

Audited Financial Statements of

School District No. 62 (Sooke)

And Independent Auditors' Report thereon

June 30, 2025

School District No. 62 (Sooke)

June 30, 2025

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School District No. 62 (Sooke)

MANAGEMENT REPORT

Version: 1605-9859-7877

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 62 (Sooke) 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.

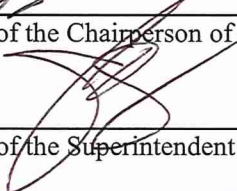
The preparation of financial statements necessarily involves the use of estimates based on management's judgment particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

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. 62 (Sooke) (called the "Board") is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Board. The Board reviews internal financial statements on a quarterly basis and externally audited financial statements yearly.

The external auditors, KPMG 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. 62 (Sooke) 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. 62 (Sooke)

 _____ Signature of the Chairperson of the Board of Education	<i>Sept. 23/2025</i> _____ Date Signed
 _____ Signature of the Superintendent	<i>Sept. 24/2025</i> _____ Date Signed
 _____ Signature of the Secretary Treasurer	<i>Sept 23/2025</i> _____ Date Signed

**KPMG LLP**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Education of School District No. 62 (Sooke), and
To the Minister of Education and Child Care, Province of British Columbia

Opinion

We have audited the financial statements of School District No. 62 (Sooke) (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 of the Entity as at and for the year ended June 30, 2025 are prepared, in all material respects, in accordance with the financial reporting provisions of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

Basis for Opinion

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

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

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

Emphasis of Matter – Financial Reporting Framework

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

Our opinion is not modified in respect of this matter.

Other Information

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

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

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

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

We obtained the Other Information, other than the financial statements and the auditor's report thereon, included in the Financial Statement Discussion and Analysis document and Unaudited Schedules 1-4 attached to the audited financial statements as at the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditor's report. We have nothing to report in this regard.



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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

We also:

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

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

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

Chartered Professional Accountants

Victoria, Canada
September 23, 2025

School District No. 62 (Sooke)

Statement 1

Statement of Financial Position

As at June 30, 2025

	2025 Actual	2024 Actual
	\$	\$
Financial Assets		
Cash and Cash Equivalents	41,786,398	40,652,546
Accounts Receivable		
Due from Province - Ministry of Education and Child Care	3,720,656	2,625,363
Due from Province - Other	66,709	30,399
Due from First Nations	361,295	521,117
Other (Note 3)	892,142	897,694
Total Financial Assets	46,827,200	44,727,119
Liabilities		
Accounts Payable and Accrued Liabilities		
Due to Province - Other	24,587	21,336
Other (Note 5)	16,062,493	17,000,411
Unearned Revenue (Note 6)	6,383,350	6,047,591
Deferred Revenue (Note 7)	2,695,446	2,569,126
Deferred Capital Revenue (Note 8)	327,396,799	299,311,320
Employee Future Benefits (Note 9)	6,761,135	6,408,363
Asset Retirement Obligation (Note 21)	4,659,561	6,882,996
Total Liabilities	363,983,371	338,241,143
Net Debt	(317,156,171)	(293,514,024)
Non-Financial Assets		
Tangible Capital Assets (Note 10)	478,486,834	424,251,753
Restricted Assets (Endowments) (Note 12)	673,449	673,449
Prepaid Expenses (Note 4)	3,102,525	2,748,992
Other Assets	600,000	250,000
Total Non-Financial Assets	482,862,808	427,924,194
Accumulated Surplus (Deficit) (Note 23)	165,706,637	134,410,170

Contractual Obligations (Note 16)

Contractual Rights (Note 17)

Contingent Assets (Note 18)

Contingent Liabilities (Note 19)

Approved by the Board

Signature of the Chairperson of the Board of Education

Sept. 23/2025

Date Signed

Signature of the Superintendent

Sept. 24/2025

Date Signed

Signature of the Secretary Treasurer

Sept 23, 2025

Date Signed

School District No. 62 (Sooke)

Statement 2

Statement of Operations

Year Ended June 30, 2025

	2025 Budget (Note 20)	2025 Actual	2024 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	227,630,702	223,219,550	184,716,300
Other	311,654	170,500	197,150
Municipal Grants Spent on Sites		4,524,000	
Federal Grants	27,995	49,393	30,516
Tuition	7,672,500	7,840,268	6,703,049
Other Revenue	7,808,804	7,486,825	6,371,279
Rentals and Leases	589,114	610,131	575,987
Investment Income	1,181,241	1,134,609	1,609,930
Amortization of Deferred Capital Revenue	12,025,057	12,050,098	11,164,464
Amortization of Deferred Capital Revenue - for lease	61,477	61,477	61,477
Total Revenue	257,308,544	257,146,851	211,430,152
Expenses (Note 22)			
Instruction	191,246,288	187,271,635	173,093,534
District Administration	7,701,986	7,629,301	7,189,546
Operations and Maintenance	27,701,594	28,175,925	26,803,925
Transportation and Housing	5,129,698	4,989,969	4,814,738
Asset Retirement Obligation Revaluation		(2,216,446)	
Total Expense	231,779,566	225,850,384	211,901,743
Surplus (Deficit) for the year	25,528,978	31,296,467	(471,591)
Accumulated Surplus (Deficit) from Operations, beginning of year		134,410,170	134,881,761
Accumulated Surplus (Deficit) from Operations, end of year		165,706,637	134,410,170

School District No. 62 (Sooke)

Statement 4

Statement of Changes in Net Debt

Year Ended June 30, 2025

	2025 Budget (Note 20)	2025 Actual	2024 Actual
	\$	\$	\$
Surplus (Deficit) for the year	25,528,978	31,296,467	(471,591)
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(82,050,460)	(67,281,938)	(39,687,268)
Amortization of Tangible Capital Assets	12,990,298	13,039,868	12,104,770
Asset Retirement Obligation Revaluation		6,989	
Total Effect of change in Tangible Capital Assets	(69,060,162)	(54,235,081)	(27,582,498)
Acquisition of Prepaid Expenses		(1,253,093)	(838,084)
Use of Prepaid Expenses		899,560	1,164,844
Acquisition of Other Assets		(1,860,258)	(2,801,290)
Use of Other Assets		1,510,258	3,674,820
Total Effect of change in Other Non-Financial Assets	-	(703,533)	1,200,290
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	<u>(43,531,184)</u>	<u>(23,642,147)</u>	<u>(26,853,799)</u>
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Debt		(23,642,147)	(26,853,799)
Net Debt, beginning of year		(293,514,024)	(266,660,225)
Net Debt, end of year		<u>(317,156,171)</u>	<u>(293,514,024)</u>

School District No. 62 (Sooke)

Statement 5

Statement of Cash Flows

Year Ended June 30, 2025

	2025 Actual	2024 Actual
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	31,296,467	(471,591)
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(966,229)	(1,987,629)
Prepaid Expenses	(353,533)	326,760
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	(934,667)	6,809,142
Unearned Revenue	335,759	918,018
Deferred Revenue	126,320	691,314
Employee Future Benefits	352,772	302,952
Asset Retirement Obligations	(2,216,446)	
Amortization of Tangible Capital Assets	13,039,868	12,104,770
Amortization of Deferred Capital Revenue	(12,050,098)	(11,164,464)
Recognition of Deferred Capital Revenue Spent on Sites	(25,442,816)	(258,714)
Deferred Capital Revenue Transferred to Revenue	(1,175,716)	(1,006,671)
Amortization of Deferred Capital Revenue - for lease	(61,477)	(61,477)
Total Operating Transactions	1,950,204	6,202,410
Capital Transactions		
Tangible Capital Assets Purchased	(28,197,666)	(3,495,636)
Tangible Capital Assets -WIP Purchased	(39,084,272)	(36,191,632)
Use (Acquisition) of Other Assets	(350,000)	873,530
Total Capital Transactions	(67,631,938)	(38,813,738)
Financing Transactions		
Capital Revenue Received	66,815,586	43,488,207
Total Financing Transactions	66,815,586	43,488,207
Net Increase (Decrease) in Cash and Cash Equivalents	1,133,852	10,876,879
Cash and Cash Equivalents, beginning of year	40,652,546	29,775,667
Cash and Cash Equivalents, end of year	41,786,398	40,652,546
Cash and Cash Equivalents, end of year, is made up of:		
Cash	28,617,422	27,987,487
Cash Equivalents	13,168,976	12,665,059
	41,786,398	40,652,546

