

Audited Financial Statements of

# **School District No. 68 (Nanaimo-Ladysmith)**

And Independent Auditors' Report thereon

June 30, 2025

# School District No. 68 (Nanaimo-Ladysmith)

June 30, 2025

## Table of Contents

Management Report .....	1
Independent Auditors' Report .....	2-4
Statement of Financial Position - Statement 1 .....	5
Statement of Operations - Statement 2 .....	6
Statement of Changes in Net Debt - Statement 4 .....	7
Statement of Cash Flows - Statement 5 .....	8
Notes to the Financial Statements .....	9-29
Schedule of Changes in Accumulated Surplus (Deficit) by Fund - Schedule 1 (Unaudited) .....	30
Schedule of Operating Operations - Schedule 2 (Unaudited) .....	31
Schedule 2A - Schedule of Operating Revenue by Source (Unaudited) .....	32
Schedule 2B - Schedule of Operating Expense by Object (Unaudited) .....	33
Schedule 2C - Operating Expense by Function, Program and Object (Unaudited) .....	34
Schedule of Special Purpose Operations - Schedule 3 (Unaudited) .....	36
Schedule 3A - Changes in Special Purpose Funds and Expense by Object (Unaudited) .....	37
Schedule of Capital Operations - Schedule 4 (Unaudited) .....	41
Schedule 4A - Tangible Capital Assets (Unaudited) .....	42
Schedule 4B - Tangible Capital Assets - Work in Progress (Unaudited) .....	43
Schedule 4C - Deferred Capital Revenue (Unaudited) .....	44
Schedule 4D - Changes in Unspent Deferred Capital Revenue (Unaudited) .....	45

# School District No. 68 (Nanaimo-Ladysmith)

## MANAGEMENT REPORT

Version: 3762-3016-1034

### Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 68 (Nanaimo-Ladysmith) 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.

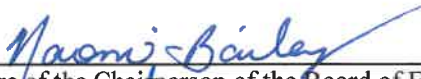


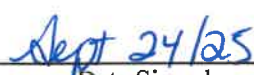
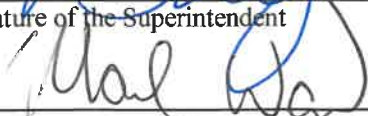
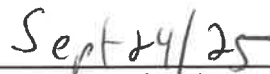
The preparation of financial statements necessarily involves the use of estimates based on management's judgment particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

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

The external auditors, KPMG LLP, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of School District No. 68 (Nanaimo-Ladysmith) 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. 68 (Nanaimo-Ladysmith)

 _____ Signature of the Chairperson of the Board of Education	 _____ Date Signed
 _____ Signature of the Superintendent	 _____ Date Signed
 _____ Signature of the Secretary Treasurer	 _____ Date Signed



**KPMG LLP**

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

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Education of School District No. 68 (Nanaimo - Ladysmith), and  
To the Minister of Education and Child Care, Province of British Columbia

***Opinion***

We have audited the financial statements of School District No. 68 (Nanaimo - Ladysmith) (the Entity), which comprise:

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

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

In our opinion, the accompanying financial statements as at and for the year ended June 30, 2025 of the Entity are prepared, in all material respects, in accordance with the financial reporting provisions of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

***Basis for Opinion***

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

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

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

***Emphasis of Matter – Financial Reporting Framework***

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

Our opinion is not modified in respect of this matter.



### ***Other Information***

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

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

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

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

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

We have nothing to report in this regard.

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

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

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

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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



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

We also:

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

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

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

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, stylized font and is positioned above a horizontal line.

Chartered Professional Accountants

Victoria, Canada  
September 25, 2025

# School District No. 68 (Nanaimo-Ladysmith)

## Statement of Financial Position

As at June 30, 2025

Statement 1

	2025 Actual	2024 Actual
	\$	\$
<b>Financial Assets</b>		
Cash and Cash Equivalents	44,583,953	42,159,314
Accounts Receivable		
Due from Province - Ministry of Education and Child Care (Note 3)	1,653,539	728,365
Due from First Nations	296,093	651,657
Other (Note 3)	4,794,599	4,585,921
Portfolio Investments (Note 5)	7,947,123	4,000,000
Mortgage Receivable	47,782	58,708
<b>Total Financial Assets</b>	<b>59,323,089</b>	<b>52,183,965</b>
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities		
Other (Note 6)	21,229,394	19,049,176
Unearned Revenue (Note 7)	4,453,539	4,487,314
Deferred Revenue (Note 8)	3,944,254	3,663,143
Deferred Capital Revenue (Note 9)	170,964,744	165,844,524
Employee Future Benefits (Note 10)	1,867,356	1,775,792
Asset Retirement Obligation (Note 20)	26,426,117	25,845,772
Capital Lease Obligations (Note 11)	421,694	532,503
Other Liabilities	2,674,171	2,375,604
<b>Total Liabilities</b>	<b>231,981,269</b>	<b>223,573,828</b>
<b>Net Debt</b>	<b>(172,658,180)</b>	<b>(171,389,863)</b>
<b>Non-Financial Assets</b>		
Tangible Capital Assets (Note 12)	218,643,935	215,896,464
Prepaid Expenses	906,174	941,960
<b>Total Non-Financial Assets</b>	<b>219,550,109</b>	<b>216,838,424</b>
<b>Accumulated Surplus (Deficit) (Note 13)</b>	<b>46,891,929</b>	<b>45,448,561</b>

