

Audited Financial Statements of

School District No. 73 (Kamloops-Thompson)

And Independent Auditors' Report thereon

June 30, 2025

School District No. 73 (Kamloops-Thompson)

June 30, 2025

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School District No. 73 (Kamloops-Thompson)

MANAGEMENT REPORT

Version: 5598-4852-2870

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 73 (Kamloops-Thompson) 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. 73 (Kamloops-Thompson) (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, BDO Canada 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. 73 (Kamloops-Thompson) 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. 73 (Kamloops-Thompson)

Signature on file.

September 8, 2025

Signature of the Chairperson of the Board of Education

Date Signed

Signature on file.

September 8, 2025

Signature of the Superintendent

Date Signed

Signature on file.

September 8, 2025

Signature of the Secretary Treasurer

Date Signed

Independent Auditor's Report

To the Board of Education of School District No. 73 (Kamloops-Thompson)

Opinion

We have audited the financial statements of School District No. 73 (Kamloops-Thompson) (the District), which comprise the Statements of Financial Position as at June 30, 2025, Statements of Operations, Changes in Net Debt and Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the District as at June 30, 2025, and its results of operations, changes in net debt, and cash flows for the year then ended in accordance with the accounting requirements 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 report. We are independent of the District 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

Without modifying our opinion, we draw attention to Note 2 to the financial statements which describes the basis of accounting and the significant differences between such basis of accounting and Canadian public sector accounting standards.

Unaudited Information

We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the schedules on pages 31 through 46 of School District No. 73 (Kamloops-Thompson)'s Financial Statements.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with 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 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 District'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 District or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the District'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 these 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:

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 our audit.

- 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 District'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 District'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 District to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 our audit.

BDO Canada LLP

Chartered Professional Accountants
Kamloops, British Columbia
September 8, 2025

School District No. 73 (Kamloops-Thompson)

Statement of Financial Position

As at June 30, 2025

	2025 Actual	2024 Actual
	\$	\$
Financial Assets		
Cash and Cash Equivalents	44,342,612	29,730,356
Accounts Receivable		
Due from Province - Ministry of Education and Child Care	7,185,124	7,604,144
Due from First Nations	1,510,417	669,632
Other (Note 3)	1,279,976	3,527,008
Investments in Government Business Enterprises (Note 6)	1,894,578	2,562,841
Portfolio Investments (Note 5)	27,139	27,139
Total Financial Assets	56,239,846	44,121,120
Liabilities		
Accounts Payable and Accrued Liabilities		
Other (Note 7)	26,122,875	22,200,039
Unearned Revenue (Note 8)	4,245,766	3,902,292
Deferred Revenue (Note 9)	7,542,023	6,732,327
Deferred Capital Revenue (Note 10)	133,751,833	108,879,543
Employee Future Benefits (Note 11)	6,366,407	6,433,561
Asset Retirement Obligation (Note 26)	8,690,115	8,165,697
Other Liabilities	218,607	305,885
Total Liabilities	186,937,626	156,619,344
Net Debt	(130,697,780)	(112,498,224)
Non-Financial Assets		
Tangible Capital Assets (Note 4)	164,871,064	137,030,168
Restricted Assets (Endowments) (Note 22)	150,125	150,125
Prepaid Expenses	653,591	503,487
Supplies Inventory	616,985	805,809
Total Non-Financial Assets	166,291,765	138,489,589
Accumulated Surplus (Deficit)	35,593,985	25,991,365

Contingent Liabilities (Note 19)

Approved by the Board

Signature on file.

September 8, 2025

Signature of the Chairperson of the Board of Education

Date Signed

Signature on file.

September 8, 2025

Signature of the Superintendent

Date Signed

Signature on file.

September 8, 2025

Signature of the Secretary Treasurer

Date Signed

School District No. 73 (Kamloops-Thompson)

Statement of Operations
Year Ended June 30, 2025

	2025 Budget	2025 Actual	2024 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	226,949,041	235,436,935	216,932,326
Other	55,440	277,183	6,170,745
Municipal Grants Spent on Sites		258,534	
Tuition	5,072,000	5,262,180	5,001,861
Other Revenue	11,246,790	11,389,259	4,254,941
Rentals and Leases	200,000	217,998	259,711
Investment Income	701,000	788,469	1,029,446
Income (Loss) from Investments in Government Business Enterprises	88,227	(668,263)	329,869
Amortization of Deferred Capital Revenue	4,788,816	4,434,207	4,099,435
Total Revenue	249,101,314	257,396,502	238,078,334
Expenses (Note 23)			
Instruction	198,291,819	196,760,988	189,566,888
District Administration	7,322,384	6,998,913	7,625,464
Operations and Maintenance	37,795,295	37,282,907	36,368,735
Transportation and Housing	7,552,584	6,751,074	6,909,637
Total Expense	250,962,082	247,793,882	240,470,724
Surplus (Deficit) for the year	(1,860,768)	9,602,620	(2,392,390)
Accumulated Surplus (Deficit) from Operations, beginning of year		25,991,365	28,383,755
Accumulated Surplus (Deficit) from Operations, end of year		35,593,985	25,991,365

School District No. 73 (Kamloops-Thompson)

Statement of Changes in Net Debt

Year Ended June 30, 2025

	2025 Budget	2025 Actual	2024 Actual
	\$	\$	\$
Surplus (Deficit) for the year	(1,860,768)	9,602,620	(2,392,390)
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(48,185,155)	(34,781,496)	(24,360,250)
Amortization of Tangible Capital Assets	7,128,350	6,940,600	6,735,026
Total Effect of change in Tangible Capital Assets	(41,056,805)	(27,840,896)	(17,625,224)
Acquisition of Prepaid Expenses			(35,217)
Acquisition of Supplies Inventory		38,720	(119,527)
Total Effect of change in Other Non-Financial Assets	-	38,720	(154,744)
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	<u>(42,917,573)</u>	(18,199,556)	(20,172,358)
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Debt		(18,199,556)	(20,172,358)
Net Debt, beginning of year		(112,498,224)	(92,325,866)
Net Debt, end of year		<u>(130,697,780)</u>	<u>(112,498,224)</u>

School District No. 73 (Kamloops-Thompson)

Statement 5

Statement of Cash Flows

Year Ended June 30, 2025

	2025 Actual	2024 Actual
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	9,602,620	(2,392,390)
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	1,825,267	(6,957,935)
Supplies Inventories	188,824	(119,527)
Prepaid Expenses	(150,104)	(35,217)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	3,922,836	3,863,315
Unearned Revenue	343,474	162,288
Deferred Revenue	809,696	127,983
Employee Future Benefits	(67,154)	300,333
Asset Retirement Obligations	524,418	(104,694)
Other Liabilities	(87,278)	115,789
Amortization of Tangible Capital Assets	6,940,600	6,735,026
Amortization of Deferred Capital Revenue	(4,434,207)	(4,099,435)
Recognition of Deferred Capital Revenue Spent on Sites	(7,616,682)	
Capital Grants Spent on Building Maintenance Projects	(3,614,920)	(3,446,463)
Total Operating Transactions	<u>8,187,390</u>	<u>(5,850,927)</u>
Capital Transactions		
Tangible Capital Assets Purchased	(11,372,494)	(4,830,535)
Tangible Capital Assets -WIP Purchased	(23,409,002)	(19,529,715)
Total Capital Transactions	<u>(34,781,496)</u>	<u>(24,360,250)</u>
Financing Transactions		
Capital Revenue Received	40,538,099	26,047,405
Total Financing Transactions	<u>40,538,099</u>	<u>26,047,405</u>
Investing Transactions		
Decrease (Increase) in Investments in Government Business Enterprises	668,263	(329,869)
Total Investing Transactions	<u>668,263</u>	<u>(329,869)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	14,612,256	(4,493,641)
Cash and Cash Equivalents, beginning of year	<u>29,730,356</u>	<u>34,223,997</u>
Cash and Cash Equivalents, end of year	<u>44,342,612</u>	<u>29,730,356</u>
Cash and Cash Equivalents, end of year, is made up of:		
Cash	44,342,612	29,730,356
	<u>44,342,612</u>	<u>29,730,356</u>

School District No. 73 (Kamloops-Thompson)

Notes to the Financial Statements

June 30, 2025

Note 1 AUTHORITY AND PURPOSE

The School District operates under authority of the School Act of British Columbia as a corporation under the name of "The Board of Education of School District No. 73 (Kamloops-Thompson)", and operates as "School District No. 73 (Kamloops-Thompson)." 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 the 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. 73 (Kamloops-Thompson) 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 without not-for-profit provisions except in regard to the accounting for government transfers as set out in Notes 2(g) and 2(n).