SCHOOL DISTRICT NO. 62 (SOOKE)

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

NOTE 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. 62 (Sooke)", and operates as "School District No. 62 (Sooke)." A board of education ("Board") elected for a four-year term governs the School District. The School District provides educational programs to students enrolled in schools in the district, and is principally funded by the Province of British Columbia through the Ministry of Education and Child Care. School District No. 62 (Sooke) is exempt from federal and provincial corporate income taxes.

NOTE 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(g) and 2(o).

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(g) and 2(o), 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) Basis of Consolidation

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

The School District has entered into trust activities with some employees; these are described in Note 13.

c) Cash and Cash Equivalents

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

d) Accounts Receivable

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

e) Portfolio Investments

Portfolio investments include investments in GIC's that have a maturity of greater than 3 months at the time of acquisition. GIC's are reported at cost.

SCHOOL DISTRICT NO. 62 (SOOKE)

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

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

f) Unearned Revenue

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

g) 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(o).

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.

h) Employee Future Benefits

The School District provides certain post-employment benefits including vested and non-vested benefits for certain employees pursuant to certain contracts and union agreements.

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

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

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

SCHOOL DISTRICT NO. 62 (SOOKE)

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

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

i) Asset Retirement Obligations

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

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

Liabilities are recognized for statutory, contractual or legal obligations associated with the retirement of tangible capital assets when those obligations result from the acquisition, construction, development or normal operation of the assets. The liability includes costs for the removal of asbestos and other hazardous material in several of the buildings owned by the School District. The estimate of the asset retirement obligation includes costs directly attributable to the asset retirement activities. The resulting costs have been capitalized into the carrying amount of tangible capital assets and are being amortized on the same basis as the related tangible capital asset (see note 2k). The carrying value of the liability is reviewed annually with changes to the timing or amount of the original estimate of cash flows recorded as an adjustment to the liability and related tangible capital asset.

j) Liability for Contaminated Sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. A liability for 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. The liability is recorded net of any expected recoveries.

SCHOOL DISTRICT NO. 62 (SOOKE)

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

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

k) **Tangible Capital Assets**

The following criteria apply:

- Tangible capital assets acquired or constructed are recorded at cost which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost also includes overhead directly attributable to construction of the asset.
- Donated tangible capital assets from non-related parties are recorded at their fair market value on the date of donation.
- Work-in-progress is recorded as an acquisition to the applicable asset class at substantial completion.
- Tangible capital assets are written down to residual value when conditions indicate they no longer contribute to the ability of the School District to provide services or when the value of future economic benefits associated with the sites and buildings are less than their net book value. The write-downs are accounted for as expenses in the Statement of Operations.
- Buildings that are demolished or destroyed are written-off.
- Works of art, historic assets and other intangible assets are not recorded as assets in these financial statements.
- The cost, less residual value, of tangible capital assets (excluding sites), is amortized on a straight-line basis over the estimated useful life of the asset. It is management's responsibility to determine the appropriate useful lives for tangible capital assets. These useful lives are reviewed on a regular basis or if significant events initiate the need to revise. Estimated useful life is as follows:

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

l) **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, maintenance costs, etc. 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.

m) **Prepaid Expenses**

Payments for insurance, leases, subscriptions and maintenance contracts for use within the School District in the future period are included as a prepaid expense and stated at acquisition cost and are charged to expense over the periods expected to benefit from it.

n) **Funds and Reserves**

Certain amounts, as approved by the Board are set aside in accumulated surplus for future operating and capital purposes. Transfers to and from funds and reserves are an adjustment to the respective fund when approved (see Note 14 – Interfund Transfers and Note 23 – Accumulated Surplus).

SCHOOL DISTRICT NO. 62 (SOOKE)

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

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

o) Revenue Recognition

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

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

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

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

Donated tangible capital assets other than sites are recorded at fair market value and amortized over the useful life of the assets. Donated sites are recorded as revenue at fair market value when received or receivable.

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

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

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

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

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

SCHOOL DISTRICT NO. 62 (SOOKE)

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

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

p) Expenditures

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

Categories of Salaries

- Principals and Vice-Principals employed under an administrative officer contract are categorized as Principals and Vice-Principals.
- Superintendents, Associate Superintendents, Secretary-Treasurers, 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.

q) Endowment Contributions

Endowment contributions are reported as revenue on the Statement of Operations when received. Investment income earned on endowment principal is recorded as deferred revenue if it meets the definition of a liability and is recognized as revenue in the year related expenses (disbursements) are incurred. If the investment income earned does not meet the definition of a liability, it is recognized as revenue in the year it is earned. Endowment assets are reported as restricted non-financial assets on the Statement of Financial Position.

SCHOOL DISTRICT NO. 62 (SOOKE)**NOTES TO FINANCIAL STATEMENTS**YEAR ENDED JUNE 30, 2025

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**r) Financial Instruments**

A contract establishing a financial instrument creates, at its inception, rights and obligations to receive or deliver economic benefits. The financial assets and financial liabilities portray these rights and obligations in the financial statements. The School District recognizes a financial instrument when it becomes a party to a financial instrument contract.

Financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities. The School District does not have any derivative financial instruments.

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 and therefore no statement of remeasurement gains or losses is presented.

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

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

s) Measurement Uncertainty

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

NOTE 3 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	June 30, 2025	June 30, 2024
Due from Federal Government	\$ 192,486	\$ 354,390
Payroll accounts receivable	-	56,904
School site acquisition charges receivable	86,396	6,400
Other accounts receivable	613,260	480,000
	<u>\$ 892,142</u>	<u>\$ 897,694</u>

NOTE 4 PREPAID LEASE

The School District prepaid a long-term lease to the Federal Government for the use of the John Stubbs Memorial School site for 50 years. This lease started on July 1, 2005 and ends on June 30, 2055.

The unamortized balance of the lease represents \$1,849,432 (2024: \$1,910,909) of the prepaid expenses.