Contractual Obligations (Note 19)

Contractual Rights (Note 18)

Contingent Assets (Note 21)

Approved by the Board

Signature of the Chairperson of the Board of Education

Date Signed

Signature of the Superintendent

Date Signed

Signature of the Secretary Treasurer

Date Signed

**School District No. 68 (Nanaimo-Ladysmith)**

Statement 2

## Statement of Operations

Year Ended June 30, 2025

	2025 Budget (Note 14)	2025 Actual	2024 Actual
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education and Child Care	199,805,846	200,321,487	188,590,720
Other	385,416	443,623	468,833
Tuition	6,325,000	6,394,970	5,897,720
Other Revenue	7,214,894	7,689,676	7,238,057
Rentals and Leases	670,000	901,378	643,617
Investment Income	865,000	1,409,457	1,723,054
Amortization of Deferred Capital Revenue	7,850,000	7,888,100	7,554,649
<b>Total Revenue</b>	<u>223,116,156</u>	<u>225,048,691</u>	<u>212,116,650</u>
<b>Expenses (Note 15)</b>			
Instruction	185,423,800	179,945,548	168,082,670
District Administration	9,624,020	7,878,734	7,637,269
Operations and Maintenance	33,252,853	33,298,362	31,674,543
Transportation and Housing	2,410,162	2,433,580	2,349,944
Debt Services		49,099	54,411
<b>Total Expense</b>	<u>230,710,835</u>	<u>223,605,323</u>	<u>209,798,837</u>
<b>Surplus (Deficit) for the year</b>	<u>(7,594,679)</u>	<u>1,443,368</u>	<u>2,317,813</u>
<b>Accumulated Surplus (Deficit) from Operations, beginning of year</b>		<u>45,448,561</u>	<u>43,130,748</u>
<b>Accumulated Surplus (Deficit) from Operations, end of year</b>		<u><u>46,891,929</u></u>	<u><u>45,448,561</u></u>



**School District No. 68 (Nanaimo-Ladysmith)**

Statement 4

## Statement of Changes in Net Debt

Year Ended June 30, 2025

	2025 Budget (Note 14) \$	2025 Actual \$	2024 Actual \$
<b>Surplus (Deficit) for the year</b>	<b>(7,594,679)</b>	<b>1,443,368</b>	<b>2,317,813</b>
<b>Effect of change in Tangible Capital Assets</b>			
Acquisition of Tangible Capital Assets	(8,300,000)	(15,244,123)	(16,349,181)
Amortization of Tangible Capital Assets	11,800,000	12,496,652	11,428,661
<b>Total Effect of change in Tangible Capital Assets</b>	<b>3,500,000</b>	<b>(2,747,471)</b>	<b>(4,920,520)</b>
Acquisition of Prepaid Expenses		(906,174)	(941,960)
Use of Prepaid Expenses		941,960	254,051
<b>Total Effect of change in Other Non-Financial Assets</b>	<b>-</b>	<b>35,786</b>	<b>(687,909)</b>
<b>(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)</b>	<b>(4,094,679)</b>	<b>(1,268,317)</b>	<b>(3,290,616)</b>
<b>Net Remeasurement Gains (Losses)</b>			
<b>(Increase) Decrease in Net Debt</b>		<b>(1,268,317)</b>	<b>(3,290,616)</b>
<b>Net Debt, beginning of year</b>		<b>(171,389,863)</b>	<b>(168,099,247)</b>
<b>Net Debt, end of year</b>		<b>(172,658,180)</b>	<b>(171,389,863)</b>

