

Audited Financial Statements of

School District No. 84 (Vancouver Island West)

And Independent Auditors' Report thereon

June 30, 2026

School District No. 84 (Vancouver Island West)

June 30, 2026

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School District No. 84 (Vancouver Island West)

MANAGEMENT REPORT

Version: 7070-6324-4342

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 84 (Vancouver Island West) 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.

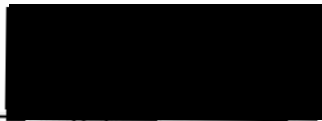
The preparation of financial statements necessarily involves the use of estimates based on management's judgment particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

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. 84 (Vancouver Island West) (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, Moeller Matthews Chartered Professional Accountants, 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. 84 (Vancouver Island West) 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. 84 (Vancouver Island West)

	<i>Sept. 14, 2026</i>
Signature of the Chairperson of the Board of Education	Date Signed
	<i>Sept. 14, 2026</i>
Signature of the Superintendent	Date Signed
	<i>Sept 14 2026</i>
Signature of the Secretary Treasurer	Date Signed

INDEPENDENT AUDITORS' REPORT

To the Board of Education of School District No. 84 (Vancouver Island West), and the Minister of Education of the Province of British Columbia

Opinion

We have audited the accompanying financial statements of the School District No. 84 (Vancouver Island West) (the Entity), which comprise:

- the statement of financial position as at June 30, 2026
- the statement of operations for the year then ended
- the statement of changes in net financial assets (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 policies

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

In our opinion, the accompanying financial statements of the Entity are prepared, in all material respects, in accordance with the financial reporting provisions of Section 23.1 of the Budget Transparency 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 "Auditors' Responsibilities for the Audit of the Financial Statements" section of our auditors' 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 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) of 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:

- Unaudited Schedules 1-4 attached to the audited financial statements
- Financial Statement Discussion and Analysis

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 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 the 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.

Auditors' 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 auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but it 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 judgement 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 auditors' 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 auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

We 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 the audit.

Campbell River, Canada
September 14, 2026

MOELLER MATTHEWS

Chartered Professional Accountants

School District No. 84 (Vancouver Island West)

Statement 1

Statement of Financial Position

As at June 30, 2026

	2026 Actual	2025 Actual
	\$	\$
Financial Assets		
Cash and Cash Equivalents	5,693,828	5,316,057
Accounts Receivable		
Due from Province - Ministry of Education and Child Care	12,247	
Due from First Nations	532,469	435,659
Other (Note 3)	188,997	122,459
Total Financial Assets	6,427,541	5,874,175
Liabilities		
Accounts Payable and Accrued Liabilities		
Other (Note 4)	750,805	1,090,534
Unearned Revenue (Note 5)	101,417	109,488
Deferred Revenue (Note 6)	952,579	571,165
Deferred Capital Revenue (Note 7)	18,826,897	17,761,600
Employee Future Benefits (Note 8)	52,453	57,954
Asset Retirement Obligation (Note 14)	849,145	773,313
Total Liabilities	21,533,296	20,364,054
Net Debt	(15,105,755)	(14,489,879)
Non-Financial Assets		
Tangible Capital Assets (Note 9)	22,857,802	22,144,836
Prepaid Expenses	57,495	11,795
Total Non-Financial Assets	22,915,297	22,156,631
Accumulated Surplus (Deficit)	7,809,542	7,666,752

Approved by the Board

[Redacted Signature]

Sept. 14, 2026

Date Signed

[Redacted Signature]

Sept 14, 2026

Date Signed

Signature of the Superintendent

[Redacted Signature]

Sept 14 2026

Date Signed

Signature of the Secretary Treasurer

School District No. 84 (Vancouver Island West)

Statement 2

Statement of Operations

Year Ended June 30, 2026

	2026 Budget (Note 13)	2026 Actual	2025 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	7,791,960	7,848,878	7,312,209
Tuition	200,000	237,519	181,839
Other Revenue	4,983,843	4,808,517	5,473,383
Rentals and Leases	22,650	21,720	11,170
Investment Income	140,000	121,153	161,384
Gain (Loss) on Disposal of Tangible Capital Assets			(3,301,299)
Amortization of Deferred Capital Revenue	912,704	912,033	785,180
Total Revenue	<u>14,051,157</u>	<u>13,949,820</u>	<u>10,623,866</u>
Expenses (Note 15)			
Instruction	9,793,425	9,051,237	9,315,042
District Administration	1,663,095	1,572,516	1,489,443
Operations and Maintenance	2,752,379	2,751,681	2,486,906
Transportation and Housing	354,673	431,596	321,937
Total Expense	<u>14,563,572</u>	<u>13,807,030</u>	<u>13,613,328</u>
Surplus (Deficit) for the year	<u>(512,415)</u>	<u>142,790</u>	<u>(2,989,462)</u>
Accumulated Surplus (Deficit) from Operations, beginning of year		7,666,752	10,656,214
Accumulated Surplus (Deficit) from Operations, end of year		<u><u>7,809,542</u></u>	<u><u>7,666,752</u></u>

School District No. 84 (Vancouver Island West)

Statement 4

Statement of Changes in Net Debt

Year Ended June 30, 2026

	2026 Budget (Note 13)	2026 Actual	2025 Actual
	\$	\$	\$
Surplus (Deficit) for the year	(512,415)	142,790	(2,989,462)
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets (Note 9)	(1,809,942)	(2,010,592)	(2,452,190)
Amortization of Tangible Capital Assets (Note 9)	1,219,107	1,297,626	1,096,979
Net carrying value of Tangible Capital Assets disposed of			4,718,569
Total Effect of change in Tangible Capital Assets	(590,835)	(712,966)	3,363,358
Acquisition of Prepaid Expenses		(45,700)	(6,086)
Total Effect of change in Other Non-Financial Assets	-	(45,700)	(6,086)
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	(1,103,250)	(615,876)	367,810
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Debt		(615,876)	367,810
Net Debt, beginning of year		(14,489,879)	(14,857,689)
Net Debt, end of year		(15,105,755)	(14,489,879)