SCHOOL DISTRICT NO. 62 (SOOKE)**NOTES TO FINANCIAL STATEMENTS****YEAR ENDED JUNE 30, 2025****NOTE 5 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	June 30, 2025	June 30, 2024
Trade payables	\$ 8,065,144	\$ 9,653,359
Salaries and benefits payable	7,174,211	6,609,390
Accrued vacation pay	823,138	737,662
	<u>\$ 16,062,493</u>	<u>\$ 17,000,411</u>

NOTE 6 UNEARNED REVENUE

	June 30, 2025	June 30, 2024
Balance, beginning of year	\$ 6,047,591	\$ 5,129,573
Increase:		
Tuition fees collected	8,176,027	7,621,067
Transportation safety enhancement fees collected	59,216	-
Bus fees collected	628,420	-
	<u>8,863,663</u>	<u>7,621,067</u>
Decrease:		
Tuition fees recognized	(7,840,268)	(6,703,049)
Transportation safety enhancement fees recognized	(59,216)	-
Bus fees recognized	(628,420)	-
	<u>(8,527,904)</u>	<u>(6,703,049)</u>
Net change for the year	335,759	918,018
Balance, end of year	<u>\$ 6,383,350</u>	<u>\$ 6,047,591</u>

SCHOOL DISTRICT NO. 62 (SOOKE)**NOTES TO FINANCIAL STATEMENTS****YEAR ENDED JUNE 30, 2025**

NOTE 7 DEFERRED REVENUE

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

	June 30, 2025	June 30, 2024
Balance, beginning of year	\$ 2,569,126	\$ 1,877,812
Increase:		
Provincial Grants - Ministry of Education and Child Care	33,206,298	29,906,620
Provincial Grants - Other	-	16,400
Federal Grants	21,398	58,511
Other revenue	5,628,814	4,944,977
Investment income	43,319	59,228
	<u>38,899,829</u>	<u>34,985,736</u>
Decrease:		
Transfers to revenue	(38,773,409)	(34,287,984)
Grants recovered	(100)	(6,438)
	<u>(38,773,509)</u>	<u>(34,294,422)</u>
Net change for the year	126,320	691,314
Balance, end of year	\$ 2,695,446	\$ 2,569,126

SCHOOL DISTRICT NO. 62 (SOOKE)**NOTES TO FINANCIAL STATEMENTS**

YEAR ENDED JUNE 30, 2025

NOTE 8 DEFERRED CAPITAL REVENUE

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

	June 30, 2024	June 30, 2024
Deferred Capital Revenue Subject to Amortization		
Balance, beginning of year	\$ 254,468,488	\$ 258,071,834
Increases:		
Transfer from deferred capital revenue – capital additions	2,482,811	3,012,461
Transfer from deferred capital revenue – work in progress	30,907,163	4,610,134
	<u>33,389,974</u>	<u>7,622,595</u>
Decreases:		
Amortization of deferred capital revenue	(12,050,098)	(11,164,464)
Amortization of long term lease	(61,477)	(61,477)
	<u>(12,111,575)</u>	<u>(11,225,941)</u>
Net change for the year	(21,278,399)	(3,603,346)
Balance, end of year	<u>\$ 275,746,887</u>	<u>\$ 254,468,488</u>

	June 30, 2025	June 30, 2024
Deferred Capital Revenue - Work In Progress		
Balance, beginning of year	\$ 34,821,387	\$ 4,707,455
Increases:		
Transfer from deferred capital revenue - unspent	38,619,562	34,724,066
	<u>38,619,562</u>	<u>34,724,066</u>
Decreases:		
Transfer to deferred capital revenue subject to amortization	(30,907,163)	(4,610,134)
	<u>(30,907,163)</u>	<u>(4,610,134)</u>
Net change for the year	7,712,399	30,113,932
Balance, end of year	<u>\$ 42,533,786</u>	<u>\$ 34,821,387</u>

SCHOOL DISTRICT NO. 62 (SOOKE)

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

NOTE 8 DEFERRED CAPITAL REVENUE (continued)

	June 30, 2025	June 30, 2024
Deferred Capital Revenue - Unspent		
Balance, beginning of year	\$ 10,021,445	\$ 5,535,150
Increases:		
Provincial Grants - Ministry of Education and Child Care	56,944,685	35,939,892
Provincial Grants – Other	7,188,978	3,256,042
Other	2,663,310	4,265,859
Investment income	18,613	26,414
	<u>66,815,586</u>	<u>43,488,207</u>
Decreases:		
Transfer to deferred capital revenue – capital additions	(2,482,811)	(3,012,461)
Transfer to deferred capital revenue – work in progress	(38,619,562)	(34,724,066)
Transfer to revenue – site purchases	(25,442,816)	(258,714)
Transfer to revenue – expensed costs	(1,175,716)	(1,006,671)
	<u>(67,720,905)</u>	<u>(39,001,912)</u>
Net change for the year	(905,319)	4,486,295
Balance, end of year	\$ 9,116,126	\$ 10,021,445
Total Deferred Capital Revenue Balance, end of year	\$ 327,396,799	\$ 299,311,320

SCHOOL DISTRICT NO. 62 (SOOKE)**NOTES TO FINANCIAL STATEMENTS**

YEAR ENDED JUNE 30, 2025

NOTE 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.

	June 30, 2025	June 30, 2024
Reconciliation of Accrued Benefit Obligation		
Accrued benefit obligation - April 1	\$ 5,852,596	\$ 5,702,585
Service cost	560,204	569,540
Interest cost	260,682	239,726
Benefit payments	(514,811)	(556,482)
Actuarial loss (gain)	520,564	(102,773)
Accrued benefit obligation - March 31	\$ 6,679,235	\$ 5,852,596
Reconciliation of Funded Status at End of Fiscal Year		
Accrued benefit obligation - March 31	\$ 6,679,235	\$ 5,852,596
Market value of Plan Assets - March 31	-	-
Funded Status - Deficit	(6,679,235)	(5,852,596)
Employer contributions after measurement date	73,766	33,436
Benefits expense after measurement date	(256,518)	(205,221)
Unamortized net actuarial loss	100,852	(383,982)
Accrued benefit liability - June 30	\$ (6,761,135)	\$ (6,408,363)
Reconciliation of Change in Accrued Benefit Liability		
Accrued benefit liability - July 1	\$ 6,408,363	\$ 6,105,410
Net expense for fiscal year	907,915	891,582
Employer contributions	(555,143)	(588,629)
Accrued benefit liability - June 30	\$ 6,761,135	\$ 6,408,363
Components of Net Benefit Expense		
Service cost	\$ 606,078	\$ 567,206
Interest cost	266,104	244,965
Amortization of net actuarial loss	35,733	79,411
Net benefit expense for fiscal year	\$ 907,915	\$ 891,582
	2025	2024

The significant actuarial assumptions adopted for measuring the School District's accrued benefit obligations are:

Discount Rate – April 1	4.25%	4.00%
Discount Rate – March 31	4.00%	4.25%
Long Term Salary Growth – April 1	2.50% + seniority	2.50% + seniority
Long Term Salary Growth – March 31	2.50% + seniority	2.50% + seniority
EARSL – March 31	12.5	10.2

SCHOOL DISTRICT NO. 62 (SOOKE)

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

NOTE 10 TANGIBLE CAPITAL ASSETS

Net Book Value	June 30, 2025	June 30, 2024
Sites	\$ 145,686,906	\$ 120,244,090
Buildings	267,194,611	248,365,317
Buildings – WIP	43,134,497	35,371,653
Furniture & Equipment	14,117,583	13,848,723
Furniture – WIP	399,288	149,733
Vehicles	7,853,666	6,236,390
Computer Software	-	-
Computer Hardware	100,283	35,847
Total	\$ 478,486,834	\$ 424,251,753

June 30, 2025

Cost:	Balance at July 1, 2024	Additions	Disposals / Revaluation	Transfers (WIP)	Balance at June 30, 2025
Sites	\$ 120,244,090	\$ 25,442,816	\$ -	\$ -	\$ 145,686,906
Buildings	384,925,412	-	(2,223,435)	28,219,971	410,921,948
Buildings – WIP	35,371,653	35,982,815	-	(28,219,971)	43,134,497
Furniture & Equipment	24,425,710	-	(42,472)	2,851,902	27,235,140
Furniture – WIP	149,733	3,101,457	-	(2,851,902)	399,288
Vehicles	9,613,820	2,668,463	(872,365)	-	11,409,918
Computer Software	-	-	-	-	-
Computer Hardware	66,561	86,387	-	-	152,948
Computer Hardware - WIP	-	-	-	-	-
Total	\$ 574,796,979	\$ 67,281,938	\$ (3,138,272)	\$ -	\$ 638,940,645