**School District No. 68 (Nanaimo-Ladysmith)**

Statement 5

Statement of Cash Flows  
Year Ended June 30, 2025

	2025 Actual	2024 Actual
	\$	\$
<b>Operating Transactions</b>		
Surplus (Deficit) for the year	1,443,368	2,317,813
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(778,288)	98,216
Prepaid Expenses	35,786	(687,909)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	2,180,218	(744,289)
Unearned Revenue	(33,775)	366,866
Deferred Revenue	281,111	1,103,501
Employee Future Benefits	91,564	97,032
Asset Retirement Obligations	(40,376)	(8,592)
Other Liabilities	298,567	351,547
Amortization of Tangible Capital Assets	12,496,652	11,428,661
Amortization of Deferred Capital Revenue	(7,888,100)	(7,554,649)
Non Capital Expenditures from capital fund	(598,421)	(332,255)
<b>Total Operating Transactions</b>	<b>7,488,306</b>	<b>6,435,942</b>
<b>Capital Transactions</b>		
Tangible Capital Assets Purchased	(7,006,869)	(11,472,298)
Tangible Capital Assets -WIP Purchased	(7,616,533)	(4,741,134)
<b>Total Capital Transactions</b>	<b>(14,623,402)</b>	<b>(16,213,432)</b>
<b>Financing Transactions</b>		
Loan Payments	(110,809)	(92,171)
Capital Revenue Received	13,606,741	14,047,152
<b>Total Financing Transactions</b>	<b>13,495,932</b>	<b>13,954,981</b>
<b>Investing Transactions</b>		
Decrease (Increase) in Mortgage Receivable	10,926	8,327
Proceeds on Disposal of Portfolio Investments		504,876
Investments in Portfolio Investments	(3,947,123)	
<b>Total Investing Transactions</b>	<b>(3,936,197)</b>	<b>513,203</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>2,424,639</b>	<b>4,690,694</b>
<b>Cash and Cash Equivalents, beginning of year</b>	<b>42,159,314</b>	<b>37,468,620</b>
<b>Cash and Cash Equivalents, end of year</b>	<b>44,583,953</b>	<b>42,159,314</b>
<b>Cash and Cash Equivalents, end of year, is made up of:</b>		
Cash	44,583,953	38,418,111
Cash Equivalents		3,741,203
	<b>44,583,953</b>	<b>42,159,314</b>

**SCHOOL DISTRICT No. 68 (NANAIMO – LADYSMITH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2025**

---

**NOTE 1      AUTHORITY AND PURPOSE**

The School District, established on April 12, 1946 operates under authority of the *School Act* of British Columbia as a corporation under the name of "The Board of Education of School District No. 68 (Nanaimo-Ladysmith) and operates as "School District No. 68 (Nanaimo-Ladysmith)" and "Nanaimo Ladysmith Public Schools." A board of education ("Board") elected for a four-year term governs the School District. The School District provides educational programs to students enrolled in schools in the district and is principally funded by the Province of British Columbia through the Ministry of Education and Child Care. School District No. 68 (Nanaimo-Ladysmith) is exempt from federal and provincial corporate income taxes.

**NOTE 2      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

a) Basis of Accounting

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

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

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

b) Basis of Consolidation

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

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

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

**SCHOOL DISTRICT No. 68 (NANAIMO – LADYSMITH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2025**

---

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

c) Cash and Cash Equivalents

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

d) Accounts and Mortgage Receivables

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

e) Portfolio Investments

The School District has investments in Guaranteed Investment Certificates (GIC's) that have a maturity date of greater than 3 months at the time of acquisition. GIC's, term deposits, bonds and other investments not quoted in an active market are reported at cost or amortized cost.

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.

g) Deferred Revenue and Deferred Capital Revenue

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

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

**SCHOOL DISTRICT No. 68 (NANAIMO – LADYSMITH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2025**

---

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

**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 of active employees covered under the plan.

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

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

**i) Asset Retirement Obligations**

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

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

Liabilities are recognized for statutory, contractual, or legal obligations associated with the retirement of tangible capital assets when those obligations result from the acquisition, construction, development, or normal operation of the assets. The liability includes costs for the removal of asbestos and other hazardous material in several of the buildings owned by the School District. The estimate of the asset retirement obligations includes costs directly attributable to the asset retirement activities. The resulting costs have been capitalized into the carrying amount of tangible capital assets and are being amortized on the same basis as the

**SCHOOL DISTRICT No. 68 (NANAIMO – LADYSMITH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2025**

---

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

i) Asset Retirement Obligations *(continued)*

related tangible capital asset (see note 2k). The carrying value of the liability is reviewed at each financial reporting date with changes to the timing or amount of the original estimate of cash flows recorded as an adjustment to the liability and related tangible capital asset.

j) Liability for Contaminated Sites

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

- an environmental standard exists;
- contamination exceeds the environmental standard;
- the School District:
  - is directly responsible; or
  - accepts responsibility;
- it is expected that future economic benefits will be given up; and
- a reasonable estimate of the amount can be made.

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

k) Tangible Capital Assets

The following criteria apply:

- Tangible capital assets acquired or constructed are recorded at cost which includes amounts that are directly related to the acquisition, design, construction, development, improvement, or betterment of the assets. Cost also includes overhead directly attributable to construction 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.

**SCHOOL DISTRICT No. 68 (NANAIMO – LADYSMITH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2025**

---

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

k) Tangible Capital Assets *(continued)*

- 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

In the year of acquisition amortization is recorded as half of the annual rate for the year.

l) Capital Leases

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

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

m) Prepaid Expenses

Amounts for services paid relating to future periods are included as a prepaid expense and stated at acquisition cost and are charged to expense over the periods expected to benefit from it.

**SCHOOL DISTRICT No. 68 (NANAIMO – LADYSMITH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2025**

---

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

n) Funds and Reserves

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

o) Revenue Recognition

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

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

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

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

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

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

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



**SCHOOL DISTRICT No. 68 (NANAIMO – LADYSMITH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2025**

---

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

o) Revenue Recognition *(continued)*

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

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

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

p) Expenditures

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

Categories of Salaries

- Principals, Vice-Principals, and Directors of Instruction employed under an administrative officer contract are categorized as Principals and Vice-Principals.
- Superintendents, Assistant Superintendents, Secretary-Treasurers, Trustees and other employees excluded from union contracts are categorized as Other Professionals.