School District No. 84 (Vancouver Island West)

Statement 5

Statement of Cash Flows

Year Ended June 30, 2026

	2026 Actual	2025 Actual
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	142,790	(2,989,462)
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(175,595)	(332,102)
Prepaid Expenses	(45,700)	(6,086)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	(339,729)	(276,016)
Unearned Revenue	(8,071)	59,988
Deferred Revenue	381,414	196,732
Employee Future Benefits	(5,501)	5,175
Loss (Gain) on Disposal of Tangible Capital Assets		3,301,299
Amortization of Tangible Capital Assets (Note 9)	1,297,626	1,096,979
Amortization of Deferred Capital Revenue	(912,033)	(785,180)
Total Operating Transactions	335,201	271,327
Capital Transactions		
Tangible Capital Assets Purchased (Note 9)	(1,934,760)	(2,452,190)
District Portion of Proceeds on Disposal		5
Total Capital Transactions	(1,934,760)	(2,452,185)
Financing Transactions		
Capital Revenue Received	1,977,330	1,992,929
Total Financing Transactions	1,977,330	1,992,929
Net Increase (Decrease) in Cash and Cash Equivalents	377,771	(187,929)
Cash and Cash Equivalents, beginning of year	5,316,057	5,503,986
Cash and Cash Equivalents, end of year	5,693,828	5,316,057
Cash and Cash Equivalents, end of year, is made up of:		
Cash	5,693,828	5,316,057
	5,693,828	5,316,057

SCHOOL DISTRICT 84 (VANCOUVER ISLAND WEST)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 1 AUTHORITY AND PURPOSE

The School District, established on January 1, 1965 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. 84 (Vancouver Island West)", and operates as "School District No. 84 (Vancouver Island West)". 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. 84 (Vancouver Island West) 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(e) and 2(k).

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(e) and 2(k), Section 23.1 of the *Budget Transparency and Accountability Act* and its related regulations require the School District to recognize government transfers for the acquisition of capital assets into revenue on the same basis as the related amortization expense.

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

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

SCHOOL DISTRICT 84 (VANCOUVER ISLAND WEST)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a) Basis of Accounting (cont'd)

The impact of this difference on the financial statements of the School District is as follows:

Year-ended June 30, 2025 – decrease in annual surplus by \$209,516

June 30, 2025 – increase in accumulated surplus and decrease in deferred contributions by \$17,761,600

Year-ended June 30, 2026 – increase in annual surplus by \$1,065,297

June 30, 2026 – increase in accumulated surplus and decrease in deferred contributions by \$18,826,897

b) Cash and Cash Equivalents

Cash and cash equivalents 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) 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.

e) 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 (k).

SCHOOL DISTRICT 84 (VANCOUVER ISLAND WEST)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

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

e) Deferred Revenue and Deferred Capital Revenue (cont'd)

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. See note 2 (a) for the impact of this policy on these financial statements.

f) Employee Future Benefits

The School District provides certain post-employment benefits including vested and non-vested benefits for certain employees pursuant to certain contracts and union agreements. The School District accrues its obligations and related costs including both vested and non-vested benefits under employee future benefit plans. Benefits include vested sick leave, accumulating non-vested sick leave, early retirement, retirement/severance, vacation, overtime and death benefits. The benefits cost is actuarially determined using the projected unit credit method pro-rated on service and using management's best estimate of expected salary escalation, termination rates, retirement rates and mortality. The discount rate used to measure obligations is based on the cost of borrowing. The cumulative unrecognized actuarial gains and losses are amortized over the expected average remaining service lifetime 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 84 (VANCOUVER ISLAND WEST)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

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

g) 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 2 (h)). Assumptions used in the calculations are reviewed annually.

SCHOOL DISTRICT 84 (VANCOUVER ISLAND WEST)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

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

h) Tangible Capital Assets

The following criteria apply:

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

SCHOOL DISTRICT 84 (VANCOUVER ISLAND WEST)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

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

i) Prepaid Expenses

Prepaid insurance and other fees for District services are included as a prepaid expense and stated at acquisition cost and are charged to expense over the periods expected to benefit from it.

j) 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 11 – Interfund Transfers and Note 16 – Internally Restricted Surplus). Funds and reserves are disclosed on Schedules 2, 3 and 4.

k) 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. See note 2(a) for the impact of this policy on these financial statements.

SCHOOL DISTRICT 84 (VANCOUVER ISLAND WEST)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

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

k) Revenue Recognition (cont'd)

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.

l) 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.
- Superintendents, Assistant 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 Indigenous education, are allocated to these programs. All other costs are allocated to related programs.
- Actual salaries of personnel assigned to two or more functions or programs are allocated based on the time spent in each function and program. School-based clerical salaries are allocated to school administration and partially to other programs to which they may be assigned. Principals and Vice-Principals salaries are allocated to school administration and may be partially allocated to other programs to recognize their other responsibilities.
- Employee benefits and allowances are allocated to the same programs, and in the same proportions, as the individual's salary.
- Supplies and services are allocated based on actual program identification.

SCHOOL DISTRICT 84 (VANCOUVER ISLAND WEST)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

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

m) 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.