Accumulated Amortization:	Balance at July 1, 2024	Amortization	Disposals / Revaluation	Balance at June 30, 2025
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	136,560,095	9,383,688	(2,216,446)	143,727,337
Furniture & Equipment	10,576,987	2,583,042	(42,472)	13,117,557
Vehicles	3,377,430	1,051,187	(872,365)	3,556,252
Computer software	-	-	-	-
Computer hardware	30,714	21,951	-	52,665
Total	\$ 150,545,226	\$ 13,039,868	\$ (3,131,283)	\$ 160,453,811

SCHOOL DISTRICT NO. 62 (SOOKE)

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

NOTE 10**TANGIBLE CAPITAL ASSETS (continued)****June 30, 2024**

Cost:	Balance at July 1, 2023	Additions	Disposals / Revaluation	Transfers (WIP)	Balance at June 30, 2024
Sites	\$ 119,985,376	\$ 258,714	\$ -	\$ -	\$ 120,244,090
Buildings	382,880,417	-	-	2,044,995	384,925,412
Buildings – WIP	4,375,282	33,041,366	-	(2,044,995)	35,371,653
Furniture & Equipment	20,887,159	-	(130,747)	3,669,298	24,425,710
Furniture – WIP	668,765	3,150,266	-	(3,669,298)	149,733
Vehicles	6,674,558	3,228,990	(289,728)	-	9,613,820
Computer Software	-	-	-	-	-
Computer Hardware	58,629	7,932	-	-	66,561
Computer Hardware - WIP	-	-	-	-	-
Total	\$ 535,530,186	\$ 39,687,268	\$ (420,475)	\$ -	\$ 574,796,979

Accumulated Amortization:	Balance at July 1, 2023	Amortization	Disposals / Revaluation	Balance at June 30, 2024
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	127,542,098	9,017,997	-	136,560,095
Furniture & Equipment	8,445,434	2,262,300	(130,747)	10,576,987
Vehicles	2,852,739	814,419	(289,728)	3,377,430
Computer Software	-	-	-	-
Computer Hardware	20,660	10,054	-	30,714
Total	\$ 138,860,931	\$ 12,104,770	\$ (420,475)	\$ 150,545,226

Work in progress (WIP) includes buildings, furniture and equipment and computer hardware that have not been amortized. Amortization of these assets will commence when the assets are put into service.

Contributed tangible capital assets

Contributed capital assets are recognized at fair market value at the date of contribution. The value of contributed assets received during the year is \$0 (2024 - \$1,161,500).

SCHOOL DISTRICT NO. 62 (SOOKE)

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

NOTE 11 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 51,000 active members and approximately 42,000 retired members. As of December 31, 2024, the Municipal Pension Plan has about 256,000 active members, including approximately 31,000 from school districts.

Every three years, an actuarial valuation is performed to assess the financial position of the plans and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plans. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plans. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent actuarial valuation of the Teachers' Pension Plan as at December 31, 2023, indicated a \$4,572 million surplus for basic pension benefits on a going concern basis.

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

The school district paid \$14,683,540 for employer contributions to the plans for the year ended June 30, 2025 (2024: \$13,893,204).

The next valuation for the Teachers' Pension Plan will be as at December 31, 2026. The next valuation for the Municipal Pension Plan was December 31, 2024 with results available later in 2025.

Employers participating in the plans record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plans record accrued liabilities and accrued assets for each plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plans.

SCHOOL DISTRICT NO. 62 (SOOKE)**NOTES TO FINANCIAL STATEMENTS****YEAR ENDED JUNE 30, 2025**

NOTE 12 RESTRICTED ASSETS - ENDOWMENT FUNDS

Donors have provided endowment contributions with a restriction that the original contribution should not be spent. These endowments have been invested in high interest savings accounts bearing interest at 2.95%.

Other than the Victor Chen Memorial endowment, the endowments were established to provide scholarships and bursaries for one or more deserving graduate or undergraduate students in full time attendance at Edward Milne Community School. The Victor Chen Memorial endowment was established to provide annual scholarships in perpetuity to a student or students from the Westshore planning to study engineering.

Name of Endowment	Balance July 1, 2024	Contributions	Balance June 30, 2025
Cal Meyer	\$ 609,285	\$ -	\$ 609,285
Sooke Women's Institute	17,554	-	17,554
Derochie	10,000	-	10,000
STARR	6,000	-	6,000
Victor Chen Memorial	30,610	-	30,610
Total	\$ 673,449	\$ -	\$ 673,449

NOTE 13 TRUSTS UNDER ADMINISTRATION

The School District is in a trustee relationship with employees under the deferred salary leave plan and the teachers' summer savings plan.

As at June 30, 2025, the District held the following funds in place, as directed by agreement with the employees. These amounts have not been included in the cash or accounts payable balances in the financial statements:

	June 30, 2025	June 30, 2024
Deferred Salary Leave Plan	\$ 277,431	\$ 421,042
Teachers' Summer Savings Plan	2,911,232	2,555,416
Total	\$ 3,188,663	\$ 2,976,458

NOTE 14 INTERFUND TRANSFERS

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

- Transfer to the capital fund for tangible capital assets purchased from the operating fund \$272,039
- Transfer to the capital fund for tangible capital assets work in progress from the operating fund \$164,710
- Transfer to the local capital fund for tangible capital assets work in progress from the operating fund \$300,000

NOTE 15 RELATED PARTY TRANSACTIONS

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

SCHOOL DISTRICT NO. 62 (SOOKE)**NOTES TO FINANCIAL STATEMENTS**

YEAR ENDED JUNE 30, 2025

NOTE 16 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. Disclosure relates to the unperformed portion of the contracts.

	2026	2027	2028	2029	2030	Thereafter
Premises leases	\$ 167,094	\$ 94,584	\$ 7,908	\$ -	\$ -	\$ -
Copier leases	125,905	124,382	96,830	59,286	22,716	-
Total	\$ 292,999	\$ 218,966	\$ 104,738	\$ 59,286	\$ 22,716	\$ -

The School District has entered into contracts related to capital projects with a remaining cost of approximately \$3,134,291.

NOTE 17 CONTRACTUAL RIGHTS

Contractual rights are rights to economic resources arising from contracts or agreements that will result in revenues and assets in the future. The School District's contractual rights arise because of contracts entered into for the leasing of School District property. The following table summarizes the contractual rights of the School District for future assets.

	2026	2027	2028	2029	2030	Thereafter
Future lease/rental revenue	\$ 373,302	\$ 141,699	\$ 137,436	\$ 137,436	\$ 137,436	\$ 22,906
Total	\$ 373,302	\$ 141,699	\$ 137,436	\$ 137,436	\$ 137,436	\$ 22,906

NOTE 18 CONTINGENT ASSETS

Contingent assets are possible assets arising from existing conditions or situations involving uncertainty. That uncertainty will ultimately be resolved when one or more future events not wholly within the School District's control occurs, or fails to occur. Resolution of the uncertainty will confirm the existence or non-existence of an asset.

At this time the School District has determined that there are no contingent assets.

NOTE 19 CONTINGENT LIABILITIES

The nature of the School District's activities is such that there is usually litigation pending or in process at any time. With respect to unsettled claims at June 30, 2025, management believes the School District has valid defenses and appropriate insurance coverage in place. In the event any claims are successful, management believes that such claims are not expected to have a material effect on the School District's financial position.