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

As noted in Notes 2(g) and 2(n), Section 23.1 of the Budget Transparency and Accountability Act and its related regulations require the School District to recognize government transfers for the acquisition of capital assets into revenue on the same basis as the related amortization expense. As these transfers do not contain stipulations that create a liability, Canadian public sector accounting standards would require these grants to be fully recognized into revenue. The impact of this difference on the financial statements of the School District is as follows:

- Year-ended June 30, 2025 increase in annual surplus by \$22,164,710 (June 30, 2024 - increase by \$17,495,138).
- June 30, 2025 - increase in accumulated surplus and decrease in deferred contributions by \$133,728,462 (2024 - \$108,879,543).

School District No. 73 (Kamloops-Thompson)

Notes to the Financial Statements

June 30, 2025

b) Basis of Consolidation

These financial statements reflect the assets, liabilities, revenue and expenses of this reporting entity, which is comprised of School District No. 73 (Kamloops-Thompson). The investment in the School District No. 73 Business Company, a government business enterprise, is accounted for using the modified equity method. Under the modified equity method of accounting, only the School District's investment in the business enterprise and the enterprise's net income and other changes in equity are recorded (or proportionate share in the business partnership). No adjustment is made for accounting policies of the enterprise that are different from those of the School District.

Inter-organizational transactions and balances are not eliminated, except for any profit or loss on the sale between entities of assets that remain within the reporting entity.

Condensed supplementary financial information relative to government business enterprises is disclosed in Note 6.

c) Cash and Cash Equivalents

Cash and cash equivalents include cash 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 shown net of allowance for doubtful accounts.

e) Portfolio Investments

The School District has investments in the BC Interior Community Foundation (BCICF). Portfolio investments in equity instruments that are quoted in an active market are recorded at fair value and the associated transaction costs are expensed upon initial recognition. The change in the fair value is recognized in the Statement of Remeasurement Gains and Losses as a remeasurement gain or loss until the portfolio investments are realized on disposal. Upon disposal, any accumulated remeasurement gains or losses associated with the portfolio investments are reclassified to the Statement of Operations. As there are no remeasurement gains or losses to report, the statement of remeasurement gains and losses has not been prepared.

Impairment is defined as a loss in value of a portfolio investment that is other than a temporary decline and is included in the Statement of Operations. In the case of an item in the fair value category, a reversal of any net remeasurement gains recognized in previous reporting periods up to the amount of the write-down is reported in the Statement of Remeasurement Gains and Losses. The loss is not reversed if there is a subsequent increase in value.

Detailed information regarding portfolio investments is disclosed in Note 5.

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.

School District No. 73 (Kamloops-Thompson)

Notes to the Financial Statements

June 30, 2025

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(n).

Funding received for the acquisition of depreciable tangible capital assets is recorded as deferred capital revenue and amortized over the life of the asset acquired as revenue in the statement of operations. This accounting treatment is not consistent with the requirements of Canadian public sector accounting standards which require that government transfers be recognized as revenue when approved by the transferor and eligibility criteria have been met unless the transfer contains a stipulation that creates a liability in which case the transfer is recognized as revenue over the period that the liability is extinguished. See Note 2(a) for the impact of this policy on these financial statements.

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, early retirement, retirement/severance, vacation, overtime and death benefits. The benefits cost is actuarially determined using the projected unit credit method pro-rated on service and using management's best estimate of expected salary escalation, termination rates, retirement rates and mortality. The discount rate used to measure obligations is based on the cost of borrowing.

The cumulative unrecognized actuarial gains and losses are amortized over the expected average remaining service lifetime (EARSL) of active employees covered under the plan.

The excess of cumulative unrecognized actuarial gains (losses) over 10 percent of the accrued benefit obligation is amortized over the expected average remaining service lifetime (EARSL) of active employees covered under the plan. The EARSL for employees of the School District is 10.5 years.

The most recent valuation of the obligation was performed at March 31, 2022 and projected to March 31, 2025. The next valuation will be performed at March 31, 2025 for use at June 30, 2025. 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. 73 (Kamloops-Thompson)

Notes to the Financial Statements

June 30, 2025

j) Asset Retirement Obligations

Liabilities are 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 recognized as an asset retirement obligation. The obligations are measured initially at fair value, determined using present value methodology, and the resulting costs capitalized into the carrying amount of the related tangible capital asset. In subsequent periods, the liability is adjusted for accretion and any changes in the amount or timing of the underlying future cash flows. The capitalized asset retirement cost is amortized on the same basis as the related asset and accretion expense is included in the Statement of Operations.

j) Tangible Capital Assets

The following criteria apply:

- Tangible capital assets acquired or constructed are recorded at cost which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost also includes overhead directly attributable to construction as well as interest costs that are directly attributable to the acquisition or construction of the asset.
- Donated tangible capital assets are recorded at their fair market value on the date of donation, except in circumstances where fair value cannot be reasonably determined, which are then recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.
- Work-in-progress is recorded as an acquisition to the applicable asset class at substantial completion.
- Tangible capital assets are written down to residual value when conditions indicate they no longer contribute to the ability of the School District to provide services or when the value of future economic benefits associated with the sites and buildings are less than their net book value. The write-downs are accounted for as expenses in the Statement of Operations.
- Buildings that are demolished or destroyed are written-off.
- Works of art, historic assets and other 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 No. 73 (Kamloops-Thompson)

Notes to the Financial Statements

June 30, 2025

k) Prepaid Expenses

Prepaid expenses consist of prepaid insurance, prepaid photocopier usage, prepaid capital expenditures and other miscellaneous prepaid expenses.

l) Supplies Inventory

Inventory includes fuel and stock or raw materials on hand and is recorded at the lower of cost and net realizable value.

m) Funds and Reserves

Certain amounts, as approved by the Board, are set aside in accumulated surplus for future operating and capital purposes. Transfers to and from funds and reserves are an adjustment to the respective fund when approved (see Note 13 - Internally Restricted Surplus and Note 22 – Interfund Transfers).

n) Revenue Recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

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

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

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

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

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.

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

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

School District No. 73 (Kamloops-Thompson)

Notes to the Financial Statements

June 30, 2025

o) Expenditures

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

Categories of Salaries

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

p) Liability for Contaminated Sites

The School District is required to accrue a liability for the costs to remediate a contaminated site. Liabilities are recognized when an environmental standard exists, contamination exceeds the environmental standard, the School District has responsibility for remediation, future economic benefits will be given up and a reasonable estimate can be made. The School District has no such sites as of June 30, 2025.

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. 73 (Kamloops-Thompson)

Notes to the Financial Statements

June 30, 2025

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, portfolio investments, accounts payable and accrued liabilities, and other 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. 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.

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

Note 3 ACCOUNTS RECEIVABLE - OTHER

	<u>2025</u>	<u>2024</u>
Other	\$1,456,513	\$3,541,242
Allowance for Doubtful Accounts	(176,537)	(14,234)
	<u>\$1,279,976</u>	<u>\$3,527,008</u>

School District No. 73 (Kamloops-Thompson)

Notes to the Financial Statements

June 30, 2025

Note 4 TANGIBLE CAPITAL ASSETS

Cost	Balance at June 30, 2024	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2025
Sites	\$11,380,862	\$7,616,682	\$-	\$-	\$18,997,544
Buildings	231,231,507	29,688,166	-	(4,036,138)	256,883,535
Furniture & Equipment	15,284,808	386,818	1,161,163	-	14,510,463
Vehicles	10,255,564	776,004	2,324,309	-	8,707,259
Software	288,665	-	83,745	-	204,920
Computer Hardware	3,768,349	349,964	982,364	-	3,135,949
Total	\$272,209,755	\$38,817,634	\$4,551,581	\$(4,036,138)	\$302,439,670

Amortization	Balance at June 30, 2024	Additions	Disposals	Balance at June 30, 2025
Sites	\$-	\$-	\$-	\$-
Buildings	118,686,466	3,762,907	-	122,449,373
Furniture & Equipment	8,519,713	1,489,763	1,161,163	8,848,313
Vehicles	5,706,980	948,141	2,324,309	4,330,812
Software	183,183	49,359	83,745	148,797
Computer Hardware	2,083,245	690,430	982,364	1,791,311
Total	\$135,179,587	\$6,940,600	\$4,551,581	\$137,568,606

Cost	Balance at July 1, 2023	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2024
Sites	\$11,380,862	\$-	\$-	\$-	\$11,380,862
Buildings	208,557,453	8,283,173	-	14,390,881	231,231,507
Furniture & Equipment	15,578,427	884,979	1,178,598	-	15,284,808
Vehicles	11,373,407	148,334	1,266,177	-	10,255,564
Software	350,224	20,981	82,540	-	288,665
Computer Hardware	3,446,755	631,902	310,308	-	3,768,349
Total	\$250,687,128	\$9,969,369	\$2,837,623	\$14,390,881	\$272,209,755