Except for portfolio investments in equity instruments quoted in an active market that are recorded at fair value, all financial assets and liabilities are recorded at cost or amortized cost and the associated transaction costs are added to the carrying value of these investments upon initial recognition and amortized using the effective interest rate method. Transaction costs are incremental costs directly attributable to the acquisition or issue of a financial asset or a financial liability.

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

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

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

SCHOOL DISTRICT 84 (VANCOUVER ISLAND WEST)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

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

n) 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.

NOTE 3 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	<u>2026</u>	<u>2025</u>
Due from Federal Government	\$56,683	\$78,095
Due from Other	132,314	44,364
	<u>\$188,997</u>	<u>\$122,459</u>

NOTE 4 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES – OTHER

	<u>2026</u>	<u>2025</u>
Trade payables	\$220,154	\$498,162
Salaries and benefits payable	333,503	320,867
Accrued vacation pay	197,148	271,505
	<u>\$750,805</u>	<u>\$1,090,534</u>

SCHOOL DISTRICT 84 (VANCOUVER ISLAND WEST)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 5 UNEARNED REVENUE

	2026	2025
Balance, beginning of year	\$109,488	\$49,500
Changes for the year:		
Increase:		
Tuition fees	229,448	241,827
	338,936	291,327
Decrease:		
Tuition fees	237,519	181,839
Balance, end of year	\$101,417	\$109,488

NOTE 6 DEFERRED REVENUE

Deferred revenue includes unspent grants and contributions received that meet the description of a restricted contribution in the Restricted Contributions Regulation 198/2011 issued by Treasury Board, i.e., the stipulations associated with those grants and contributions have not yet been fulfilled. Detailed information about the changes in deferred revenue is included in Schedule 3A.

	2026	2025
Balance, beginning of year	\$571,165	\$374,433
Changes for the year:		
Increase:		
Provincial grants – Ministry of Education and Child Care	2,387,075	2,224,009
Investment Income	9,714	5,670
Other	152,859	150,068
	3,120,813	2,754,180
Decrease:		
Transfers to Revenue	2,168,234	2,183,015
Recovered	-	-
Balance, end of year	\$952,579	\$571,165

SCHOOL DISTRICT 84 (VANCOUVER ISLAND WEST)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 7 DEFERRED CAPITAL REVENUE

Deferred capital revenue includes grants and contributions received that are restricted by the contributor for the acquisition of tangible capital assets that meet the description of a restricted contribution in the Restricted Contributions Regulation 198/2011 issued by Treasury Board. Once spent, the contributions are amortized into revenue over the life of the asset acquired. Detailed information about the changes in deferred capital revenue is included in Schedules 4C and 4D.

	Deferred Cap Revenue	Unspent Def. Cap Revenue	2026 Total	2025 Total
Balance, beginning of year	\$17,546,962	\$214,638	\$17,761,600	\$17,971,116
Changes for the year:				
Increase:				
Transfers from DC – capital additions	1,813,117	-	1,813,117	2,385,343
Provincial grants – MECC	-	1,968,698	1,968,698	1,986,140
Investment Income		8,632	8,632	6,784
Proceeds on Disposal	-	-	-	5
	\$19,360,079	\$2,191,968	\$21,552,047	\$22,349,388
Decrease:				
Amortization	912,033	-	912,033	785,180
Transfers to revenue – capital additions	-	1,813,117	1,813,117	2,385,343
Disposal of Buildings	-	-	-	1,417,265
Balance, end of year	\$18,448,046	\$378,851	\$18,826,897	\$17,761,600

SCHOOL DISTRICT 84 (VANCOUVER ISLAND WEST)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 8 EMPLOYEE FUTURE BENEFITS

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

	2026	2025
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	\$49,362	\$43,984
Service Cost	4,591	5,543
Interest Cost	1,817	1,978
Benefit Payments	(13,180)	(1,972)
Increase (Decrease) in obligation due to Plan Amendment	-	-
Actuarial (Gain) Loss	(4,730)	(171)
Accrued Benefit Obligation – March 31	<u>\$37,860</u>	<u>\$49,362</u>
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation – March 31	\$37,860	\$49,362
Market Value of Plan Assets – March 31	-	-
Funded Status – Surplus (Deficit)	(37,860)	(49,362)
Employer Contributions After Measurement Date	-	-
Benefits Expense After Measurement Date	(1,553)	(1,602)
Unamortized Net Actuarial (Gain) Loss	(13,040)	(6,990)
Accrued Benefit Asset (Liability) – June 30	<u>(\$52,453)</u>	<u>(\$57,954)</u>
Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability – July 1	\$57,954	\$52,779
Net expense for Fiscal Year	7,679	7,148
Employer Contributions	(13,180)	(1,972)
Accrued Benefit Liability – June 30	<u>\$52,453</u>	<u>\$57,954</u>
Components of Net Benefit Expense		
Service Cost	\$4,554	\$5,305
Interest Cost	1,805	1,938
Immediate Recognition of Plan Amendment	-	-
Amortization of Net Actuarial (Gain)/Loss	1,320	(95)
Net Benefit Expense (Income)	<u>\$7,679</u>	<u>\$7,148</u>

SCHOOL DISTRICT 84 (VANCOUVER ISLAND WEST)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 8 **EMPLOYEE FUTURE BENEFITS** *(Continued)*

2026

2025

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

Discount Rate – April 1	4.00%	4.25%
Discount Rate – March 31	4.25%	4.00%
Long Term Salary Growth – April 1	2.50% + seniority	2.50% + seniority
Long Term Salary Growth – March 31	2.50% + seniority	2.50% + seniority
EARSL – March 31	10.1	10.1