SCHOOL DISTRICT NO. 62 (SOOKE)**NOTES TO FINANCIAL STATEMENTS**

YEAR ENDED JUNE 30, 2025

NOTE 20 BUDGET FIGURES

Budget figures included in the financial statements were approved by the Board through the adoption of an amended annual budget bylaw on February 25, 2025. The original budget was adopted on May 28, 2024. The original and amended budgets are presented below.

	2025 Amended Annual Budget \$	2025 Annual Budget \$
Revenues		
Provincial Grants		
Ministry of Education and Child Care	227,630,702	193,634,117
Other	311,654	141,000
Federal Grants	27,995	-
Tuition	7,672,500	8,092,788
Other Revenue	7,808,804	6,026,722
Rentals and Leases	589,114	512,500
Investment Income	1,181,241	878,875
Amortization of Deferred Capital Revenue	12,025,057	11,197,272
Amortization of Deferred Capital Revenue - for long term lease	61,477	61,477
Total Revenue	257,308,544	220,544,751
Expenses		
Instruction	191,246,288	182,321,909
District Administration	7,701,986	7,343,442
Operations and Maintenance	27,701,594	27,695,086
Transportation and Housing	5,129,698	3,771,255
Total Expense	231,779,566	221,131,692
Net Revenue (Expense)	25,528,978	(586,941)
Budgeted Allocation of Surplus	442,805	-
Budgeted Surplus (Deficit), for the year	25,971,783	(586,941)

NOTE 21 ASSET RETIREMENT OBLIGATION

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

	2025	2024
Asset Retirement Obligation, beginning of year	\$ 6,882,996	\$ 6,882,996
Settlements during the year	-	-
Revaluations during the year	(2,223,435)	-
Asset Retirement Obligation, end of year	\$ 4,659,561	\$ 6,882,996

SCHOOL DISTRICT NO. 62 (SOOKE)**NOTES TO FINANCIAL STATEMENTS****YEAR ENDED JUNE 30, 2025****NOTE 22 EXPENSE BY OBJECT**

	June 30, 2025	June 30, 2024
Salaries and benefits	\$ 187,400,937	\$ 175,344,729
Services and supplies	27,626,025	24,452,244
Amortization	10,823,422	12,104,770
Total	\$ 225,850,384	\$ 211,901,743

NOTE 23 ACCUMULATED SURPLUS

Accumulated surplus consists of surplus balances of operating, special purpose fund – endowments, and invested in tangible capital assets as follows:

	June 30, 2025	June 30, 2024
Operating surplus	\$ 7,637,049	\$ 3,746,823
Special Purpose Fund – endowments	673,449	673,449
Invested in Tangible Capital Assets	157,396,139	129,989,898
Total Accumulated Surplus	\$ 165,706,637	\$ 134,410,170

The operating surplus is categorized as follows:

	June 30, 2025
Internally Restricted Operating Surplus	
Restricted due to the nature of constraints on the funds	\$ 489,764
Restricted for operations spanning multiple school years	2,113,620
Restricted for anticipated unusual expenses identified by the Board	1,303,630
Subtotal Internally Restricted Operating Surplus	3,907,014
Unrestricted Operating Surplus - Contingency	3,730,035
Total Operating Surplus	\$ 7,637,049

NOTE 24 ECONOMIC DEPENDENCE

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

SCHOOL DISTRICT NO. 62 (SOOKE)

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

NOTE 25 RISK MANAGEMENT

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

The Board ensures that the School District has identified its risks and ensures that management monitors and controls them.

a) Credit risk:

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

The School District is exposed to credit risk in the event of non-performance by a debtor. This risk is mitigated as most amounts receivable are due from the Province and are collectible.

It is management's opinion that the School District is not exposed to significant credit risk associated with its cash deposits and investments as they are placed in recognized British Columbia institutions and the School District invests solely in guaranteed investment certificates with a fixed maturity date.

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, tariff 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.

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

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The School District is exposed to interest rate risk through its investments. It is management's opinion that the School District is not exposed to significant interest rate risk as it invests solely in Guaranteed Investment Certificates that have a fixed maturity and cash deposits with the Ministry of Finance.

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.

School District No. 62 (Sooke)

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	3,746,823	673,449	129,989,898	134,410,170	134,881,761
Changes for the year					
Surplus (Deficit) for the year	4,626,975		26,669,492	31,296,467	(471,591)
Interfund Transfers					
Tangible Capital Assets Purchased	(272,039)		272,039	-	
Tangible Capital Assets - Work in Progress	(164,710)		164,710	-	
Local Capital	(300,000)		300,000	-	
Net Changes for the year	3,890,226	-	27,406,241	31,296,467	(471,591)
Accumulated Surplus (Deficit), end of year - Statement 2	7,637,049	673,449	157,396,139	165,706,637	134,410,170

School District No. 62 (Sooke)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2025

	2025 Budget (Note 20)	2025 Actual	2024 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	167,207,895	167,904,326	154,087,831
Other	218,485	145,071	145,429
Tuition	7,672,500	7,840,268	6,703,049
Other Revenue	1,813,729	2,050,040	1,556,148
Rentals and Leases	589,114	610,131	575,987
Investment Income	1,097,681	1,093,499	1,582,398
Total Revenue	178,599,404	179,643,335	164,650,842
Expenses			
Instruction	151,443,276	148,985,103	139,399,474
District Administration	7,701,986	7,629,301	7,189,546
Operations and Maintenance	14,245,475	14,463,174	13,851,502
Transportation and Housing	4,121,472	3,938,782	4,000,319
Total Expense	177,512,209	175,016,360	164,440,841
Operating Surplus (Deficit) for the year	1,087,195	4,626,975	210,001
Budgeted Appropriation (Retirement) of Surplus (Deficit)	442,805		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased		(272,039)	(224,461)
Tangible Capital Assets - Work in Progress	(1,230,000)	(164,710)	(1,117,566)
Local Capital	(300,000)	(300,000)	(350,000)
Total Net Transfers	(1,530,000)	(736,749)	(1,692,027)
Total Operating Surplus (Deficit), for the year	-	3,890,226	(1,482,026)
Operating Surplus (Deficit), beginning of year		3,746,823	5,228,849
Operating Surplus (Deficit), end of year		7,637,049	3,746,823
Operating Surplus (Deficit), end of year			
Internally Restricted		3,907,014	814,932
Unrestricted		3,730,035	2,931,891
Total Operating Surplus (Deficit), end of year		7,637,049	3,746,823

School District No. 62 (Sooke)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2025

	2025 Budget (Note 20)	2025 Actual	2024 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education and Child Care			
Operating Grant, Ministry of Education and Child Care	164,843,629	165,420,896	150,638,015
ISC/LEA Recovery	(578,444)	(631,134)	(578,444)
Other Ministry of Education and Child Care Grants			
Pay Equity	931,052	931,052	931,052
Funding for Graduated Adults	40,000	33,252	74,837
Student Transportation Fund	358,365	358,365	358,365
FSA Scorer Grant	12,000	12,964	12,964
Child Care Funding		92,513	16,708
Labour Settlement Funding	1,601,293	1,686,418	2,625,334
Premier's Awards			9,000
Total Provincial Grants - Ministry of Education and Child Care	167,207,895	167,904,326	154,087,831
Provincial Grants - Other	218,485	145,071	145,429
Tuition			
Continuing Education	90,000	125,397	73,981
International and Out of Province Students	7,582,500	7,714,871	6,629,068
Total Tuition	7,672,500	7,840,268	6,703,049
Other Revenues			
Funding from First Nations	578,444	613,024	633,616
Miscellaneous			
Grants for Crossing Guards	156,000	156,000	156,000
Miscellaneous	147,920	156,491	184,372
Rebates	51,000	64,031	65,036
Reclassified from SGF Discretionary	200,000	341,073	326,326
Careers Program		31,785	95,217
Transportation Safety Enhancement Fees	80,000	59,216	95,581
Bus Fees	600,365	628,420	
Total Other Revenue	1,813,729	2,050,040	1,556,148
Rentals and Leases	589,114	610,131	575,987
Investment Income	1,097,681	1,093,499	1,582,398
Total Operating Revenue	178,599,404	179,643,335	164,650,842