Amortization	Balance at July 1, 2023	Additions	Disposals	Balance at June 30, 2024
Buildings	115,361,450	3,325,016	-	118,686,466
Furniture & Equipment	8,155,149	1,543,162	1,178,598	8,519,713
Vehicles	5,891,708	1,081,449	1,266,177	5,706,980
Software	201,834	63,889	82,540	183,183
Computer Hardware	1,672,043	721,510	310,308	2,083,245
Total	\$131,282,184	\$6,735,026	\$2,837,623	\$135,179,587

	June 30, 2025	June 30, 2024
Sites	\$18,997,544	\$11,380,862
Buildings	134,434,162	112,545,041
Furniture & Equipment	5,662,150	6,765,095
Vehicles	4,376,447	4,548,584
Software	56,123	105,482
Computer Hardware	1,344,638	1,685,104
Total	\$164,871,064	\$137,030,168

School District No. 73 (Kamloops-Thompson)

Notes to the Financial Statements

June 30, 2025

Note 5 **PORTFOLIO INVESTMENTS**

	<u>June 30, 2025</u>	<u>June 30, 2024</u>
BC Interior Community Foundation	<u>\$27,139</u>	<u>\$27,139</u>

The District has invested scholarship and bursary funds as an endowment with the BC Interior Community Foundation. The portfolio investment represents funds used to service on-going awards. (Note 21 - Endowment Funds).

School District No. 73 (Kamloops-Thompson)

Notes to the Financial Statements

June 30, 2025

Note 6 INVESTMENTS IN GOVERNMENT BUSINESS ENTERPRISES

Summary of the financial statements of School District No. 73 Business Company, for the year ended June 30, 2025, is as follows:

Balance Sheet	June 30, 2025	June 30, 2024
Current Assets		
Cash	2,454,419	2,797,718
Accounts receivable	98,591	112,668
Prepaid expenses	9,595	3,415
Due from Virtual School Society	-	2,000
	<u>2,562,605</u>	<u>2,915,801</u>
Equipment	6,002	12,227
Total assets	<u>2,568,607</u>	<u>2,928,028</u>
Current Liabilities		
Accounts payable	39,286	58,911
Deferred revenue	275,546	245,730
Due to Shareholder	359,195	60,545
	<u>674,027</u>	<u>365,186</u>
Shareholder's Equity		
Share capital	1	1
Contributed surplus	370,101	370,101
Retained earnings	1,524,478	2,192,740
	<u>1,894,580</u>	<u>2,562,842</u>
Total Liabilities and Shareholder's Equity	<u>2,568,607</u>	<u>2,928,028</u>

Statement of Operations	June 30, 2025	June 30, 2024
Revenue	1,020,285	1,054,168
Expenses	817,688	699,871
Income (loss) from Operations	<u>202,597</u>	<u>354,297</u>
Retained earnings, beginning of the year	<u>2,192,740</u>	<u>1,862,873</u>
Net Income for Year	202,597	354,297
Dividends	(870,859)	(24,430)
	<u>(668,262)</u>	<u>329,867</u>
Retained earnings, end of the year	<u>1,524,478</u>	<u>2,192,740</u>

School District No. 73 (Kamloops-Thompson)

Notes to the Financial Statements

June 30, 2025

Note 6 INVESTMENTS IN GOVERNMENT BUSINESS ENTERPRISES (Continued)

The School District No. 73 Business Company (SD73BC) was incorporated on February 14, 2006. The initial focus for the company was the sale of online educational programming to out of country, non-resident students. On August 1, 2013, SD73BC acquired the LearnNowBC (LNBC) contract from the Virtual School Society (VSS).

SD73BC operated LNBC between August 2013 and June 30, 2016 when under Ministry of Education and Child Care direction, SD73BC wound up LNBC. School District No. 73 provides management and operation expertise to SD73BC and for those services, they charge SD73BC a management fee of 5% of gross revenues. The online educational programming division is referred to as Global Education and it continues to grow annually.

During the year ended June 30, 2025, the School District charged SD73BC a management fee of \$217,343 (2024 - \$101,041) in respect of administrative support provided to SD73BC.

Note 7 ACCOUNTS PAYABLE - OTHER

	<u>2025</u>	<u>2024</u>
Trade payables	\$9,936,677	\$8,131,391
Salary and benefits payable	11,392,845	9,260,610
Accrued vacations payable	2,863,146	2,839,543
Due to SD73BC	1,930,207	1,968,495
	<u>\$26,122,875</u>	<u>\$22,200,039</u>

Note 8 UNEARNED REVENUE

	<u>2025</u>	<u>2024</u>
Balance, beginning of the year	\$3,902,292	\$3,740,004
Changes for the year		
Increase:		
Tuition fees	3,635,662	5,164,149
Decrease:		
Tuition fees	3,292,188	5,001,861
Net change for the year	<u>343,474</u>	<u>162,288</u>
Balance, end of the year	<u>\$4,245,766</u>	<u>\$3,902,292</u>

School District No. 73 (Kamloops-Thompson)

Notes to the Financial Statements

June 30, 2025

Note 9 DEFFERED REVENUE

Deferred revenue includes unspent grants and contributions received that meet the description of a restricted contribution in the Restricted Contribution 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.

Note 10 DEFFERED 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 Contribution 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.

School District No. 73 (Kamloops-Thompson)

Notes to the Financial Statements

June 30, 2025

Note 11 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	5,402,346	5,201,400
Service Cost	418,896	427,254
Interest Cost	238,971	218,432
Benefit Payments - April 1 to March 31 - VESTED	(404,773)	(239,289)
Benefit Payments - April 1 to March 31 - NON-VESTED	(89,607)	(75,818)
Increase in obligation due to plan amendment	333,594	-
Actuarial (Gain) Loss	(213,462)	(129,633)
Accrued Benefit Obligation - March 31	5,685,965	5,402,346
Change in Plan Assets		
Employer Contributions - April 1 to March 31	494,380	315,107
Benefit Payments - April 1 to March 31	(494,380)	(315,107)
	-	-
Reconciliation of Funded Status as End of Fiscal Year		
Accrued Benefit Obligation - March 31	(5,685,965)	(5,402,346)
Funded Status - Surplus (Deficit)	(5,685,965)	(5,402,346)
Employer Contributions After Measurement Date - April 1 to June 30 - Vested	273,568	48,062
Benefit Expense After Measurement Date - April 1 to June 30	(224,110)	(164,467)
Unamortized Net Actuarial (Gain)/Loss	(729,900)	(914,810)
Accrued Benefit (Liability) Asset - June 30	(6,366,407)	(6,433,561)
Components of Net Benefit Expense		
Service Cost - July 1 to March 31	314,172	320,441
Service Cost - April 1 to June 30	163,801	104,724
Interest Cost - July 1 to March 31	179,228	163,824
Interest Cost - April 1 to June 30	60,309	59,743
Immediate Recognition of Plan Amendment	333,594	-
Amortization of Net Actuarial (Gain)/Loss	(398,372)	(70,800)
Net Benefit Expense (Income)	652,732	577,932
Reconciliation of Change in Accrued Benefit Liability (Asset)		
Accrued Benefit Liability (Asset) - July 1	6,433,561	6,133,228
Net Expense for Fiscal Year	652,732	577,932
Employer Contributions - July 1 to March 31	(446,318)	(229,537)
Employer Contributions - April 1 to June 30	(273,568)	(48,062)
Accrued Benefit Liability (Asset) - June 30	6,366,407	6,433,561

School District No. 73 (Kamloops-Thompson)

Notes to the Financial Statements

June 30, 2025

Note 11 EMPLOYEE FUTURE BENEFITS (Continued)

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

Assumptions:	2025	2024
Discount Rate - April 1	4.25%	4.00%
Discount Rate - March 31	4.00%	4.25%
Long Term Salary Growth - April 1	2.50% + seniority	2.50% + seniority
Long Term Salary Growth - March 31	2.50% + seniority	2.50% + seniority
EARSL - March 31	11.9	10.5

Note 12 EMPLOYEE PENSION PLANS

The School District and its employees contribute to the Teachers' Pension Plan and Municipal Pension Plan (jointly trustee pension plans). The Board of Trustees for these plans representing plan members and employers and are responsible for administering the pension plans, including investing assets and administering benefits. The plans are multi-employer defined benefit pension plans. Basic pension benefits are based on a formula. As at December 31, 2024, the Teachers' Pension Plan has about 52,000 active members and approximately 43,000 retired members. As of December 31, 2024, the Municipal Pension Plan has about 273,000 active members, including 32,000 from school districts.

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

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

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

The School District No. 73 (Kamloops-Thompson) paid \$17,325,048 (2024 - \$ 15,265,346) for employer contributions to these plans in the year ended June 30, 2025.