SCHOOL DISTRICT 84 (VANCOUVER ISLAND WEST)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 9 TANGIBLE CAPITAL ASSETS

Net Book Value:

	Net Book Value 2026	Net Book Value 2025
Sites	\$888,661	\$888,661
Buildings	20,392,432	19,533,797
Furniture & Equipment	768,669	826,183
Vehicles	748,121	828,991
Computer Hardware	59,919	67,204
Total	\$22,857,802	\$22,144,836

June 30, 2026

	Opening Cost	Additions	Disposals	Transfers (WIP)	Total 2026
Sites	\$888,661	\$ -	\$ -	\$ -	\$888,661
Buildings	37,605,508	1,840,837	-	-	39,446,345
Furniture & Equipment	1,312,030	74,230	63,412	-	1,322,848
Vehicles	1,464,196	69,000	-	-	1,533,196
Computer Hardware	198,207	26,525	84,836	-	139,896
Total	\$41,468,602	\$2,010,592	\$148,248	\$ -	\$43,330,946

	Opening Accumulated Amortization	Annual Amortization	Disposals	Total 2026
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	18,071,711	982,202	-	19,053,913
Furniture & Equipment	485,847	131,744	63,412	554,179
Vehicles	635,205	149,870	-	785,075
Computer Hardware	131,003	33,810	84,836	79,977
Total	\$19,323,766	\$1,297,626	\$148,248	\$20,473,144

SCHOOL DISTRICT 84 (VANCOUVER ISLAND WEST)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 9 TANGIBLE CAPITAL ASSETS *(Continued)*

June 30, 2025

	Opening Cost	Additions	Disposals	Transfers (WIP)	Total 2025
Sites	\$1,438,425	\$ -	(\$549,764)	\$ -	\$888,661
Buildings	40,949,309	2,146,603	(5,490,404)	-	37,605,508
Furniture & Equipment	1,060,284	251,746	-	-	1,312,030
Vehicles	1,445,870	48,818	(30,492)	-	1,464,196
Computer Hardware	193,184	5,023	-	-	198,207
Total	\$45,087,072	\$2,452,190	(\$6,070,660)	\$ -	\$41,468,602

	Opening Accumulated Amortization	Annual Amortization	Disposals	Total 2025
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	18,599,589	793,721	(1,321,599)	18,071,711
Furniture & Equipment	367,231	118,616	-	485,847
Vehicles	520,194	145,503	(30,492)	635,205
Computer Hardware	91,864	39,139	-	131,003
Total	\$19,578,878	\$1,096,979	(\$1,352,091)	\$19,323,766

NOTE 10 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 plans, including investment of assets and administration of 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.

SCHOOL DISTRICT 84 (VANCOUVER ISLAND WEST)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 10 EMPLOYEE PENSION PLANS *(Continued)*

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

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2024, indicated a \$2,675 million funding surplus for basic pension benefits on a going concern basis.

The school district paid \$721,941 for employer contributions to the plans for the year ended June 30, 2026 (2025: \$747,699).

The next valuation for the Teachers' Pension Plan will be as at December 31, 2026. The next valuation for the Municipal Pension Plan will be as at December 31, 2027.

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.

NOTE 11 INTERFUND TRANSFERS

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

- \$70,605 from Local Capital to Capital funds for the purchase of capital assets (\$46,355 in 2024/25)
- \$51,038 from Operating funds to Capital funds for the purchase of capital assets (\$20,492 in 2024/25)
- \$100,000 from Operating funds to Local Capital (\$550,000 in 2024/25)

NOTE 12 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 84 (VANCOUVER ISLAND WEST)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 13 BUDGET FIGURES

Budget figures included in the financial statements were approved by the Board through the adoption of an amended annual budget on February 9, 2026. The Board adopted a preliminary annual budget on May 12, 2025. The amended budget figures are used for comparison purposes, as these are based on actual student enrollments. The difference between the two budgets is as follows:

	2026 Amended Annual Budget	2026 Annual Budget	Difference
Revenues			
Provincial Grants			
Ministry of Education	\$7,791,960	\$7,102,849	\$689,111
Tuition	200,000	200,000	-
Other Revenue	4,983,843	5,446,450	(462,607)
Rentals and Leases	22,650	-	22,650
Investment Income	140,000	105,000	35,000
Amortization of Deferred Capital Revenue	912,704	779,087	133,617
Total Revenue	\$14,051,157	\$13,633,386	\$417,771
Expenses			
Instruction	\$9,793,425	\$9,579,693	\$213,732
District Administration	1,663,095	1,674,377	(11,282)
Operations and Maintenance	2,752,379	2,606,905	145,474
Transportation and Housing	354,673	364,190	(9,517)
Total Expenses	\$14,563,572	\$14,225,165	\$338,407
Net Revenue (Expenses)	(\$512,415)	(\$591,779)	\$79,364
Budgeted Allocation (Retirement) of Surplus (Deficit)	246,012	282,067	(36,055)
Budgeted Surplus (Deficit), for the year	(\$266,403)	(\$309,712)	\$43,309
Budgeted Surplus (Deficit), for the year comprised of:			
Capital Fund Surplus (Deficit)	(\$266,403)	(\$309,712)	\$43,309
Budget Bylaw Amount			
Operating - Total Expenses	\$10,941,236	\$10,983,249	(\$42,013)
Special Purpose Funds - Total Expenses	2,403,229	2,148,117	255,112
Capital Fund - Total Expense	1,219,107	1,093,799	125,308
Capital Fund – Tangible Capital Assets Purchased from Local Capital	45,000	45,000	-
Total Budget Bylaw Amount	\$14,608,572	\$14,270,165	\$338,407

SCHOOL DISTRICT 84 (VANCOUVER ISLAND WEST)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 14 ASSET RETIREMENT OBLIGATION

Legal liabilities exist for the removal and disposal of asbestos within some district owned buildings that will undergo major renovations or demolition in the future. A reasonable estimate of the fair value of the obligation has been recognized using the modified retroactive approach as at July 1, 2022. The obligation was measured at current cost as the timing of future cash flows cannot be reasonably determined. The estimate was reviewed during the year and adjusted to reflect inflationary increases. These costs have been capitalized as part of the assets' carrying value and are amortized over the assets' estimated useful lives.