School District No. 62 (Sooke)**Schedule 2B (Unaudited)**Schedule of Operating Expense by Object
Year Ended June 30, 2025

	2025 Budget (Note 20)	2025 Actual	2024 Actual
	\$	\$	\$
Salaries			
Teachers	65,620,546	63,672,448	61,916,080
Principals and Vice Principals	10,417,139	10,528,971	10,219,279
Educational Assistants	19,583,196	19,926,893	16,848,573
Support Staff	16,733,336	16,228,256	15,416,654
Other Professionals	6,355,498	6,251,259	6,007,319
Substitutes	6,573,121	7,569,033	7,007,262
Total Salaries	125,282,836	124,176,860	117,415,167
Employee Benefits	33,274,750	32,196,907	29,886,020
Total Salaries and Benefits	158,557,586	156,373,767	147,301,187
Services and Supplies			
Services	8,487,051	8,379,961	7,710,975
Professional Development and Travel	1,303,836	1,316,892	1,109,582
Rentals and Leases	367,976	486,248	388,336
Dues and Fees	178,673	198,420	128,655
Insurance	694,451	557,648	492,943
Supplies	5,896,974	5,649,412	5,354,223
Utilities	1,999,862	2,038,580	1,950,385
Bad Debt	25,800	15,432	4,555
Total Services and Supplies	18,954,623	18,642,593	17,139,654
Total Operating Expense	177,512,209	175,016,360	164,440,841

School District No. 62 (Sooke)

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	53,180,801	292,889	205,834	2,347,157	636,603	5,098,535	61,761,819
1.03 Career Programs	256,351			198,661		26,840	481,852
1.07 Library Services	519,650			302,287		105,052	926,989
1.08 Counselling	2,093,608					17,033	2,110,641
1.10 Inclusive Education	5,071,502	313,270	19,197,370	165,596	1,402,123	1,166,666	27,316,527
1.20 Early Learning and Child Care		7,440	46,440			1,137	55,017
1.30 English Language Learning	779,297			170,171		114,332	1,063,800
1.31 Indigenous Education	788,152	289,683	477,249	111,244		32,322	1,698,650
1.41 School Administration		9,193,014		3,170,369		264,533	12,627,916
1.61 Continuing Education							-
1.62 International and Out of Province Students	978,873	307,912		420,548			1,707,333
Total Function 1	63,668,234	10,404,208	19,926,893	6,886,033	2,038,726	6,826,450	109,750,544
4 District Administration							
4.11 Educational Administration		100,763			1,035,521		1,136,284
4.40 School District Governance		24,000		22,449	162,655		209,104
4.41 Business Administration	4,214			754,767	2,287,977	94,056	3,141,014
Total Function 4	4,214	124,763	-	777,216	3,486,153	94,056	4,486,402
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				135,239	153,573		288,812
5.50 Maintenance Operations				5,628,148	456,444	435,313	6,519,905
5.52 Maintenance of Grounds				735,367			735,367
5.56 Utilities							-
Total Function 5	-	-	-	6,498,754	610,017	435,313	7,544,084
7 Transportation and Housing							
7.41 Transportation and Housing Administration				146,460	116,363	8,512	271,335
7.70 Student Transportation				1,919,793		204,702	2,124,495
Total Function 7	-	-	-	2,066,253	116,363	213,214	2,395,830
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	63,672,448	10,528,971	19,926,893	16,228,256	6,251,259	7,569,033	124,176,860

School District No. 62 (Sooke)

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 20)	2024 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	61,761,819	16,635,715	78,397,534	3,660,438	82,057,972	84,895,349	79,475,571
1.03 Career Programs	481,852	135,508	617,360	582,847	1,200,207	1,099,896	1,250,923
1.07 Library Services	926,989	246,777	1,173,766	50,691	1,224,457	1,084,676	1,292,155
1.08 Counselling	2,110,641	551,074	2,661,715	5,082	2,666,797	2,762,221	2,627,917
1.10 Inclusive Education	27,316,527	7,145,951	34,462,478	1,015,134	35,477,612	35,046,131	30,290,248
1.20 Early Learning and Child Care	55,017	13,965	68,982	1,247	70,229	71,414	
1.30 English Language Learning	1,063,800	271,039	1,334,839	126,960	1,461,799	1,431,224	1,403,299
1.31 Indigenous Education	1,698,650	401,442	2,100,092	254,363	2,354,455	2,344,514	2,058,237
1.41 School Administration	12,627,916	2,885,319	15,513,235	729,836	16,243,071	16,295,916	15,627,179
1.61 Continuing Education	-	-	-	113,401	113,401	73,545	97,524
1.62 International and Out of Province Students	1,707,333	432,895	2,140,228	3,974,875	6,115,103	6,338,390	5,276,421
Total Function 1	109,750,544	28,719,685	138,470,229	10,514,874	148,985,103	151,443,276	139,399,474
4 District Administration							
4.11 Educational Administration	1,136,284	208,575	1,344,859	635,105	1,979,964	2,023,742	2,066,128
4.40 School District Governance	209,104	22,819	231,923	243,129	475,052	403,552	317,590
4.41 Business Administration	3,141,014	715,178	3,856,192	1,318,093	5,174,285	5,274,692	4,805,828
Total Function 4	4,486,402	946,572	5,432,974	2,196,327	7,629,301	7,701,986	7,189,546
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	288,812	66,211	355,023	676,034	1,031,057	833,732	921,075
5.50 Maintenance Operations	6,519,905	1,653,763	8,173,668	1,935,263	10,108,931	9,995,792	9,632,672
5.52 Maintenance of Grounds	735,367	203,048	938,415	335,392	1,273,807	1,416,089	1,346,045
5.56 Utilities	-	-	-	2,049,379	2,049,379	1,999,862	1,951,710
Total Function 5	7,544,084	1,923,022	9,467,106	4,996,068	14,463,174	14,245,475	13,851,502
7 Transportation and Housing							
7.41 Transportation and Housing Administration	271,335	67,355	338,690	59,392	398,082	368,064	379,051
7.70 Student Transportation	2,124,495	540,273	2,664,768	875,932	3,540,700	3,753,408	3,621,268
Total Function 7	2,395,830	607,628	3,003,458	935,324	3,938,782	4,121,472	4,000,319
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	124,176,860	32,196,907	156,373,767	18,642,593	175,016,360	177,512,209	164,440,841

School District No. 62 (Sooke)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2025

	2025 Budget (Note 20)	2025 Actual	2024 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	33,940,090	33,220,692	29,363,084
Other	93,169	25,429	51,721
Federal Grants	27,995	49,393	30,516
Other Revenue	5,995,075	5,436,785	4,815,131
Investment Income	83,560	41,110	27,532
Total Revenue	40,139,889	38,773,409	34,287,984
Expenses			
Instruction	39,803,012	38,286,532	33,694,060
Operations and Maintenance	336,877	486,877	593,924
Total Expense	40,139,889	38,773,409	34,287,984
Special Purpose Surplus (Deficit) for the year	-	-	-
Total Special Purpose Surplus (Deficit) for the year	-	-	-
Special Purpose Surplus (Deficit), beginning of year		673,449	673,449
Special Purpose Surplus (Deficit), end of year		673,449	673,449
Special Purpose Surplus (Deficit), end of year			
Endowment Contributions		673,449	673,449
Total Special Purpose Surplus (Deficit), end of year		673,449	673,449