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

School District No. 73 (Kamloops-Thompson)

Notes to the Financial Statements

June 30, 2025

Note 12 EMPLOYEE PENSION PLANS (Continued)

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 records accrued liabilities and accrued assets for each plan in aggregate, resulting in no consistent and reliable basis for allocating obligation, assets and costs to individual employers participating in the plans.

Note 13 OPERATING FUND BALANCE, END OF YEAR

	Balance at June 30, 2024	Increases	Decreases	Balance at June 30, 2025
Internally Restricted Future School Years				
AFG Other	31,623			31,623
Capital Planning and Community Engagement	66,500	-	-	66,500
Department Carry Forward	201,476	260,425	-	461,901
School Supply Carry Forward	1,500,940	-	(183,004)	1,317,936
SD73 Business Company Management Fee	485,872	-	-	485,872
Staffing Contingency	-	253,710	-	253,710
	<u>2,286,411</u>	<u>514,135</u>	<u>(183,004)</u>	<u>2,617,542</u>
Externally Restricted - Funds with Constraints				
CUPE 3500 - Job Evaluation	289,877	205,590	-	495,467
Indigenous Education Targeted Funds	513,752	603,924	-	1,117,676
Indigenous Education Council Admin Grant	-	75,407	-	75,407
	<u>803,629</u>	<u>884,921</u>	<u>-</u>	<u>1,688,550</u>
Unrestricted Operating Surplus				
Local Capital	(1,274,139)	1,274,139	-	-
Operating Surplus / (Deficit) Contingency	(363,643)	2,646,591	-	2,282,948
Total Unrestricted Operating Surplus	<u>(1,637,782)</u>	<u>3,920,730</u>	<u>-</u>	<u>2,282,948</u>
Total Operating Reserve Balances	<u>1,452,258</u>	<u>5,319,786</u>	<u>(183,004)</u>	<u>6,589,040</u>

The School District has operating reserve funds separated into three categories: Internally restricted funds, externally restricted funds and unrestricted funds. Internally Restricted funds are held in reserve for future expenditures based on specific criteria. In early September, and once the operating surplus/deficit has been determined, the Secretary-Treasurer convenes a meeting of the District's Audit Committee to review the operating surplus/deficit as well as the various restricted and unrestricted reserves to ensure the School District optimizes the reserve balances in support of District operations. The audit committee also makes a recommendation with respect to any transfers to Local Capital.

School District No. 73 (Kamloops-Thompson)

Notes to the Financial Statements

June 30, 2025

Note 13 OPERATING FUND BALANCE (Continued)

The Audit Committee is composed of the Board Chair, Vice Chair, Chair of the Finance and Planning Committee, Superintendent, Secretary-Treasurer, Director of Finance and a member at large from the community with a financial background. Based on that review, the Secretary-Treasurer will bring forward the Audit Committee recommendations to the Board of Education for consideration and approval. At a Public Board meeting, the Board of Education will also have an opportunity to discuss the recommendations with the District's external auditors who attend and provide a detailed review of the audited financial statements for the year just completed.

Annual Facility Grant Other: The Annual Facility Grant (AFG) Other reserve is an accumulation of BC Hydro and Fortis BC rebates received in support of the School District installing energy efficient equipment upgrades within its facilities. These funds are used for consulting services on future energy upgrades in the District to further our energy savings and sustainability.

Capital Planning and Community Engagement: The Capital Planning and Community Engagement Reserve, are funds set aside for the Board of Education to make important school capital planning decisions over the next 10 years that will impact how students, staff, families, and neighbourhoods interact with their schools; and the Board of Education will review how best to engage with communities, build relationships, and leverage discussions with respect to the outcomes of the Long-range Facilities Plan. Capital Planning and Engagement, formerly called the Future of Schools Project, while started in the 2021-2022 school year is directly related to the multi-year District Strategic Plan process to meet requirements of the Ministry of Education and Child Care and to ensure synergy between financial, capital, facilities and learning plans.

Department Carry Forward: The Department Carry Forward balances are an accumulation of operating under-expenditures the Board allows departments to carry forward for expenditures in future years. This annual practice eliminates staff spending to the full extent of the budget by June 30th thereby allowing educators and managers to improve the planning and expenditure of funds as they manage longer term projects. One such project is for Indigenous Focused Grad requirements - funding was received from the BC School Superintendents' Association (BCSSA) for specific professional development opportunities. Other projects included within this reserve include the Career Development (Trades and Transitions) programs and other small amounts relating to student athletics.

School Supply Carry Forward: School principals are allocated annual operating budget dollars to operate their schools. Elementary school budgets cover school learning resources and replacement items and staffing funds. Allowing schools to carry-forward unspent school budgets assist schools in spending their budget dollars wisely by eliminating the need to spend budget surpluses before year end based on a "use it, or lose it," mentality. During the 2023-2024 school year, schools increased their school supply carry forward by \$65,511.

SD73 Business Company Management Fee: In 2017-2018, the School District created a reserve to isolate and manage the funds received from the School District Business Company (SD73BC) in support of student learning. The School District is the 100% owner of SD73BC. The day-to-day management of the SD73BC relies on expertise shared by the senior administration from the School District and for this expertise and their efforts, the SD73BC pays 5% of gross revenues to the School District as a management fee. The School District collected these fees between 2017 - 2020, subsequent fees have been reported in the District's Special Purpose Fund.

Staffing Contingency: The Staffing Contingency was established in the 2024-2025 year-end to allow District staff flexibility to address any unexpected staffing needs arising in the Fall of 2025.

CUPE 3500 Job Evaluation: During the year, the District received the second year of funding from BCPSEA within the per student funding allocation for the purpose of reviewing Support Staff job description evaluations. As of June 30, the evaluation process is still in progress and the funds have not been used for their intended purpose.

School District No. 73 (Kamloops-Thompson)

Notes to the Financial Statements

June 30, 2025

Note 13 OPERATING FUND BALANCE (Continued)

Operating Surplus Contingency Reserve: At the beginning of the year this contingency was in a deficit position related to Operating and Local Capital amounts from prior years. Under Board Policy 15 - Accumulated Operating Reserve Funds, the Board is responsible for ensuring the District is protected financially from extraordinary circumstances which would negatively impact school district operations and the education of students. To discharge this responsibility, the Board has used current year operating surplus to begin replenishing the contingency reserve, which will be used to mitigate any negative impact such circumstances might cause. The Board shall continue to build this contingency annually with available operating surpluses until it meets the required 3% of operating expenditures.

Indigenous Education Targeted Funds: The Indigenous Education Reserve is an accumulation of targeted Indigenous Education funding carried forward if not used in the year it is provided. The School District requires approval from the Minister of Education and Child Care to carry these funds forward each year.

Indigenous Education Council Admin Grant: The Indigenous Education Council Admin Grant was a new grant introduced in 2024-2025 to support the administration of Indigenous Education Councils. Unspent funds have been carried forward to be used in future school years.

School District No. 73 (Kamloops-Thompson)

Notes to the Financial Statements

June 30, 2025

Note 14 SPECIAL PURPOSE FUND DEFERRED REVENUE

	Balance at June 30, 2024	Increases	Decreases	Balance at June 30, 2025
Ministry of Education and Child Care	1,338,724	24,073,436	(23,816,437)	1,595,723
School Generated Funds	3,806,779	5,795,135	(5,583,825)	4,018,089
Other Special Purpose Funds	1,586,824	1,227,182	(885,795)	1,928,211
	6,732,327	31,095,753	(30,286,057)	7,542,023

Special Purpose Fund balances represent funding for specific programs. The majority of funding is from the Ministry of Education and Child Care for programs such as the Annual Facility Grant, Classroom Enhancement Fund, Support Staff Learning Improvement Fund, Community Link, Early Learning programs, Student and Family Affordability Fund, Official Languages in Education Protocol (OLEP) French, Special Education Technology (SET) BC, Mental Health in Schools, the First Nation Student Transportation Grant and the Feeding Futures Grant. Revenues match expenditures for the specific program. Unspent funds are carried forward and utilized for the intended purpose in the subsequent year(s). Other Special Purpose funds include School Generated Funds, Scholarships, Vancouver Foundation, and Contributor Restricted funds.

School District No. 73 (Kamloops-Thompson)

Notes to the Financial Statements

June 30, 2025

Note 15 LOCAL CAPITAL FUND BALANCE, END OF THE YEAR

	Balance at June 30, 2024	Increases	Decreases	Balance at June 30, 2025
Local Capital Reserve	\$-	5,704	-	\$5,704

The Local Capital Fund reserve represents a portion of accumulated operating surplus designated to fund the purchase of Tangible Capital Assets (TCA). The balance in Local Capital is increased through a decision recommended by the Audit Committee and approved by the Board of Education to transfer Operating Fund surplus into Local Capital, interest income or by sale of district owned land and property.