Allocation of Costs

- Operating expenses are reported by function, program, and object. Whenever possible, expenditures are determined by actual identification. Additional costs pertaining to specific instructional programs, such as special and indigenous education, are allocated to these programs. All other costs are allocated to related programs.
- Actual salaries of personnel assigned to two or more functions or programs are allocated based on the time spent in each function and program. School-based clerical salaries are allocated to school administration and partially to other programs to which they may be assigned. Principals and Vice-Principals salaries are allocated to school administration and may be partially allocated to other programs to recognize their other responsibilities.
- Employee benefits and allowances are allocated to the same programs, and in the same proportions, as the individual's salary.
- Supplies and services are allocated based on actual program identification.

q) 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.

**SCHOOL DISTRICT No. 68 (NANAIMO – LADYSMITH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2025**

---

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

q) Financial Instruments *(continued)*

Financial instruments consist of cash and cash equivalents, accounts receivable, portfolio investments, mortgage receivable, accounts payable and accrued liabilities, debt, and other liabilities.

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. There are no measurement gains or losses during the periods presented; therefore, no statement of remeasurement gains or losses is included in these financial statements.

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

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

r) Measurement Uncertainty

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

**SCHOOL DISTRICT No. 68 (NANAIMO – LADYSMITH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2025**

**NOTE 3      ACCOUNTS RECEIVABLE – OTHER RECEIVABLES**

**Due from Province – Ministry of Education and Child Care**

	2025	2024
Bylaw – Capital Funding	\$ 1,653,539	\$ 728,365

**Other Receivables**

	2025	2024
Due from Federal Government - GST	\$ 230,273	\$ 110,760
Benefit Premium Balance	2,705,527	2,124,518
Other	1,858,799	2,350,643
	<u>\$ 4,794,599</u>	<u>\$ 4,585,921</u>

**NOTE 4      MORTGAGE RECEIVABLE**

Mortgage on 4985 Christie Road, Ladysmith (former Diamond Elementary School property); blended payments are \$1,000 per month including interest at 2% p.a., for a term of 5 years ending March 1, 2029.

	2025	2024
	\$ 47,782	\$ 58,708
	<u>\$ 47,782</u>	<u>\$ 58,708</u>

Interest received during the year was \$1,074 (2024- \$1,273).

**NOTE 5      PORTFOLIO INVESTMENTS**

GIC's included in portfolio investments are held with local banking institutions and earn average interest at 5.35% (2024 – 5.45%) per year.

	2025	2024
Coast Capital Savings GIC	\$ 1,000,000	\$ -
Coast Capital Savings GIC	2,947,123	-
Coast Capital Savings GIC	4,000,000	4,000,000
	<u>\$ 7,947,123</u>	<u>\$ 4,000,000</u>

**NOTE 6      ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

**Other Accounts Payable and Accrued Liabilities**

	2025	2024
Trade payables	\$ 3,869,922	\$ 3,420,142
Salaries and benefits payable	15,384,654	13,656,030
Accrued vacation pay	1,627,305	1,526,564
Construction holdbacks	347,513	446,440
	<u>\$ 21,229,394</u>	<u>\$ 19,049,176</u>

**SCHOOL DISTRICT No. 68 (NANAIMO – LADYSMITH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2025**

---

**NOTE 7      UNEARNED REVENUE**

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

	<b>2025</b>	<b>2024</b>
Balance, beginning of year	\$ 4,487,314	\$ 4,120,448
Changes for the year:		
Increase:		
Tuition fees/Rentals/Summer Programs	6,830,786	6,002,465
Decrease:		
Tuition fees/Rentals/Summer Programs	6,864,561	5,635,599
Net changes for the year	(33,775)	366,866
Balance, end of year	\$ 4,453,539	\$ 4,487,314

**NOTE 8      DEFERRED REVENUE**

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

	<b>2025</b>	<b>2024</b>
Balance, beginning of year	\$ 3,663,143	\$ 2,559,642
Changes for the year:		
Increase:		
Provincial Grants – Ministry of Education	24,871,751	22,358,062
Ministry of Education CEF Adjustment	-	(6,452)
Provincial Grants – Other	147,000	187,020
Other	4,124,687	4,173,923
Investment income	84,666	101,883
	29,228,104	26,814,436
Decrease:		
Expenses	28,462,449	25,367,219
Transfers – tangible capital assets purchased	484,544	343,716
	28,946,993	25,710,935
Net changes for the year	281,111	1,103,501
Balance, end of year	\$ 3,944,254	\$ 3,663,143