School District No. 62 (Sooke)

Schedule 3A (Unaudited)

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

	Annual Facility Grant	Learning Improvement Fund	Scholarships and Bursaries	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK	Classroom Enhancement Fund - Overhead
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	-	-	43,560	805,836	3,652	31,706	-	111,438	-
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	336,877	571,419			192,000	46,550	305,205	800,343	1,630,981
Federal Grants				4,142,079					
Other									
Investment Income			29,430					4,300	
	336,877	571,419	29,430	4,142,079	192,000	46,550	305,205	804,643	1,630,981
Less: Allocated to Revenue	336,877	571,419	33,619	4,061,896	195,652	50,842	305,205	806,665	1,630,981
Recovered									
Deferred Revenue, end of year	-	-	39,371	886,019	-	27,414	-	109,416	-
Revenues									
Provincial Grants - Ministry of Education and Child Care	336,877	571,419			195,652	50,842	305,205	802,365	1,630,981
Provincial Grants - Other									
Federal Grants				4,061,896					
Other Revenue									
Investment Income			33,619					4,300	
	336,877	571,419	33,619	4,061,896	195,652	50,842	305,205	806,665	1,630,981
Expenses									
Salaries									
Teachers							45,155		
Principals and Vice Principals								50,144	
Educational Assistants		456,515						2,852	170,000
Support Staff				10,026	146,033	1,244		6,484	120,000
Other Professionals								190,083	
Substitutes				56,333		21,489	47,574	36,328	1,054,984
	-	456,515	-	66,359	146,033	22,733	92,729	285,891	1,344,984
Employee Benefits		114,904		526	44,533	4,802	20,326	65,384	285,997
Services and Supplies	336,877		33,619	3,995,011	5,086	23,307	192,150	455,390	
	336,877	571,419	33,619	4,061,896	195,652	50,842	305,205	806,665	1,630,981
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers									
	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 62 (Sooke)

Schedule 3A (Unaudited)

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

	Classroom Enhancement Fund - Staffing	First Nation Student Transportation	Mental Health in Schools	Changing Results for Young Children	Seamless Day Kindergarten	Early Childhood Education Dual Credit Program	Student & Family Affordability	SEY2KT (Early Years to Kindergarten)	ECL (Early Care & Learning)
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	-	14,568	37,815	10,411	-	14,683	369,688	-	29,860
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	27,054,682	31,155	51,000	6,750	55,400			19,000	175,000
Federal Grants									
Other						7,500			
Investment Income									
	27,054,682	31,155	51,000	6,750	55,400	7,500	-	19,000	175,000
Less: Allocated to Revenue	26,947,718	32,363	60,175	5,722	26,547	13,157	354,183	16,979	195,476
Recovered									
Deferred Revenue, end of year	106,964	13,360	28,640	11,439	28,853	9,026	15,505	2,021	9,384
Revenues									
Provincial Grants - Ministry of Education and Child Care	26,947,718	32,363	60,175	5,722	26,547		354,183	16,979	195,476
Provincial Grants - Other									
Federal Grants									
Other Revenue						13,157			
Investment Income									
	26,947,718	32,363	60,175	5,722	26,547	13,157	354,183	16,979	195,476
Expenses									
Salaries									
Teachers	21,317,401								44,499
Principals and Vice Principals									118,663
Educational Assistants									
Support Staff					19,808				
Other Professionals									
Substitutes			10,691	3,190		3,187		8,817	
	21,317,401	-	10,691	3,190	19,808	3,187	-	8,817	163,162
Employee Benefits	5,630,317		2,135	710	5,729	550		1,577	32,314
Services and Supplies		32,363	47,349	1,822	1,010	9,420	354,183	6,585	
	26,947,718	32,363	60,175	5,722	26,547	13,157	354,183	16,979	195,476
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 62 (Sooke)

Schedule 3A (Unaudited)

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

	Feeding Futures Fund	Health Career Grants	Professional Learning Grant	National School Food Program	Nature K	Academics	Art Starts	Donations	Theaters
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	468,106	5,000			4,953	417,560	6,019	55,351	17,608
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	1,566,800		221,496	141,640					
Federal Grants									
Other						1,431,377	7,600	36,962	3,296
Investment Income								6,789	
	1,566,800	-	221,496	141,640	-	1,431,377	7,600	43,751	3,296
Less: Allocated to Revenue	1,686,126	2,062	-	-	-	1,308,556	7,183	39,850	9,286
Recovered									
Deferred Revenue, end of year	348,780	2,938	221,496	141,640	4,953	540,381	6,436	59,252	11,618
Revenues									
Provincial Grants - Ministry of Education and Child Care	1,686,126	2,062							
Provincial Grants - Other									
Federal Grants									
Other Revenue						1,308,556	7,183	36,659	9,286
Investment Income								3,191	
	1,686,126	2,062	-	-	-	1,308,556	7,183	39,850	9,286
Expenses									
Salaries									
Teachers						124,720			
Principals and Vice Principals						11,895			
Educational Assistants									
Support Staff	191,884					43,041			669
Other Professionals									
Substitutes		445				5,709			
	191,884	445	-	-	-	185,365	-	-	669
Employee Benefits	42,765	97				50,236			32
Services and Supplies	1,451,477	1,520				1,072,955	7,183	39,850	8,585
	1,686,126	2,062	-	-	-	1,308,556	7,183	39,850	9,286
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers									
	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 62 (Sooke)

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

Schedule 3A (Unaudited)

	Mentorship Grant	Here 4 Peers	SUAP Canada	BC CAISE	VIHA Indigenous Food Systems	TOTAL
	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	75,350	17,813	27,995	148	6	2,569,126
Add: Restricted Grants						
Provincial Grants - Ministry of Education and Child Care						33,206,298
Federal Grants			21,398			21,398
Other						5,628,814
Investment Income	2,800					43,319
	2,800	-	21,398	-	-	38,899,829
Less: Allocated to Revenue	9,423	16,000	49,393	48	6	38,773,409
Recovered				100		100
Deferred Revenue, end of year	68,727	1,813	-	-	-	2,695,446
Revenues						
Provincial Grants - Ministry of Education and Child Care						33,220,692
Provincial Grants - Other	9,423	16,000			6	25,429
Federal Grants			49,393			49,393
Other Revenue				48		5,436,785
Investment Income						41,110
	9,423	16,000	49,393	48	6	38,773,409
Expenses						
Salaries						
Teachers						21,531,775
Principals and Vice Principals						180,702
Educational Assistants						629,367
Support Staff						539,189
Other Professionals						190,083
Substitutes			10,817			1,259,564
	-	-	10,817	-	-	24,330,680
Employee Benefits			2,032			6,304,966
Services and Supplies	9,423	16,000	36,544	48	6	8,137,763
	9,423	16,000	49,393	48	6	38,773,409
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-
Interfund Transfers	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-

School District No. 62 (Sooke)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2025