Funds may not be transferred from the Unrestricted Reserve Fund to Local Capital reserve if doing so would cause or increase a negative Unrestricted Reserve. Local Capital Reserves may be transferred back to Unrestricted Operating Reserve through special approval from the Board of Education.

Note 16 OTHER PROVINCIAL CAPITAL FUND BALANCE, END OF YEAR

	Balance at June 30, 2024	Increases	Decreases	Balance at June 30, 2025
Other Provincial Capital Reserve	\$1,034,997	2,738,304	(194,256)	\$3,579,045

Other Provincial Capital is a capital reserve fund representing grants and contributions received for specific programs from provincial Ministries. This fund includes funding from the Ministry of Jobs, Tourism and Skills Training (JTST), the Ministry of Children and Family Development (MCFD), the Ministry of Education and Child Care (MECC) and Skilled Trades BC (STBC) (previously the Industry Trades Authority (ITA)).

Ministry of Jobs, Tourism and Skills Training (JTST) and Skilled Trades BC combined efforts to create a joint venture called Youth Trades Capital Equipment Program (YTCEP) which enables schools to purchase trades training equipment needed to support the delivery of one of the STBC's Youth Trades Programs. JTST requested the Ministry of Education and Child Care assist by acting as the administrator of the YTCEP. Upon approval, funds were provided to school districts directly by STBC.

Ministry of Children and Family Development has provided a capital fund to increase childcare spaces at a District owned facility. This joint venture will allow the operator to increase their spaces. During the year the District received \$1,999 (2024 - \$10,475).

Ministry of Education and Child Care has provided a capital fund to build new childcare spaces at two District owned properties. These buildings will then be used to increase childcare spaces for the community. During the year the District received \$2,736,305 (2024 - \$3,502,591).

The City of Kamloops has provided capital funds towards increasing the capacity of the Parkcrest Elementary gym during the school's rebuilding. During the year the District received \$99,556 (2023 - \$876,319).

School District No. 73 (Kamloops-Thompson)

Notes to the Financial Statements

June 30, 2025

Note 17 RELATED PARTY TRANSACTIONS

The School District, as a Government Reporting Entity, is related 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 generally considered to be in the normal course of operations and are recorded at the exchange amount.

Note 18 BUDGET FIGURES

Budget figures used in these financial statements were approved by the Board through the adoption of an amended annual budget on February 24, 2025. As PSAB requires the original budget to be presented, a reconciliation from the original to amended is below.

	Original	Adjustments	Amended
Revenues			
Provincial Grants	\$222,043,982	\$4,905,059	\$226,949,041
Other Grants	55,440	-	55,440
Tuition	4,880,000	192,000	5,072,000
Other Revenue	9,238,346	2,008,444	11,246,790
Rental and Lease	100,882	99,118	200,000
Investment Income	804,000	(103,000)	701,000
Income from Government Business Enterprise	-	88,227	88,227
Amortization of Deferred Capital Revenue	4,788,816	-	4,788,816
	<u>241,911,466</u>	<u>7,189,848</u>	<u>249,101,314</u>
Expenses			
Instruction	192,383,130	5,908,689	198,291,819
District Administration	7,581,861	(259,477)	7,322,384
Operation and Maintenance	37,240,773	554,522	37,795,295
Transportation and Housing	6,925,236	627,348	7,552,584
	<u>244,131,000</u>	<u>6,831,082</u>	<u>250,962,082</u>
Net Revenue (Expenses)	<u>(2,219,534)</u>	<u>(358,766)</u>	<u>(1,860,768)</u>
Budget allocation (retirement) of surplus	<u>-</u>	<u>-</u>	<u>-</u>
Budgeted deficit for the year	<u>\$(2,219,534)</u>	<u>\$(358,766)</u>	<u>\$(1,860,768)</u>

Note 19 CONTINGENCIES

The nature of the School District's activities is such that there is usually litigation pending or in progress at any time. With respect to claims at June 30, 2025, management believes the School District has valid defences and appropriate insurance coverage is 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. 73 (Kamloops-Thompson)

Notes to the Financial Statements

June 30, 2025

Note 20 ECONOMIC DEPENDENCE

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

Note 21 ENDOWMENT FUNDS

On December 31, 2010 with approval from the original donors, the School District transferred \$173,757 of the Scholarship/Bursary funds to the BC Interior Community Foundation (BCICF) for investment. \$140,125 of the scholarship funds were endowment funds and \$33,632 of the funds were considered "Flow Thru" funds, which are utilized to service on-going awards. The Foundation invests all contributions to the Fund in accordance with the investment policy as established by the Foundation Board, and any provisions of legislation which regulates the activities of the Foundation. Income from the Fund shall be returned annually to the School District for distribution to the scholarship awardees. Disbursements will be at 5.00% of the endowment and this practise shall be reviewed with the Foundation at the end of the 10th year taking into account the actual and expected investment yields.

	June 30, 2024	Additions	Disposals	June 30, 2025
Endowments Held By:				
BCICF	\$ 140,125	\$ 6,786	\$ (6,786)	\$ 140,125
School District	10,000	230	(230)	10,000
Total Endowments	\$ 150,125	\$ 7,016	\$ (7,016)	\$ 150,125

Note 22 INTERFUND TRANSFERS

Interfund transfers between the operating, special purpose and capital funds are reported on Schedule 2 – Schedule of Operations. For the year ended June 30, 2025 - \$566,521 was transferred from the Operating Fund to the Capital Fund (2024 - \$1,959,942).

Note 23 EXPENSE BY OBJECT

Expenses by object are the combined salaries, benefits, services, supplies and amortization expenses in the Operating, Special Purpose and Capital Funds.

	June 30, 2025	June 30, 2024
Expense:		
Salaries and Benefits	\$205,993,194	\$197,254,966
Services and Supplies	34,303,122	36,480,747
Amortization	7,489,013	6,735,026
	\$247,785,329	\$240,470,739

School District No. 73 (Kamloops-Thompson)

Notes to the Financial Statements

June 30, 2025

Note 24 RISK MANAGEMENT

a) General Risk Management

The School District's principal source of capital funding is received from the Province of British Columbia through the Ministry of Education and Child care. The School District defines capital to be fund balances.

School District No. 73 (Kamloops-Thompson) objectives when managing capital are:

- To safeguard the School District's ability to carry on as a going concern, so the School District can continue to provide its students and stakeholders with the following:
 - The best possible learning environment based on the School District's Annual Facility Grant (AFG) plus additional funding, when available, from the local capital reserve.
 - To ensure capital projects are implemented for the benefit of the students and staff and to make certain the Board mitigates any potential liability from safety concerns.

The management of the School District establishes an annual list of capital needs utilizing AFG funds which is presented to the Board for review and approval. AFG projects are prioritized to address the most pressing needs of the School District's Facility plan.

A separate report is prepared based on the equipment needs of the District (ie: information technology, maintenance vehicles, classroom equipment, and other non-AFG projects). This report is presented to the Board on an annual basis with funding from the Local Capital Reserve. The Local Capital Reserve is funded from operating surpluses, when available.

The Board ensures there is adequate cash flow to complete the capital projects based on the priority list above. The Board manages the capital project structure and makes adjustments to it in light of changes in economic conditions and the availability of cash flows from operations.

b) 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 borrower. This risk is mitigated as most amounts receivable are due from the Province and are collectible.

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

School District No. 73 (Kamloops-Thompson)

Notes to the Financial Statements

June 30, 2025

Note 24 RISK MANAGEMENT (Continued)

c) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency risk and interest rate risk.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the foreign exchange rates. It is management's opinion that the School District is not exposed to significant currency risk, as amounts held and purchases made in foreign currency are insignificant.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The School District is exposed to interest rate risk through its investments. It is management's opinion that the School District is not exposed to significant interest rate risk as they invest solely in guaranteed investment certificates that have a maturity date of no more than five years. A 1% change in interest rates would cause interest income to increase or decrease by \$297,304.

d) 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.

Note 25 CREDIT FACILITY

The School District holds a demand credit facility up to a maximum of \$5,000,000. When borrowed upon, the facility bears interest at prime rate less 0.750% per annum and is unsecured. As at June 30, 2025 and June 30, 2024, the facility was unused.