Asset Retirement Obligation, July 1, 2025	\$773,313
Settlements during the year	-
Change in estimate during the year	75,832
Asset Retirement Obligation, closing balance	<u>\$849,145</u>

NOTE 15 EXPENSE BY OBJECT

	<u>2026</u>	<u>2025</u>
Salaries and benefits	\$9,338,666	\$9,299,840
Services and supplies	3,170,738	3,216,509
Amortization	1,297,626	1,096,979
	<u>\$13,807,030</u>	<u>\$13,613,328</u>

SCHOOL DISTRICT 84 (VANCOUVER ISLAND WEST)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 16 INTERNALLY RESTRICTED SURPLUS – OPERATING FUND

Internally Restricted (appropriated) by Board for:	2026	2025
Constraints on funds		
Indigenous Education Council funds	\$82,883	\$21,226
Contractual prof. development	106,465	90,493
	\$189,348	\$111,719
Anticipated unusual expenses		
District branding and comms	20,000	-
Teacherages	-	100,000
Additional learning support staffing	130,000	-
Literacy support and intervention	125,000	-
Numeracy support	-	100,000
Inclusion and student services	-	100,000
Equipment replacement	-	100,000
	275,000	400,000
Operations spanning multiple years		
School surpluses	18,912	7,007
International program	53,358	-
IT equipment purchases	5,000	-
Next year operating budget	243,279	82,067
2027/28 operating budget	300,000	-
Actions for Learning	20,000	50,000
Additional school supplies	50,000	50,000
Increase NSOP travel budget	15,000	-
In-school collab and prof. learning	40,000	-
Dual credit First Nation teacher ed.	25,000	-
FESL implementation	-	250,000
Resources to support the strat. plan	375,000	300,000
	1,145,549	739,074
Subtotal Internally Restricted	\$1,609,897	\$1,250,793
Unrestricted Operating Surplus (Deficit) - Contingency	910,799	929,005
Total Available for Future Operations	\$2,520,696	\$2,179,798

NOTE 17 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 84 (VANCOUVER ISLAND WEST)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 18 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.

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 cash deposits and cash management arrangements. It is management's opinion that the School District is not exposed to significant interest rate risk as they invest solely in the Ministry of Finance cash on demand.

SCHOOL DISTRICT 84 (VANCOUVER ISLAND WEST)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 18 RISK MANAGEMENT *(Continued)*

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 2023 or 2024 related to credit, market or liquidity risks.

School District No. 84 (Vancouver Island West)

Schedule 1 (Unaudited)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund

Year Ended June 30, 2026

	Operating Fund	Special Purpose Fund	Capital Fund	2026 Actual	2025 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	2,179,798		5,486,954	7,666,752	10,656,214
Changes for the year					
Surplus (Deficit) for the year	491,936		(349,146)	142,790	(2,989,462)
Interfund Transfers					
Tangible Capital Assets Purchased	(51,038)		51,038	-	
Local Capital	(100,000)		100,000	-	
Net Changes for the year	340,898	-	(198,108)	142,790	(2,989,462)
Accumulated Surplus (Deficit), end of year - Statement 2	2,520,696	-	5,288,846	7,809,542	7,666,752

School District No. 84 (Vancouver Island West)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2026

	2026 Budget (Note 13)	2026 Actual	2025 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	5,571,731	5,821,686	5,397,188
Tuition	200,000	237,519	181,839
Other Revenue	4,800,843	4,677,189	5,210,428
Rentals and Leases	22,650	21,720	11,170
Investment Income	100,000	74,992	122,092
Total Revenue	<u>10,695,224</u>	<u>10,833,106</u>	<u>10,922,717</u>
Expenses			
Instruction	7,511,896	6,997,997	7,253,193
District Administration	1,663,095	1,572,516	1,489,443
Operations and Maintenance	1,600,467	1,524,700	1,456,205
Transportation and Housing	165,778	245,957	134,493
Total Expense	<u>10,941,236</u>	<u>10,341,170</u>	<u>10,333,334</u>
Operating Surplus (Deficit) for the year	<u>(246,012)</u>	<u>491,936</u>	<u>589,383</u>
Budgeted Appropriation (Retirement) of Surplus (Deficit)	<u>246,012</u>		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased		(51,038)	(20,492)
Local Capital		(100,000)	(550,000)
Total Net Transfers	<u>-</u>	<u>(151,038)</u>	<u>(570,492)</u>
Total Operating Surplus (Deficit), for the year	<u>-</u>	<u>340,898</u>	<u>18,891</u>
Operating Surplus (Deficit), beginning of year		2,179,798	2,160,907
Operating Surplus (Deficit), end of year		<u>2,520,696</u>	<u>2,179,798</u>
Operating Surplus (Deficit), end of year			
Internally Restricted (Note 16)		1,609,897	1,250,793
Unrestricted		910,799	929,005
Total Operating Surplus (Deficit), end of year		<u>2,520,696</u>	<u>2,179,798</u>