	2025 Budget (Note 20)	2025 Actual			2024 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Provincial Grants					
Ministry of Education and Child Care	26,482,717	22,094,532		22,094,532	1,265,385
Municipal Grants Spent on Sites		4,524,000		4,524,000	
Amortization of Deferred Capital Revenue	12,025,057	12,050,098		12,050,098	11,164,464
Amortization of Deferred Capital Revenue - for lease	61,477	61,477		61,477	61,477
Total Revenue	<u>38,569,251</u>	<u>38,730,107</u>	-	<u>38,730,107</u>	<u>12,491,326</u>
Expenses					
Operations and Maintenance	1,137,170	1,237,193		1,237,193	1,068,148
Amortization of Tangible Capital Assets					
Operations and Maintenance	11,982,072	11,988,681		11,988,681	11,290,351
Transportation and Housing	1,008,226	1,051,187		1,051,187	814,419
Asset Retirement Obligation Revaluation		(2,216,446)		(2,216,446)	
Total Expense	<u>14,127,468</u>	<u>12,060,615</u>	-	<u>12,060,615</u>	<u>13,172,918</u>
Capital Surplus (Deficit) for the year	<u>24,441,783</u>	<u>26,669,492</u>	-	<u>26,669,492</u>	<u>(681,592)</u>
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased		272,039		272,039	224,461
Tangible Capital Assets - Work in Progress	1,230,000	164,710		164,710	1,117,566
Local Capital	300,000		300,000	300,000	350,000
Total Net Transfers	<u>1,530,000</u>	<u>436,749</u>	<u>300,000</u>	<u>736,749</u>	<u>1,692,027</u>
Other Adjustments to Fund Balances					
Tangible Capital Assets WIP Purchased from Local Capital		300,000	(300,000)	-	
Total Other Adjustments to Fund Balances		<u>300,000</u>	<u>(300,000)</u>	<u>-</u>	
Total Capital Surplus (Deficit) for the year	<u>25,971,783</u>	<u>27,406,241</u>	-	<u>27,406,241</u>	<u>1,010,435</u>
Capital Surplus (Deficit), beginning of year		<u>129,989,898</u>		<u>129,989,898</u>	<u>128,979,463</u>
Capital Surplus (Deficit), end of year		<u>157,396,139</u>	-	<u>157,396,139</u>	<u>129,989,898</u>

School District No. 62 (Sooke)

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	120,244,090	384,925,412	24,425,710	9,613,820	-	66,561	539,275,593
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw	20,918,816			1,809,239			22,728,055
Deferred Capital Revenue - Other	4,524,000			673,572			5,197,572
Operating Fund				185,652		86,387	272,039
Transferred from Work in Progress		28,219,971	2,851,902				31,071,873
	25,442,816	28,219,971	2,851,902	2,668,463	-	86,387	59,269,539
Decrease:							
Deemed Disposals			42,472	872,365			914,837
Asset Retirement Obligation Revaluation		2,223,435					2,223,435
	-	2,223,435	42,472	872,365	-	-	3,138,272
Cost, end of year	145,686,906	410,921,948	27,235,140	11,409,918	-	152,948	595,406,860
Work in Progress, end of year		43,134,497	399,288				43,533,785
Cost and Work in Progress, end of year	145,686,906	454,056,445	27,634,428	11,409,918	-	152,948	638,940,645
Accumulated Amortization, beginning of year		136,560,095	10,576,987	3,377,430	-	30,714	150,545,226
Changes for the Year							
Increase: Amortization for the Year		9,383,688	2,583,042	1,051,187		21,951	13,039,868
Decrease:							
Deemed Disposals			42,472	872,365			914,837
Asset Retirement Obligation Revaluation		2,216,446					2,216,446
		2,216,446	42,472	872,365	-	-	3,131,283
Accumulated Amortization, end of year		143,727,337	13,117,557	3,556,252	-	52,665	160,453,811
Tangible Capital Assets - Net	145,686,906	310,329,108	14,516,871	7,853,666	-	100,283	478,486,834

School District No. 62 (Sooke)

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	35,371,653	149,733	-	-	35,521,386
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	34,444,348	2,825,899			37,270,247
Deferred Capital Revenue - Other	1,195,098	154,217			1,349,315
Operating Fund	43,369	121,341			164,710
Local Capital	300,000				300,000
	35,982,815	3,101,457	-	-	39,084,272
Decrease:					
Transferred to Tangible Capital Assets	28,219,971	2,851,902			31,071,873
	28,219,971	2,851,902	-	-	31,071,873
Net Changes for the Year	7,762,844	249,555	-	-	8,012,399
Work in Progress, end of year	43,134,497	399,288	-	-	43,533,785

School District No. 62 (Sooke)

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	230,751,663	18,279,709	5,437,116	254,468,488
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	1,809,239		673,572	2,482,811
Transferred from Work in Progress	25,715,906	5,102,579	88,678	30,907,163
	<u>27,525,145</u>	<u>5,102,579</u>	<u>762,250</u>	<u>33,389,974</u>
Decrease:				
Amortization of Deferred Capital Revenue	10,639,719	889,846	520,533	12,050,098
Amortization of Deferred Capital Revenue - for long term lease	61,477			61,477
	<u>10,701,196</u>	<u>889,846</u>	<u>520,533</u>	<u>12,111,575</u>
Net Changes for the Year	<u>16,823,949</u>	<u>4,212,733</u>	<u>241,717</u>	<u>21,278,399</u>
Deferred Capital Revenue, end of year	<u>247,575,612</u>	<u>22,492,442</u>	<u>5,678,833</u>	<u>275,746,887</u>
Work in Progress, beginning of year	30,229,066	4,592,321	-	34,821,387
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	37,270,247	1,260,637	88,678	38,619,562
	<u>37,270,247</u>	<u>1,260,637</u>	<u>88,678</u>	<u>38,619,562</u>
Decrease				
Transferred to Deferred Capital Revenue	25,715,906	5,102,579	88,678	30,907,163
	<u>25,715,906</u>	<u>5,102,579</u>	<u>88,678</u>	<u>30,907,163</u>
Net Changes for the Year	<u>11,554,341</u>	<u>(3,841,942)</u>	<u>-</u>	<u>7,712,399</u>
Work in Progress, end of year	<u>41,783,407</u>	<u>750,379</u>	<u>-</u>	<u>42,533,786</u>
Total Deferred Capital Revenue, end of year	<u>289,359,019</u>	<u>23,242,821</u>	<u>5,678,833</u>	<u>318,280,673</u>

School District No. 62 (Sooke)

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	4,370,742	492,709	-	5,157,994	-	10,021,445
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education and Child Care	56,944,685					56,944,685
Provincial Grants - Other			7,188,978			7,188,978
Other				1,901,060	762,250	2,663,310
Investment Income		18,613				18,613
Transfer project surplus to MECC Restricted (from) Bylaw	(18,690)	18,690				-
	<u>56,925,995</u>	<u>37,303</u>	<u>7,188,978</u>	<u>1,901,060</u>	<u>762,250</u>	<u>66,815,586</u>
Decrease:						
Transferred to DCR - Capital Additions	1,809,239				673,572	2,482,811
Transferred to DCR - Work in Progress	37,270,247		1,260,637		88,678	38,619,562
Transferred to Revenue - Site Purchases	20,918,816			4,524,000		25,442,816
Transferred to Revenue - Expensed Costs	1,175,716					1,175,716
	<u>61,174,018</u>	<u>-</u>	<u>1,260,637</u>	<u>4,524,000</u>	<u>762,250</u>	<u>67,720,905</u>
Net Changes for the Year	<u>(4,248,023)</u>	<u>37,303</u>	<u>5,928,341</u>	<u>(2,622,940)</u>	<u>-</u>	<u>(905,319)</u>
Balance, end of year	<u>122,719</u>	<u>530,012</u>	<u>5,928,341</u>	<u>2,535,054</u>	<u>-</u>	<u>9,116,126</u>