Note 26 ASSET RETIREMENT OBLIGATION

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

	<u>2025</u>	<u>2024</u>
Balance, beginning of the year	<u>\$8,165,697</u>	\$8,270,391
Changes for the year		
Settlements during the year	(23,995)	(104,694)
Accretion expense	548,413	-
Balance, end of the year	<u>\$8,690,115</u>	<u>\$8,165,697</u>

School District No. 73 (Kamloops-Thompson)

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	1,452,258	2,712,966	21,826,141	25,991,365	28,383,755
Changes for the year					
Surplus (Deficit) for the year	5,703,303	(668,263)	4,567,580	9,602,620	(2,392,390)
Interfund Transfers					
Tangible Capital Assets Purchased	(542,526)		542,526	-	
Other	(23,995)		23,995	-	
Net Changes for the year	5,136,782	(668,263)	5,134,101	9,602,620	(2,392,390)
Accumulated Surplus (Deficit), end of year - Statement 2	6,589,040	2,044,703	26,960,242	35,593,985	25,991,365

School District No. 73 (Kamloops-Thompson)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2025

	2025 Budget	2025 Actual	2024 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	199,626,306	200,647,430	190,853,430
Other	55,440	277,183	252,723
Tuition	5,072,000	5,262,180	5,001,861
Other Revenue	5,185,290	4,913,935	4,254,941
Rentals and Leases	200,000	217,998	259,711
Investment Income	697,000	788,469	1,017,896
Total Revenue	<u>210,836,036</u>	<u>212,107,195</u>	<u>201,640,562</u>
Expenses			
Instruction	169,572,612	166,980,540	162,001,351
District Administration	6,620,400	6,584,148	6,777,941
Operations and Maintenance	26,882,207	26,178,974	26,187,246
Transportation and Housing	7,370,278	6,660,230	6,772,242
Total Expense	<u>210,445,497</u>	<u>206,403,892</u>	<u>201,738,780</u>
Operating Surplus (Deficit) for the year	<u>390,539</u>	<u>5,703,303</u>	<u>(98,218)</u>
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased		(542,526)	(633,065)
Local Capital			(1,274,139)
Other		(23,995)	(52,738)
Total Net Transfers	<u>-</u>	<u>(566,521)</u>	<u>(1,959,942)</u>
Total Operating Surplus (Deficit), for the year	<u>390,539</u>	<u>5,136,782</u>	<u>(2,058,160)</u>
Operating Surplus (Deficit), beginning of year		1,452,258	3,510,418
Operating Surplus (Deficit), end of year		<u>6,589,040</u>	<u>1,452,258</u>
Operating Surplus (Deficit), end of year			
Internally Restricted		4,306,092	1,452,258
Unrestricted		2,282,948	
Total Operating Surplus (Deficit), end of year		<u>6,589,040</u>	<u>1,452,258</u>

School District No. 73 (Kamloops-Thompson)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2025

	2025 Budget	2025 Actual	2024 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education and Child Care			
Operating Grant, Ministry of Education and Child Care	198,868,907	199,548,772	188,928,580
ISC/LEA Recovery	(3,145,290)	(2,962,161)	(3,145,290)
Other Ministry of Education and Child Care Grants			
Pay Equity	575,959	575,959	575,959
Funding for Graduated Adults	105,000	137,271	113,207
Student Transportation Fund	666,817	666,817	666,817
Support Staff Benefits Grant	190,000	194,272	194,272
FSA Scorer Grant	17,994	15,694	17,944
Child Care Funding	258,172	253,788	74,217
Labour Settlement Funding	1,873,747	1,873,747	3,170,346
Next Generation Network - Self Provisioned Site	215,000	226,222	226,222
BCPSEA Hiring Incentives			16,156
Anti-Racism Action Plan Funding			15,000
Indigenous Education Council Administration Grant		117,049	
Total Provincial Grants - Ministry of Education and Child Care	199,626,306	200,647,430	190,853,430
Provincial Grants - Other	55,440	277,183	252,723
Tuition			
International and Out of Province Students	5,072,000	5,262,180	5,001,861
Total Tuition	5,072,000	5,262,180	5,001,861
Other Revenues			
Funding from First Nations	3,145,290	2,962,161	3,145,290
Miscellaneous			
Career Education	233,213	88,979	81,043
Course Fees		34,450	41,610
Student Paid Meals	30,000	193,711	148,980
Miscellaneous	663,867	544,074	779,213
Parent Paid Child Care	257,920	188,532	58,805
SD73 Business Company Management Fee	55,000	102,028	
SD73 Business Company Dividend	800,000	800,000	
Total Other Revenue	5,185,290	4,913,935	4,254,941
Rentals and Leases	200,000	217,998	259,711
Investment Income	697,000	788,469	1,017,896
Total Operating Revenue	210,836,036	212,107,195	201,640,562

School District No. 73 (Kamloops-Thompson)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2025

	2025 Budget	2025 Actual	2024 Actual
	\$	\$	\$
Salaries			
Teachers	84,770,000	83,892,011	83,067,781
Principals and Vice Principals	13,070,000	12,797,911	12,284,728
Educational Assistants	11,430,000	11,288,811	11,307,589
Support Staff	24,620,000	24,229,006	22,905,030
Other Professionals	5,800,000	5,601,107	5,449,629
Substitutes	11,000,000	11,249,829	10,606,103
Total Salaries	150,690,000	149,058,675	145,620,860
Employee Benefits	35,431,636	36,134,199	32,387,745
Total Salaries and Benefits	186,121,636	185,192,874	178,008,605
Services and Supplies			
Services	4,697,106	5,018,426	4,510,799
Student Transportation	349,720	404,824	484,740
Professional Development and Travel	1,282,068	1,111,637	1,716,719
Dues and Fees	112,500	131,819	122,380
Insurance	674,496	762,999	619,443
Supplies	13,473,509	10,099,625	12,887,043
Utilities	3,734,462	3,681,688	3,389,051
Total Services and Supplies	24,323,861	21,211,018	23,730,175
Total Operating Expense	210,445,497	206,403,892	201,738,780

School District No. 73 (Kamloops-Thompson)

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	66,912,769	2,187,431		1,674,825	367,600	7,828,147	78,970,772
1.03 Career Programs	330,343	156,245				41,844	528,432
1.07 Library Services	2,102,186	156,245		1,567,255		313,638	4,139,324
1.08 Counselling	2,002,082			671,681		261,478	2,935,241
1.10 Inclusive Education	9,213,833	468,735	9,763,320	111,947		1,561,079	21,118,914
1.20 Early Learning and Child Care				389,714			389,714
1.30 English Language Learning	300,312					35,039	335,351
1.31 Indigenous Education	607,437	282,115	1,525,491	29,331	1,015,754	34,502	3,494,630
1.41 School Administration		8,749,721		1,343,362		240,619	10,333,702
1.60 Summer School	125,490						125,490
1.61 Continuing Education	500,521	313,503		111,947		63,045	989,016
1.62 International and Out of Province Students	545,737	171,426			157,075	71,406	945,644
1.64 Other	1,251,301	312,490		167,920		159,569	1,891,280
Total Function 1	83,892,011	12,797,911	11,288,811	6,067,982	1,540,429	10,610,366	126,197,510
4 District Administration							
4.11 Educational Administration				366,402	952,571		1,318,973
4.20 Early Learning and Child Care							-
4.40 School District Governance					265,975		265,975
4.41 Business Administration				997,960	1,577,403		2,575,363
Total Function 4	-	-	-	1,364,362	2,795,949	-	4,160,311
5 Operations and Maintenance							
5.20 Early Learning and Child Care							-
5.41 Operations and Maintenance Administration				85,707	674,699		760,406
5.50 Maintenance Operations				12,092,414	360,096	457,916	12,910,426
5.52 Maintenance of Grounds				1,220,113		457	1,220,570
5.56 Utilities							-
Total Function 5	-	-	-	13,398,234	1,034,795	458,373	14,891,402
7 Transportation and Housing							
7.41 Transportation and Housing Administration				150,215	229,934		380,149
7.70 Student Transportation				3,248,213		181,090	3,429,303
Total Function 7	-	-	-	3,398,428	229,934	181,090	3,809,452
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	83,892,011	12,797,911	11,288,811	24,229,006	5,601,107	11,249,829	149,058,675

School District No. 73 (Kamloops-Thompson)