School District No. 84 (Vancouver Island West)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2026

	2026 Budget (Note 13)	2026 Actual	2025 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education and Child Care			
Operating Grant, Ministry of Education and Child Care	10,220,800	10,128,302	10,334,980
ISC/LEA Recovery	(4,785,843)	(4,668,399)	(5,159,395)
Other Ministry of Education and Child Care Grants			
Pay Equity	55,087	55,087	55,087
Funding for Graduated Adults		360	
Student Transportation Fund	57,593	57,593	57,593
Support Staff Benefits Grant			3,002
Foundation Skills Assessment (FSA) Scorer Grant	4,094	4,094	4,094
Labour Settlement Funding		121,132	69,410
Indigenous Education Councils (IEC) Funding		101,933	
Recruitment & Retention (FRSP) Grants	20,000	21,584	32,417
Total Provincial Grants - Ministry of Education and Child Care	5,571,731	5,821,686	5,397,188
Tuition			
International and Out of Province Students	200,000	237,519	181,839
Total Tuition	200,000	237,519	181,839
Other Revenues			
Funding from First Nations	4,785,843	4,668,399	5,159,395
Miscellaneous			
BMO Rebate	10,000	8,779	9,875
Other	5,000	11	35,158
Art Starts			6,000
Total Other Revenue	4,800,843	4,677,189	5,210,428
Rentals and Leases	22,650	21,720	11,170
Investment Income	100,000	74,992	122,092
Total Operating Revenue	10,695,224	10,833,106	10,922,717

School District No. 84 (Vancouver Island West)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2026

	2026 Budget (Note 13)	2026 Actual	2025 Actual
	\$	\$	\$
Salaries			
Teachers	2,238,606	2,106,726	2,208,920
Principals and Vice Principals	1,563,036	1,539,577	1,800,120
Educational Assistants	491,659	483,384	389,371
Support Staff	880,745	874,158	880,514
Other Professionals	1,047,679	1,059,432	942,084
Substitutes	260,332	371,779	265,894
Total Salaries	6,482,057	6,435,056	6,486,903
Employee Benefits	1,415,042	1,456,276	1,434,764
Total Salaries and Benefits	7,897,099	7,891,332	7,921,667
Services and Supplies			
Services	1,245,884	1,046,532	932,858
Student Transportation	10,500	3,252	9,219
Professional Development and Travel	657,431	452,406	614,550
Dues and Fees	46,200	42,208	46,604
Insurance	58,898	58,794	51,728
Supplies	631,724	443,413	354,596
Utilities	393,500	403,233	402,112
Total Services and Supplies	3,044,137	2,449,838	2,411,667
Total Operating Expense	10,941,236	10,341,170	10,333,334

School District No. 84 (Vancouver Island West)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2026

	Teachers Salaries	Principals and Vice Principals Salaries	Educational Assistants Salaries	Support Staff Salaries	Other Professionals Salaries	Substitutes Salaries	Total Salaries
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	1,788,491	1,056,245		27,931		228,445	3,101,112
1.07 Library Services	97			25,848		579	26,524
1.08 Counselling	63,682						63,682
1.10 Special Education	144,899		448,582	1,085		52,921	647,487
1.31 Indigenous Education	109,557		34,802				144,359
1.41 School Administration		420,514		202,739		31,119	654,372
1.61 Continuing Education		16,947					16,947
1.62 International and Out of Province Students		45,871					45,871
Total Function 1	2,106,726	1,539,577	483,384	257,603	-	313,064	4,700,354
4 District Administration							
4.11 Educational Administration					435,617		435,617
4.40 School District Governance					81,918		81,918
4.41 Business Administration				101,857	392,652	370	494,879
Total Function 4	-	-	-	101,857	910,187	370	1,012,414
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration					111,337		111,337
5.50 Maintenance Operations				455,007	37,908	44,819	537,734
5.52 Maintenance of Grounds							-
5.56 Utilities							-
Total Function 5	-	-	-	455,007	149,245	44,819	649,071
7 Transportation and Housing							
7.70 Student Transportation				59,691		13,526	73,217
Total Function 7	-	-	-	59,691	-	13,526	73,217
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	2,106,726	1,539,577	483,384	874,158	1,059,432	371,779	6,435,056

School District No. 84 (Vancouver Island West)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2026

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2026 Actual	2026 Budget (Note 13)	2025 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	3,101,112	710,011	3,811,123	460,637	4,271,760	4,420,486	4,058,595
1.07 Library Services	26,524	7,486	34,010	3,565	37,575	121,539	77,340
1.08 Counselling	63,682	3,982	67,664		67,664	75,634	64,027
1.10 Special Education	647,487	138,254	785,741	276,496	1,062,237	1,253,693	1,310,956
1.31 Indigenous Education	144,359	30,461	174,820	287,721	462,541	477,644	512,548
1.41 School Administration	654,372	155,003	809,375	85,387	894,762	929,800	1,023,259
1.61 Continuing Education	16,947	3,467	20,414	74	20,488	30,101	19,353
1.62 International and Out of Province Students	45,871	10,508	56,379	124,591	180,970	202,999	187,115
Total Function 1	4,700,354	1,059,172	5,759,526	1,238,471	6,997,997	7,511,896	7,253,193
4 District Administration							
4.11 Educational Administration	435,617	110,039	545,656	25,238	570,894	603,077	509,419
4.40 School District Governance	81,918	5,321	87,239	101,781	189,020	278,059	225,889
4.41 Business Administration	494,879	116,942	611,821	200,781	812,602	781,959	754,135
Total Function 4	1,012,414	232,302	1,244,716	327,800	1,572,516	1,663,095	1,489,443
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	111,337	21,555	132,892	81,088	213,980	218,238	211,751
5.50 Maintenance Operations	537,734	126,280	664,014	242,820	906,834	984,229	841,813
5.52 Maintenance of Grounds	-		-	651	651	4,500	528
5.56 Utilities	-		-	403,235	403,235	393,500	402,113
Total Function 5	649,071	147,835	796,906	727,794	1,524,700	1,600,467	1,456,205
7 Transportation and Housing							
7.70 Student Transportation	73,217	16,967	90,184	155,773	245,957	165,778	134,493
Total Function 7	73,217	16,967	90,184	155,773	245,957	165,778	134,493
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	6,435,056	1,456,276	7,891,332	2,449,838	10,341,170	10,941,236	10,333,334

