,448		2,244,045	3,868,431
		-	1,432,938	191,448	-	2,244,045	3,868,431
Accumulated Amortization, end of year		585,697,548	9,000,100	1,023,174	71,660	10,761,282	606,553,764
Tangible Capital Assets - Net	20,781,543	1,017,880,934	12,260,535	513,077	28,584	5,181,212	1,056,645,885

School District No. 39 (Vancouver)

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	71,270,110				71,270,110
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	37,106,355	157,857			37,264,212
Deferred Capital Revenue - Other	10,173,548	157,304			10,330,852
Local Capital	2,921,238				2,921,238
	50,201,141	315,161	-	-	50,516,302
Decrease:					
Transferred to Tangible Capital Assets	63,622,455	315,161			63,937,616
Cost of PDR's for Capital Projects Not Approved	4,283,115				4,283,115
	67,905,570	315,161	-	-	68,220,731
Net Changes for the Year	(17,704,429)	-	-	-	(17,704,429)
Work in Progress, end of year	53,565,681	-	-	-	53,565,681

School District No. 39 (Vancouver)

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	818,755,849	13,457,359	38,524,188	870,737,396
Changes for the Year				
Increase:				
Transferred from Work in Progress	50,658,377	208,604	11,894,903	62,761,884
Transfer from Bylaw Capital to Other Provincial	(2,926,557)	2,926,557		-
	47,731,820	3,135,161	11,894,903	62,761,884
Decrease:				
Amortization of Deferred Capital Revenue	28,676,459	443,404	1,166,971	30,286,834
Transfer from DCR to Unspent DCR	217,710	1,416,703		1,634,413
ARO Retirement	76,695			76,695
	28,970,864	1,860,107	1,166,971	31,997,942
Net Changes for the Year	18,760,956	1,275,054	10,727,932	30,763,942
Deferred Capital Revenue, end of year	837,516,805	14,732,413	49,252,120	901,501,338
Work in Progress, beginning of year	31,085,811	19,197,830	9,536,693	59,820,334
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	37,264,212	7,972,642	2,358,210	47,595,064
	37,264,212	7,972,642	2,358,210	47,595,064
Decrease				
Transferred to Deferred Capital Revenue	50,658,377	208,604	11,894,903	62,761,884
Funding for Cost of PDR's for Capital Projects Not Approved	568,465			568,465
	51,226,842	208,604	11,894,903	63,330,349
Net Changes for the Year	(13,962,630)	7,764,038	(9,536,693)	(15,735,285)
Work in Progress, end of year	17,123,181	26,961,868	-	44,085,049
Total Deferred Capital Revenue, end of year	854,639,986	41,694,281	49,252,120	945,586,387

School District No. 39 (Vancouver)

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		22,752,976				22,752,976
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education and Child Care	40,989,292					40,989,292
Provincial Grants - Other			1,212,663			1,212,663
Other					2,358,210	2,358,210
Investment Income		939,748				939,748
Transfer from DCR to Unspent DCR			1,416,703			1,416,703
Other items, net	(1,057,966)					(1,057,966)
	39,931,326	939,748	2,629,366	-	2,358,210	45,858,650
Decrease:						
Transferred to DCR - Work in Progress	37,264,212	6,334,042	1,638,600		2,358,210	47,595,064
Reversal of Investment Income Credited in Prior Years			193,915			193,915
	37,264,212	6,334,042	1,832,515	-	2,358,210	47,788,979
Net Changes for the Year	2,667,114	(5,394,294)	796,851	-	-	(1,930,329)
Balance, end of year	2,667,114	17,358,682	796,851	-	-	20,822,647