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	2024 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	78,970,772	19,101,639	98,072,411	3,561,922	101,634,333	102,937,389	98,847,068
1.03 Career Programs	528,432	121,872	650,304		650,304	656,052	631,129
1.07 Library Services	4,139,324	1,032,725	5,172,049	238,239	5,410,288	5,461,462	5,423,256
1.08 Counselling	2,935,241	727,583	3,662,824		3,662,824	3,644,569	3,484,243
1.10 Inclusive Education	21,118,914	5,602,733	26,721,647	1,457,767	28,179,414	28,136,199	25,910,647
1.20 Early Learning and Child Care	389,714	-	389,714	14,030	403,744	562,187	180,969
1.30 English Language Learning	335,351	81,491	416,842		416,842	415,737	402,964
1.31 Indigenous Education	3,494,630	794,053	4,288,683	632,495	4,921,178	5,600,509	5,671,429
1.41 School Administration	10,333,702	2,173,605	12,507,307	495,531	13,002,838	13,165,359	12,458,940
1.60 Summer School	125,490	-	125,490	2,352	127,842	250,332	146,920
1.61 Continuing Education	989,016	242,494	1,231,510	755,740	1,987,250	2,217,137	1,973,483
1.62 International and Out of Province Students	945,644	167,756	1,113,400	2,997,029	4,110,429	4,007,146	4,452,881
1.64 Other	1,891,280	450,087	2,341,367	131,887	2,473,254	2,518,534	2,417,422
Total Function 1	126,197,510	30,496,038	156,693,548	10,286,992	166,980,540	169,572,612	162,001,351
4 District Administration							
4.11 Educational Administration	1,318,973	280,258	1,599,231	356,976	1,956,207	2,002,522	2,180,580
4.20 Early Learning and Child Care	-	-	-	6,294	6,294	44,780	
4.40 School District Governance	265,975	26,464	292,439	139,472	431,911	507,995	429,432
4.41 Business Administration	2,575,363	761,880	3,337,243	852,493	4,189,736	4,065,103	4,167,929
Total Function 4	4,160,311	1,068,602	5,228,913	1,355,235	6,584,148	6,620,400	6,777,941
5 Operations and Maintenance							
5.20 Early Learning and Child Care	-	-	-	-	-	-	21,344
5.41 Operations and Maintenance Administration	760,406	204,592	964,998	656,278	1,621,276	1,730,904	1,468,764
5.50 Maintenance Operations	12,910,426	3,107,400	16,017,826	2,813,928	18,831,754	19,435,497	19,099,411
5.52 Maintenance of Grounds	1,220,570	309,747	1,530,317	519,510	2,049,827	1,986,943	2,232,511
5.56 Utilities	-	-	-	3,676,117	3,676,117	3,728,863	3,365,216
Total Function 5	14,891,402	3,621,739	18,513,141	7,665,833	26,178,974	26,882,207	26,187,246
7 Transportation and Housing							
7.41 Transportation and Housing Administration	380,149	86,446	466,595	109,797	576,392	546,613	573,027
7.70 Student Transportation	3,429,303	861,374	4,290,677	1,793,161	6,083,838	6,823,665	6,199,215
Total Function 7	3,809,452	947,820	4,757,272	1,902,958	6,660,230	7,370,278	6,772,242
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	149,058,675	36,134,199	185,192,874	21,211,018	206,403,892	210,445,497	201,738,780

School District No. 73 (Kamloops-Thompson)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2025

	2025 Budget	2025 Actual	2024 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	23,537,997	23,816,437	22,632,433
Other			5,918,022
Other Revenue	6,061,500	6,469,620	
Investment Income	4,000		
Income (Loss) from Investments in Government Business Enterprises	88,227	(668,263)	329,869
Total Revenue	<u>29,691,724</u>	<u>29,617,794</u>	<u>28,880,324</u>
Expenses			
Instruction	28,719,207	29,780,448	27,565,537
District Administration	701,984	414,765	847,523
Transportation and Housing	182,306	90,844	137,395
Total Expense	<u>29,603,497</u>	<u>30,286,057</u>	<u>28,550,455</u>
Special Purpose Surplus (Deficit) for the year	<u>88,227</u>	<u>(668,263)</u>	<u>329,869</u>
Total Special Purpose Surplus (Deficit) for the year	<u><u>88,227</u></u>	<u><u>(668,263)</u></u>	<u><u>329,869</u></u>
Special Purpose Surplus (Deficit), beginning of year		2,712,966	2,383,097
Special Purpose Surplus (Deficit), end of year		<u><u>2,044,703</u></u>	<u><u>2,712,966</u></u>
Special Purpose Surplus (Deficit), end of year			
Related Entities		1,894,578	2,562,841
Endowment Contributions		150,125	150,125
Total Special Purpose Surplus (Deficit), end of year		<u><u>2,044,703</u></u>	<u><u>2,712,966</u></u>

School District No. 73 (Kamloops-Thompson)

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

	Annual Facility Grant	Learning Improvement Fund	Scholarships and Bursaries	Special Education Technology	School Generated Funds	Related Entities	Strong Start	Ready, Set, Learn	OLEP
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year			121,502		3,806,779			28,209	
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	639,027	692,132		149,826			224,000	88,200	253,924
Other			18,386		5,975,135				
Investment Income			2,784						
	639,027	692,132	21,170	149,826	5,975,135	-	224,000	88,200	253,924
Less: Allocated to Revenue	492,488	692,132	14,500	149,826	5,583,825		224,000	116,409	253,924
Deferred Revenue, end of year	146,539	-	128,172	-	4,198,089	-	-	-	-
Revenues									
Provincial Grants - Ministry of Education and Child Care	492,488	692,132		149,826			224,000	116,409	253,924
Other Revenue			14,500		5,583,825				
Income (Loss) from Investments in Government Business Enterprises						(668,263)			
	492,488	692,132	14,500	149,826	5,583,825	(668,263)	224,000	116,409	253,924
Expenses									
Salaries									
Teachers				114,178					72,454
Principals and Vice Principals									
Educational Assistants		553,219							
Support Staff							173,799		
Other Professionals									
Substitutes								21,424	7,275
	-	553,219	-	114,178	-	-	173,799	21,424	79,729
Employee Benefits		138,913		24,749			28,080		16,956
Services and Supplies	492,488		14,500	10,899	5,583,825		22,121	94,985	157,239
	492,488	692,132	14,500	149,826	5,583,825	-	224,000	116,409	253,924
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	(668,263)	-	-	-
Interfund Transfers	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	(668,263)	-	-	-

School District No. 73 (Kamloops-Thompson)

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

	CommunityLINK	Classroom Enhancement Fund - Overhead	Classroom Enhancement Fund - Staffing	Classroom Enhancement Fund - Remedies	First Nation Student Transportation	Mental Health in Schools	Changing Results for Young Children	Seamless Day Kindergarten	Student & Family Affordability
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	33,298				155,849	40,269	1,681		495,076
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	1,697,265	528,903	16,796,514	168,764	76,882	51,000	6,750	55,400	
Other									
Investment Income									
	1,697,265	528,903	16,796,514	168,764	76,882	51,000	6,750	55,400	-
Less: Allocated to Revenue	1,619,452	528,903	16,796,514	168,764	90,844	91,269	6,186	55,400	467,003
Deferred Revenue, end of year	111,111	-	-	-	141,887	-	2,245	-	28,073
Revenues									
Provincial Grants - Ministry of Education and Child Care	1,619,452	528,903	16,796,514	168,764	90,844	91,269	6,186	55,400	467,003
Other Revenue									
Income (Loss) from Investments in Government Business Enterprises									
	1,619,452	528,903	16,796,514	168,764	90,844	91,269	6,186	55,400	467,003
Expenses									
Salaries									
Teachers	1,179,571								
Principals and Vice Principals			13,330,566						
Educational Assistants		51,238							
Support Staff								47,077	
Other Professionals									
Substitutes		396,000		111,414		1,956	3,831		
	1,179,571	447,238	13,330,566	111,414	-	1,956	3,831	47,077	-
Employee Benefits	279,212	81,665	3,465,948	21,163				8,323	
Services and Supplies	160,669			36,187	90,844	89,313	2,355		467,003
	1,619,452	528,903	16,796,514	168,764	90,844	91,269	6,186	55,400	467,003
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 73 (Kamloops-Thompson)

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

	JUST B4	SEY2KT (Early Years to Kindergarten)	ECL (Early Care & Learning)	Feeding Futures Fund	Health Career Grants	Professional Learning Grant	Contributor Restricted	Copper Sunsetting	Federal School Meals
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year				340,696	42,441		1,466,527	200,000	
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	25,000	19,000	175,000	1,901,769		221,496			302,584
Other							1,026,012		
Investment Income									
	25,000	19,000	175,000	1,901,769	-	221,496	1,026,012	-	302,584
Less: Allocated to Revenue	25,000	12,215	175,000	1,778,643	30,543	-	871,295	41,922	-
Deferred Revenue, end of year	-	6,785	-	463,822	11,898	221,496	1,621,244	158,078	302,584
Revenues									
Provincial Grants - Ministry of Education and Child Care	25,000	12,215	175,000	1,778,643	30,543	-		41,922	-
Other Revenue							871,295		
Income (Loss) from Investments in Government Business Enterprises									
	25,000	12,215	175,000	1,778,643	30,543	-	871,295	41,922	-
Expenses									
Salaries									
Teachers					30,543		133,868		
Principals and Vice Principals			161,710	113,214					
Educational Assistants									
Support Staff	18,467			83,841			11,387		
Other Professionals				54,783					
Substitutes		973							
	18,467	973	161,710	251,838	30,543	-	145,255	-	-
Employee Benefits	6,533		13,290	42,710					
Services and Supplies		11,242		1,484,095			726,040	41,922	
	25,000	12,215	175,000	1,778,643	30,543	-	871,295	41,922	-
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 73 (Kamloops-Thompson)