School District No. 84 (Vancouver Island West)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2026

	2026 Budget (Note 13)	2026 Actual	2025 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	2,220,229	2,027,192	1,915,021
Other Revenue	183,000	131,328	262,955
Investment Income		9,714	5,039
Total Revenue	<u>2,403,229</u>	<u>2,168,234</u>	<u>2,183,015</u>
Expenses			
Instruction	2,281,529	2,053,240	2,061,849
Operations and Maintenance	79,225	79,225	79,225
Transportation and Housing	42,475	35,769	41,941
Total Expense	<u>2,403,229</u>	<u>2,168,234</u>	<u>2,183,015</u>
Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>-</u>	<u>-</u>
Total Special Purpose Surplus (Deficit) for the year	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
Special Purpose Surplus (Deficit), beginning of year			
Special Purpose Surplus (Deficit), end of year		<u><u>-</u></u>	<u><u>-</u></u>

School District No. 84 (Vancouver Island West)

Schedule 3A (Unaudited)

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2026

	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			19,963	144,213	732	36,740		16,818	
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	79,225	36,419			34,000	7,350	6,922	151,286	249,159
Other			2,300	90,266					
Investment Income			437		108	825		433	
	79,225	36,419	2,737	90,266	34,108	8,175	6,922	151,719	249,159
Less: Allocated to Revenue	79,225	36,419	3,500	106,846	31,670	8,712	6,922	146,330	249,159
Deferred Revenue, end of year	-	-	19,200	127,633	3,170	36,203	-	22,207	-
Revenues									
Provincial Grants - Ministry of Education and Child Care	79,225	36,419			31,562	7,887	6,922	145,897	249,159
Other Revenue			3,063	106,846					
Investment Income			437		108	825		433	
	79,225	36,419	3,500	106,846	31,670	8,712	6,922	146,330	249,159
Expenses									
Salaries									
Teachers							5,269		
Principals and Vice Principals									83,144
Educational Assistants		29,432						62,960	
Support Staff	50,000	6,987			24,391				
Other Professionals									77,276
Substitutes									40,278
	50,000	36,419	-	-	24,391	-	5,269	62,960	200,698
Employee Benefits	12,000				4,910		1,317	15,570	38,033
Services and Supplies	17,225		3,500	106,846	2,369	8,712	336	67,800	10,428
	79,225	36,419	3,500	106,846	31,670	8,712	6,922	146,330	249,159
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers									
	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 84 (Vancouver Island West)

Schedule 3A (Unaudited)

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2026

	Classroom Enhancement Fund - Staffing	Classroom Enhancement Fund - Remedies	First Nation Student Transportation	Mental Health in Schools	Early Childhood Education (ECE) Dual Credit Program	Early Care & Learning (ECL)	Feeding Futures Fund	Professional Learning Grant	National School Food Program
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year						28,958	23,515	247,553	9,318
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	761,814	50,355	12,475	57,000	5,000	525,000	350,000		36,070
Other									
Investment Income						1,005	412	4,145	475
	761,814	50,355	12,475	57,000	5,000	526,005	350,412	4,145	36,545
Less: Allocated to Revenue	739,816	50,355	12,475	57,000	5,000	160,846	355,853	69,791	25,022
Deferred Revenue, end of year	21,998	-	-	-	-	394,117	18,074	181,907	20,841
Revenues									
Provincial Grants - Ministry of Education and Child Care	739,816	50,355	12,475	57,000	5,000	159,841	355,441	65,646	24,547
Other Revenue									
Investment Income						1,005	412	4,145	475
	739,816	50,355	12,475	57,000	5,000	160,846	355,853	69,791	25,022
Expenses									
Salaries									
Teachers	607,693								
Principals and Vice Principals				14,602	4,000	31,626	15,762		20,852
Educational Assistants							1,118		
Support Staff						28,408	54,952		
Other Professionals									
Substitutes		44,062							
	607,693	44,062	-	14,602	4,000	60,034	71,832	-	20,852
Employee Benefits	132,123	6,293		3,066	1,000	13,410	12,630		4,170
Services and Supplies			12,475	39,332		87,402	271,391	69,791	
	739,816	50,355	12,475	57,000	5,000	160,846	355,853	69,791	25,022
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers									
	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 84 (Vancouver Island West)

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2026

Schedule 3A (Unaudited)