**SCHOOL DISTRICT No. 68 (NANAIMO – LADYSMITH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2025**

**NOTE 9      DEFERRED CAPITAL REVENUE**

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

	<b>Deferred Capital 2025</b>	<b>Unspent Deferred Capital 2025</b>	<b>Total Deferred Capital Revenue 2025</b>	<b>Total Deferred Capital Revenue 2024</b>
Balance, beginning of year	\$159,237,916	\$6,606,608	\$165,844,524	\$159,684,276
Changes for the year:				
Increase:				
Transfer from Unspent – Capital Additions	4,512,653	-	4,512,653	8,705,956
Transfer from Unspent – Work in Progress	7,115,129	-	7,115,129	4,055,917
Provincial Grants – Ministry of Education and Child Care	-	12,691,670	12,691,670	12,995,920
Provincial Grants – Other	-	-	-	224,594
Investment income	-	139,210	139,210	103,795
Other	-	775,861	775,861	722,843
	11,627,782	13,606,741	25,234,523	26,809,025
Decrease:				
Amortization of Deferred Capital	7,888,100	-	7,888,100	7,554,649
Capital additions – transfer to Deferred Capital	-	4,512,653	4,512,653	8,705,956
Work in Progress – transfer to Deferred Capital	-	7,115,129	7,115,129	4,055,917
Other	-	598,421	598,421	332,255
	7,888,100	12,226,203	20,114,303	20,648,777
Net changes for the year	3,739,682	1,380,538	5,120,220	6,160,248
Balance, end of year	\$162,977,598	\$7,987,146	\$170,964,744	\$165,844,524

**SCHOOL DISTRICT No. 68 (NANAIMO – LADYSMITH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2025**

**NOTE 10 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.

	<b>2025</b>	<b>2024</b>
<b>Reconciliation of Accrued Benefit Obligation</b>		
Accrued Benefit Obligation – April 1	\$ 1,879,613	\$ 1,876,769
Service Cost	138,994	141,166
Interest Cost	81,549	77,031
Benefit Payments	(178,695)	(133,217)
Increase (Decrease) in obligation due to Plan Amendment	-	-
Actuarial (Gain) Loss	1,152,632	(82,136)
Accrued Benefit Obligation – March 31	<u>\$ 3,074,093</u>	<u>\$ 1,879,613</u>

**Reconciliation of Funded Status at End of Fiscal Year**

Accrued Benefit Obligation – March 31	\$ 3,074,093	\$ 1,879,613
Market Value of Plan Assets – March 31	-	-
Funded Status – Surplus (Deficit)	(3,074,093)	(1,879,613)
Employer Contributions After Measurement Date	23,697	40,349
Benefits Expense After Measurement Date	(89,066)	(55,136)
Unamortized Net Actuarial (Gain) Loss	1,272,106	118,608
Accrued Benefit Asset (Liability) – June 30	<u>\$ (1,867,356)</u>	<u>\$ (1,775,792)</u>

**Reconciliation of Change in Accrued Benefit Liability**

Accrued Benefit Liability – July 1	\$ 1,775,792	\$ 1,678,760
Net expense for Fiscal Year	253,607	241,590
Employer Contributions	(162,043)	(144,558)
Accrued Benefit Liability – June 30	<u>\$ 1,867,356</u>	<u>\$ 1,775,792</u>

**Components of Net Benefit Expense**

Service Cost	\$ 162,448	\$ 140,623
Interest Cost	92,026	78,161
Immediate Recognition of Plan Amendment	-	-
Amortization of Net Actuarial (Gain)/Loss	(867)	22,806
Net Benefit Expense (Income)	<u>\$ 253,607</u>	<u>\$ 241,590</u>

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

	<b>2025</b>	<b>2024</b>
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	11.7 years	10.4 years

**SCHOOL DISTRICT No. 68 (NANAIMO – LADYSMITH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2025**

**NOTE 11 CAPITAL LEASE OBLIGATIONS**

The School District entered into a capital lease for multi-function printer devices. The payments are over 5 years and include interest of 8.3%. Repayments are due as follows:

2026	\$ 159,908
2027	159,908
2028	159,908
2029	13,327
2030	-
Thereafter	-
Total minimum lease payments	<u>493,051</u>
Less amounts representing interest	<u>71,357</u>
Present value of net minimum capital lease payments	<u><b>\$ 421,694</b></u>

Total interest on leases for the year was \$49,099 (2024: 54,411).

**NOTE 12 TANGIBLE CAPITAL ASSETS**

**Net Book Value:**

	Net Book Value 2025	Net Book Value 2024
Sites	\$ 16,063,545	\$ 16,063,545
Buildings	174,153,471	175,127,228
Buildings – work in progress	9,069,783	5,632,538
Furniture & Equipment	10,320,381	10,073,830
Furniture & Equipment – work in progress	880,345	535,990
Vehicles	4,628,560	4,383,792
Computer Software	34,432	72,051
Computer Hardware	3,493,418	4,007,490
Total	<u>\$ 218,643,935</u>	<u>\$ 215,896,464</u>