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

	<u>TOTAL</u>
	<u>\$</u>
Deferred Revenue, beginning of year	6,732,327
Add: Restricted Grants	
Provincial Grants - Ministry of Education and Child Care	24,073,436
Other	7,019,533
Investment Income	2,784
	<u>31,095,753</u>
Less: Allocated to Revenue	<u>30,286,057</u>
Deferred Revenue, end of year	<u><u>7,542,023</u></u>
Revenues	
Provincial Grants - Ministry of Education and Child Care	23,816,437
Other Revenue	6,469,620
Income (Loss) from Investments in Government Business Enterprises	<u>(668,263)</u>
	29,617,794
Expenses	
Salaries	
Teachers	1,530,614
Principals and Vice Principals	13,605,490
Educational Assistants	604,457
Support Staff	334,571
Other Professionals	54,783
Substitutes	<u>542,873</u>
	16,672,788
Employee Benefits	4,127,542
Services and Supplies	<u>9,485,727</u>
	30,286,057
Net Revenue (Expense) before Interfund Transfers	<u>(668,263)</u>
Interfund Transfers	<u>-</u>
Net Revenue (Expense)	<u><u>(668,263)</u></u>

School District No. 73 (Kamloops-Thompson)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2025

	2025 Budget	2025 Actual			2024 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Provincial Grants					
Ministry of Education and Child Care	3,784,738	10,973,068		10,973,068	3,446,463
Municipal Grants Spent on Sites		258,534		258,534	
Other Revenue			5,704	5,704	
Investment Income				-	11,550
Amortization of Deferred Capital Revenue	4,788,816	4,434,207		4,434,207	4,099,435
Total Revenue	<u>8,573,554</u>	<u>15,665,809</u>	<u>5,704</u>	<u>15,671,513</u>	<u>7,557,448</u>
Expenses					
Operations and Maintenance	3,784,738	4,163,333		4,163,333	3,446,463
Amortization of Tangible Capital Assets					
Operations and Maintenance	7,128,350	6,940,600		6,940,600	6,735,026
Total Expense	<u>10,913,088</u>	<u>11,103,933</u>	<u>-</u>	<u>11,103,933</u>	<u>10,181,489</u>
Capital Surplus (Deficit) for the year	<u>(2,339,534)</u>	<u>4,561,876</u>	<u>5,704</u>	<u>4,567,580</u>	<u>(2,624,041)</u>
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased		542,526		542,526	633,065
Local Capital				-	1,274,139
Settlement of Asset Retirement Obligation		23,995		23,995	52,738
Total Net Transfers	<u>-</u>	<u>566,521</u>	<u>-</u>	<u>566,521</u>	<u>1,959,942</u>
Total Capital Surplus (Deficit) for the year	<u>(2,339,534)</u>	<u>5,128,397</u>	<u>5,704</u>	<u>5,134,101</u>	<u>(664,099)</u>
Capital Surplus (Deficit), beginning of year		21,826,141		21,826,141	22,490,240
Capital Surplus (Deficit), end of year		<u>26,954,538</u>	<u>5,704</u>	<u>26,960,242</u>	<u>21,826,141</u>

School District No. 73 (Kamloops-Thompson)

Tangible Capital Assets
Year Ended June 30, 2025

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	11,380,862	198,214,002	15,284,808	10,255,564	288,665	3,768,349	239,192,250
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw	7,358,148	2,243,026		776,004			10,377,178
Deferred Capital Revenue - Other	258,534		194,256				452,790
Operating Fund			192,562			349,964	542,526
Transferred from Work in Progress		27,445,140					27,445,140
	<u>7,616,682</u>	<u>29,688,166</u>	<u>386,818</u>	<u>776,004</u>	<u>-</u>	<u>349,964</u>	<u>38,817,634</u>
Decrease:							
Deemed Disposals			1,161,163	2,324,309	83,745	982,364	4,551,581
	<u>-</u>	<u>-</u>	<u>1,161,163</u>	<u>2,324,309</u>	<u>83,745</u>	<u>982,364</u>	<u>4,551,581</u>
Cost, end of year	18,997,544	227,902,168	14,510,463	8,707,259	204,920	3,135,949	273,458,303
Work in Progress, end of year		28,981,367					28,981,367
Cost and Work in Progress, end of year	<u>18,997,544</u>	<u>256,883,535</u>	<u>14,510,463</u>	<u>8,707,259</u>	<u>204,920</u>	<u>3,135,949</u>	<u>302,439,670</u>
Accumulated Amortization, beginning of year		118,686,466	8,519,713	5,706,980	183,183	2,083,245	135,179,587
Changes for the Year							
Increase: Amortization for the Year		3,762,907	1,489,763	948,141	49,359	690,430	6,940,600
Decrease:							
Deemed Disposals			1,161,163	2,324,309	83,745	982,364	4,551,581
		<u>-</u>	<u>1,161,163</u>	<u>2,324,309</u>	<u>83,745</u>	<u>982,364</u>	<u>4,551,581</u>
Accumulated Amortization, end of year		<u>122,449,373</u>	<u>8,848,313</u>	<u>4,330,812</u>	<u>148,797</u>	<u>1,791,311</u>	<u>137,568,606</u>
Tangible Capital Assets - Net	<u>18,997,544</u>	<u>134,434,162</u>	<u>5,662,150</u>	<u>4,376,447</u>	<u>56,123</u>	<u>1,344,638</u>	<u>164,871,064</u>

School District No. 73 (Kamloops-Thompson)

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	33,017,505				33,017,505
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	23,309,446				23,309,446
Deferred Capital Revenue - Other	99,556				99,556
	<u>23,409,002</u>	-	-	-	<u>23,409,002</u>
Decrease:					
Transferred to Tangible Capital Assets	27,445,140				27,445,140
	<u>27,445,140</u>	-	-	-	<u>27,445,140</u>
Net Changes for the Year	<u>(4,036,138)</u>	-	-	-	<u>(4,036,138)</u>
Work in Progress, end of year	<u>28,981,367</u>	-	-	-	<u>28,981,367</u>

School District No. 73 (Kamloops-Thompson)

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	64,507,270	8,401,898	1,496,529	74,405,697
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	3,019,030	194,256	-	3,213,286
Transferred from Work in Progress	25,004,736		2,140,405	27,145,141
	28,023,766	194,256	2,140,405	30,358,427
Decrease:				
Amortization of Deferred Capital Revenue	4,009,799	337,715	86,693	4,434,207
	4,009,799	337,715	86,693	4,434,207
Net Changes for the Year	24,013,967	(143,459)	2,053,712	25,924,220
Deferred Capital Revenue, end of year	88,521,237	8,258,439	3,550,241	100,329,917
Work in Progress, beginning of year	30,676,656		2,040,849	32,717,505
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	23,309,446		99,556	23,409,002
	23,309,446	-	99,556	23,409,002
Decrease				
Transferred to Deferred Capital Revenue	25,004,736		2,140,405	27,145,141
	25,004,736	-	2,140,405	27,145,141
Net Changes for the Year	(1,695,290)	-	(2,040,849)	(3,736,139)
Work in Progress, end of year	28,981,366	-	-	28,981,366
Total Deferred Capital Revenue, end of year	117,502,603	8,258,439	3,550,241	129,311,283

School District No. 73 (Kamloops-Thompson)

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	281,917		1,034,997	362,527	76,900	1,756,341
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education and Child Care	37,570,274		2,738,304			40,308,578
Other				104,758	109,593	214,351
Investment Income				15,170		15,170
	<u>37,570,274</u>	<u>-</u>	<u>2,738,304</u>	<u>119,928</u>	<u>109,593</u>	<u>40,538,099</u>
Decrease:						
Transferred to DCR - Capital Additions	3,019,030		194,256			3,213,286
Transferred to DCR - Work in Progress	23,309,446				99,556	23,409,002
Transferred to Revenue - Site Purchases	7,358,148			258,534		7,616,682
AFG Bylaw Capital	3,614,920					3,614,920
	<u>37,301,544</u>	<u>-</u>	<u>194,256</u>	<u>258,534</u>	<u>99,556</u>	<u>37,853,890</u>
Net Changes for the Year	<u>268,730</u>	<u>-</u>	<u>2,544,048</u>	<u>(138,606)</u>	<u>10,037</u>	<u>2,684,209</u>
Balance, end of year	<u>550,647</u>	<u>-</u>	<u>3,579,045</u>	<u>223,921</u>	<u>86,937</u>	<u>4,440,550</u>