	Dual Credit Pathway to Teacher Education	District Housing	TOTAL
	\$	\$	\$
Deferred Revenue, beginning of year		43,355	571,165
Add: Restricted Grants			
Provincial Grants - Ministry of Education and Child Care	25,000		2,387,075
Other		60,293	152,859
Investment Income		1,874	9,714
	25,000	62,167	2,549,648
Less: Allocated to Revenue	-	23,293	2,168,234
Deferred Revenue, end of year	25,000	82,229	952,579
Revenues			
Provincial Grants - Ministry of Education and Child Care			2,027,192
Other Revenue		21,419	131,328
Investment Income		1,874	9,714
	-	23,293	2,168,234
Expenses			
Salaries			
Teachers			612,962
Principals and Vice Principals			169,986
Educational Assistants			93,510
Support Staff			164,738
Other Professionals			77,276
Substitutes			84,340
	-	-	1,202,812
Employee Benefits			244,522
Services and Supplies		23,293	720,900
	-	23,293	2,168,234
Net Revenue (Expense) before Interfund Transfers	-	-	-
Interfund Transfers			
	-	-	-
Net Revenue (Expense)	-	-	-

School District No. 84 (Vancouver Island West)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2026

	2026 Budget (Note 13)	2026 Actual			2025 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Investment Income	40,000		36,447	36,447	34,253
Gain (Loss) on Disposal of Tangible Capital Assets				-	(3,301,299)
Amortization of Deferred Capital Revenue	912,704	912,033		912,033	785,180
Total Revenue	<u>952,704</u>	<u>912,033</u>	<u>36,447</u>	<u>948,480</u>	<u>(2,481,866)</u>
Expenses					
Amortization of Tangible Capital Assets					
Operations and Maintenance	1,072,687	1,147,756		1,147,756	951,476
Transportation and Housing	146,420	149,870		149,870	145,503
Total Expense	<u>1,219,107</u>	<u>1,297,626</u>	<u>-</u>	<u>1,297,626</u>	<u>1,096,979</u>
Capital Surplus (Deficit) for the year	<u>(266,403)</u>	<u>(385,593)</u>	<u>36,447</u>	<u>(349,146)</u>	<u>(3,578,845)</u>
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased		51,038		51,038	20,492
Local Capital			100,000	100,000	550,000
Total Net Transfers	<u>-</u>	<u>51,038</u>	<u>100,000</u>	<u>151,038</u>	<u>570,492</u>
Other Adjustments to Fund Balances					
Tangible Capital Assets Purchased from Local Capital		70,605	(70,605)	-	
Total Other Adjustments to Fund Balances		<u>70,605</u>	<u>(70,605)</u>	<u>-</u>	
Total Capital Surplus (Deficit) for the year	<u>(266,403)</u>	<u>(263,950)</u>	<u>65,842</u>	<u>(198,108)</u>	<u>(3,008,353)</u>
Capital Surplus (Deficit), beginning of year		3,853,233	1,633,721	5,486,954	8,495,307
Capital Surplus (Deficit), end of year		<u>3,589,283</u>	<u>1,699,563</u>	<u>5,288,846</u>	<u>5,486,954</u>

School District No. 84 (Vancouver Island West)

Schedule 4A (Unaudited)

Tangible Capital Assets
Year Ended June 30, 2026

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	888,661	37,605,508	1,312,030	1,464,196		198,207	41,468,602
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		1,765,005	48,112				1,813,117
Operating Fund			24,513			26,525	51,038
Local Capital			1,605	69,000			70,605
Asset Retirement Obligation Adjustment		75,832					75,832
	-	1,840,837	74,230	69,000	-	26,525	2,010,592
Decrease:							
Deemed Disposals			63,412			84,836	148,248
	-	-	63,412	-	-	84,836	148,248
Cost, end of year	888,661	39,446,345	1,322,848	1,533,196	-	139,896	43,330,946
Work in Progress, end of year							-
Cost and Work in Progress, end of year	888,661	39,446,345	1,322,848	1,533,196	-	139,896	43,330,946
Accumulated Amortization, beginning of year		18,071,711	485,847	635,205		131,003	19,323,766
Changes for the Year							
Amortization for the Year		906,370	131,744	149,870		33,810	1,221,794
Asset Retirement Obligation Adjustment		75,832					75,832
		982,202	131,744	149,870	-	33,810	1,297,626
Deemed Disposals			63,412			84,836	148,248
Written-off During Year							-
District Entered							-
	-	-	63,412	-	-	84,836	148,248
Accumulated Amortization, end of year		19,053,913	554,179	785,075	-	79,977	20,473,144
Tangible Capital Assets - Net	888,661	20,392,432	768,669	748,121	-	59,919	22,857,802

School District No. 84 (Vancouver Island West)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2026

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	17,362,921	184,041		17,546,962
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	1,813,117			1,813,117
	1,813,117	-	-	1,813,117
Decrease:				
Amortization of Deferred Capital Revenue	897,951	14,082		912,033
	897,951	14,082	-	912,033
Net Changes for the Year	915,166	(14,082)	-	901,084
Deferred Capital Revenue, end of year	18,278,087	169,959	-	18,448,046
Work in Progress, beginning of year				-
Changes for the Year				
Net Changes for the Year	-	-	-	-
Work in Progress, end of year	-	-	-	-
Total Deferred Capital Revenue, end of year	18,278,087	169,959	-	18,448,046

School District No. 84 (Vancouver Island West)

Schedule 4D (Unaudited)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2026

	Bylaw Capital	MECC Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	97,884	116,754				214,638
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education and Child Care	1,968,698					1,968,698
Investment Income	5,910	2,722				8,632
	1,974,608	2,722	-	-	-	1,977,330
Decrease:						
Transferred to DCR - Capital Additions	1,813,117					1,813,117
	1,813,117	-	-	-	-	1,813,117
Net Changes for the Year	161,491	2,722	-	-	-	164,213
Balance, end of year	259,375	119,476	-	-	-	378,851