**June 30, 2025**

	Opening Cost	Additions	Disposals	Transfers (WIP)	Total 2025
Sites	\$ 16,063,545	\$ -	\$ -	\$ -	\$ 16,063,545
Buildings	369,709,528	3,953,378	-	3,594,472	377,257,378
Buildings – work in progress	5,632,538	7,031,717	-	(3,594,472)	9,069,783
Furniture & Equipment	17,027,073	1,802,805	(163,121)	240,461	18,907,218
Furniture & Equipment – work in progress	535,990	584,816	-	(240,461)	880,345
Vehicles	6,326,932	912,059	(220,092)	-	7,018,899
Computer Software	343,719	-	(311,249)	-	32,470
Computer Hardware	7,611,704	959,348	(1,448,581)	-	7,122,471
Total	<u>\$ 423,251,029</u>	<u>\$ 15,244,123</u>	<u>\$ (2,143,043)</u>	<u>\$ -</u>	<u>\$ 436,352,109</u>

**SCHOOL DISTRICT No. 68 (NANAIMO – LADYSMITH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2025**

**NOTE 12 TANGIBLE CAPITAL ASSETS** *(Continued)*

	<b>Opening Accumulated Amortization</b>	<b>Additions</b>	<b>Disposals</b>	<b>Total 2025</b>
Buildings	\$ 194,582,300	\$ 8,521,607	\$ -	\$ 203,103,907
Furniture & Equipment	6,953,243	1,796,715	(163,121)	8,586,837
Vehicles	1,943,140	667,291	(220,092)	2,390,339
Computer Software	271,668	37,619	(311,249)	(1,962)
Computer Hardware	3,604,214	1,473,420	(1,448,581)	3,629,053
<b>Total</b>	<b>\$ 207,354,565</b>	<b>\$12,496,652</b>	<b>\$ (2,143,043)</b>	<b>\$ 217,708,174</b>

**June 30, 2024**

	<b>Opening Cost</b>	<b>Additions</b>	<b>Disposals</b>	<b>Transfers (WIP)</b>	<b>Total 2024</b>
Sites	\$ 16,034,046	\$ 29,499	\$ -	\$ -	\$ 16,063,545
Buildings	358,007,538	7,178,918	-	4,523,072	369,709,528
Buildings – work in progress	5,621,329	4,534,281	-	(4,523,072)	5,632,538
Furniture & Equipment	14,432,495	2,078,328	(250,499)	766,749	17,027,073
Furniture & Equipment – work in progress	1,095,886	206,853	-	(766,749)	535,990
Vehicles	5,729,211	1,233,489	(635,768)	-	6,326,932
Computer Software	360,356	-	(16,637)	-	343,719
Computer Hardware	7,288,026	1,087,813	(764,135)	-	7,611,704
<b>Total</b>	<b>\$ 408,568,887</b>	<b>\$ 16,349,181</b>	<b>\$ (1,667,039)</b>	<b>\$ -</b>	<b>\$ 423,251,029</b>

	<b>Opening Accumulated Amortization</b>	<b>Additions</b>	<b>Disposals</b>	<b>Total 2024</b>
Buildings	\$186,889,807	\$7,692,493	\$ -	\$ 194,582,300
Furniture & Equipment	5,630,763	1,572,979	(250,499)	6,953,243
Vehicles	1,976,101	602,807	(635,768)	1,943,140
Computer Software	217,898	70,407	(16,637)	271,668
Computer Hardware	2,878,374	1,489,975	(764,135)	3,604,214
<b>Total</b>	<b>\$197,592,943</b>	<b>\$11,428,661</b>	<b>\$ (1,667,039)</b>	<b>\$ 207,354,565</b>

Building and Furniture & Equipment – work in progress has not been amortized. Amortization of these assets will commence when the asset is put into use.

Additions to furniture and equipment includes contributed tangible capital assets of \$361,624 (2024 - \$67,475). Additions to computer hardware include \$nil (2024 - \$135,749), in assets acquired under capital lease.



**SCHOOL DISTRICT No. 68 (NANAIMO – LADYSMITH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2025**

**NOTE 13     ACCUMULATED SURPLUS**

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

- A transfer in the amount of \$1,242,224 was made from the operating fund to the capital fund for capital purchases made during the year.
- A transfer in the amount of \$3,540,000 was made from the operating fund to the capital fund (Local Capital) for future capital purchases.
- A transfer in the amount of \$484,544 was made from the special purpose fund to the capital fund for capital purchase made during the year.

Accumulated Surplus is comprised of the following:

<b>OPERATING</b>	<b>2025</b>	<b>2024</b>
Accumulated Operating Surplus	\$12,386,676	\$11,593,188
Restricted Surplus Reserve for Anticipated Unusual Expenses:		
Staffing costs (one-time anticipated expense)	\$ 616,680	\$ 500,000
Replacement costs	250,000	250,000
EA staffing supplement	50,000	150,000
Post budget unusual expenses	15,000	-
Communications	10,000	23,700
Trustee by-election costs	-	100,000
	941,680	1,023,700
Restricted Surplus Reserve for Financial Constraints/Targeted Funds:		
District benefit plans (premium balances)	\$ 2,705,527	\$ 2,124,518
Indigenous Education Program	388,502	290,414
NDTA Teacher mentorship grant	174,650	255,026
ICY Team	121,327	1,112,851
District before & after school care reserve	23,295	37,600
Trustee professional development/travel	24,340	29,355
Energy initiatives	-	50,000
	3,437,641	3,899,764
Restricted Surplus Reserve Operations Spanning Multiple School Years:		
Transfer to Local Capital	1,800,000	-
Undelivered purchase orders	803,527	-
John Barsby turf field 10 yr contractual term	560,000	-
School/district equipment costs	350,000	600,000
Child care reserve	281,846	75,000
School year-end balances	264,774	240,733
School opening costs	-	250,000
	4,060,147	1,165,733

**SCHOOL DISTRICT No. 68 (NANAIMO – LADYSMITH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2025**

**NOTE 13     ACCUMULATED SURPLUS** *(Continued)*

Summary of Accumulated Operating Surplus

Total Restricted Operating Surplus	8,439,468	6,089,197
Total Unrestricted Surplus	3,947,208	5,503,991
Total Accumulated Operating Surplus	<u>12,386,676</u>	<u>11,593,188</u>

**CAPITAL**

Investment in Tangible Capital Assets	28,182,930	29,644,677
Local Capital	6,322,323	4,210,696
Capital Surplus	<u>34,505,253</u>	<u>33,855,373</u>

<b>TOTAL ACCUMULATED SURPLUS</b>	<b>46,891,929</b>	<b>45,448,561</b>
----------------------------------	-------------------	-------------------

**NOTE 14     BUDGET FIGURES**

Budget figures included in the financial statements were approved by the Board through the adoption of an amended annual budget on February 26, 2025. The amended budget is used for comparison purposes, as these are based on actual student enrollments. The difference between the preliminary (annual) and amended budgets is as follows:

	<b>2025 Amended</b>	<b>2025 Preliminary</b>	<b>Difference</b>
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	\$199,805,846	\$192,094,947	\$7,710,899
Other	385,416	535,936	(150,520)
Tuition	6,325,000	5,629,500	695,500
Other Revenue	7,214,894	5,320,601	1,894,293
Rentals and Leases	670,000	670,000	-
Investment Income	865,000	1,265,000	(400,000)
Amortization of Deferred Capital Revenue	7,850,000	7,650,000	200,000
<b>Total Revenue</b>	<u>\$223,116,156</u>	<u>\$213,165,984</u>	<u>\$9,950,172</u>
<b>Expenses</b>			
Instruction	\$185,423,800	\$173,297,533	\$12,126,267
District Administration	9,624,020	8,898,284	725,736
Operations and Maintenance	33,252,853	32,291,140	961,713
Transportation and Housing	2,410,162	2,264,027	146,135
<b>Total Expenses</b>	<u>\$230,710,835</u>	<u>\$216,750,984</u>	<u>\$13,959,851</u>
<b>Surplus (deficit) for the year</b>	<u>\$ (7,594,679)</u>	<u>\$ (3,585,000)</u>	<u>\$ (4,009,679)</u>

**SCHOOL DISTRICT No. 68 (NANAIMO – LADYSMITH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2025**

**NOTE 14 BUDGET FIGURES (Continued)**

**Effects of change in Tangible Capital Assets**

Acquisition of Tangible Capital Assets	(8,300,000)	(7,000,000)	(1,300,000)
Amortization of Tangible Capital Assets	11,800,000	11,350,000	450,000
<b>Total Effect of change in Tangible Capital Assets</b>	<b>3,500,000</b>	<b>4,350,000</b>	<b>(850,000)</b>
<b>Increase in Net Financial Debt</b>	<b>\$(4,094,679)</b>	<b>\$765,000</b>	<b>\$(4,859,679)</b>

**NOTE 15 EXPENSE BY OBJECT**

	<b>2025</b>	<b>2024</b>
Salaries	\$149,286,408	\$140,606,717
Benefits	38,277,405	35,869,554
Services and supplies	23,495,759	21,839,494
Interest	49,099	54,411
Amortization	12,496,652	11,428,661
	<b>\$223,605,323</b>	<b>\$209,798,837</b>

**NOTE 16 EMPLOYEE PENSION PLANS**

The School District and its employees contribute to the Teachers' Pension Plan and Municipal Pension Plan (jointly trustee pension plans). The boards of trustees for these plans, representing plan members and employers, are responsible for administering the pension plans, including investing assets and administering benefits. The plans are multi-employer defined benefit pension plans. Basic pension benefits are based on a formula. As at December 31, 2024, the Teachers' Pension Plan has about 51,000 active members and approximately 42,000 retired members. As of December 31, 2024, the Municipal Pension Plan has about 256,000 active members, including approximately 31,000 from school districts.

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

This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

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

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2021, indicated a \$3.761 million funding surplus for basic pension benefits on a going concern basis.

**SCHOOL DISTRICT No. 68 (NANAIMO – LADYSMITH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2025**

---

**NOTE 16      EMPLOYEE PENSION PLANS** *(Continued)*

The school district paid \$15,552,265 for employer contributions to the plans for the year ended June 30, 2025 (2024: \$14,690,166).

The next valuation for the Teachers' Pension Plan will be as at December 31, 2026, with results available late in 2027. The next valuation for the Municipal Pension Plan will be as at December 31, 2024, with results available in 2025.

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

**NOTE 17      NANAIMO-LADYSMITH SCHOOLS FOUNDATION**

The School District and the Nanaimo-Ladysmith Schools Foundation (the "Foundation") have a mutually supportive relationship whereby the Foundation acts as a fundraising agency for the students in School District No. 68, and the School District provides the Foundation with financial and administrative support. The Foundation is a separate legal entity, has its own Board of Directors and is a registered charity under the provisions of the Income Tax Act of Canada.

The School District provided contributions of \$219,225 (2024: \$210,351) for administrative assistance and support to the Foundation and also provided office space free of charge. The Foundation provided miscellaneous grants directly to Schools.

**NOTE 18      CONTRACTUAL RIGHTS**

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

Contractual rights	2026	2027	2028	2029	2030	Thereafter
Future lease/rental revenue	\$333,344	\$305,217	\$236,651	\$80,304	\$32,266	-

**NOTE 19      CONTRACTUAL OBLIGATIONS AND CONTINGENCIES**

The School District has entered into a number of multiple-year contracts for the delivery of goods and services. These contractual obligations will become liabilities in the future when the terms of the contracts are met. Disclosure relates to the unperformed portion of the contracts.

**SCHOOL DISTRICT No. 68 (NANAIMO – LADYSMITH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2025**

---

**NOTE 19 CONTRACTUAL OBLIGATIONS AND CONTINGENCIES** *(Continued)*

Operating Expenses: anticipated contractual payments due over the terms of the contracts are as follows:

2026	\$ 1,374,735
2027	176,255
2028	100,137
2029	77,058
2030	78,080
Thereafter	129,121
	<u>\$ 1,935,386</u>

Anticipated contractual payments related to purchase orders for operating expenses and capital construction during 2026 total \$12,134,612.

Each year the School District is involved with a number of legal actions and arbitrations. Although the outcomes of these matters are not determinable at this time, management believes they will not have a material adverse effect on the School District's financial position or results of operations.

The District is subject to environmental laws and regulations enacted by the Province and local authorities. Certain schools in the School District contain asbestos. Upon the retirement of these District buildings, either through demolition or sale, the District may incur removal costs or realize reduced sale proceeds because of the presence of asbestos.

**NOTE 20 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. The timing of future settlement is unknown.

	<b>2025</b>	<b>2024</b>
Asset Retirement Obligation, beginning of year	\$ 25,845,772	\$ 25,854,364
Settlements during the year	(40,376)	(8,592)
Change in estimate	620,721	-
Asset Retirement Obligation, end of year	<u>\$ 26,426,117</u>	<u>\$ 25,845,772</u>

**NOTE 21 CONTINGENT ASSETS**

The School District has the following contingent assets for which the probability of receipt of funds occurring is likely.

Microsoft Class Action Lawsuit Vouchers	\$ 1,030,000
Zero Emission Transit Fund (ZETF)	884,759

**SCHOOL DISTRICT No. 68 (NANAIMO – LADYSMITH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2025**

---

**NOTE 21     CONTINGENT ASSETS** *(Continued)*

The future receipt of these assets is dependent on the district making eligible purchases prior to the expiry of the funds. The Microsoft vouchers have an expiry of June 30, 2028, and can be redeemed for the purchase of approved hardware and/or professional development directly related to the approved products being purchased. \$225,738 of the ZETF funding has an expiry of December 31, 2025, and \$658,021 has an expiry of March 31, 2026. These funds are to be used for up to 50% for chargers and infrastructure upgrades, and 30% for electric buses. Contingent assets are not recorded in the financial statements.

**NOTE 22     RELATED PARTY TRANSACTIONS**

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

**NOTE 23     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 24     RISK MANAGEMENT**

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

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

a) Credit risk:

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

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

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

**SCHOOL DISTRICT No. 68 (NANAIMO – LADYSMITH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2025**

---

**NOTE 24     RISK MANAGEMENT** *(Continued)*

b) **Market risk:**

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

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the foreign exchange rates.

It is management's opinion that the School District is not exposed to significant currency risk, as amounts held and purchases made in foreign currency are insignificant.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates.

The School District is exposed to interest rate risk through its investments. It is management's opinion that the School District is not exposed to significant interest rate risk.

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

c) **Liquidity risk:**

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

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

Risk Management and insurance services for all School Districts in British Columbia are provided by the Risk Management Branch of the Ministry of Finance. There have been no changes to risk exposure from 2024 related to credit, market or liquidity risks, except for additional exposure to market risks from tariffs.

**School District No. 68 (Nanaimo-Ladysmith)**

Schedule 1 (Unaudited)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund

Year Ended June 30, 2025

	Operating Fund	Special Purpose Fund	Capital Fund	2025 Actual	2024 Actual
	\$	\$	\$	\$	\$
<b>Accumulated Surplus (Deficit), beginning of year</b>	11,593,188		33,855,373	<b>45,448,561</b>	43,130,748
<b>Changes for the year</b>					
Surplus (Deficit) for the year	5,575,712	484,544	(4,616,888)	<b>1,443,368</b>	2,317,813
Interfund Transfers					
Tangible Capital Assets Purchased	(853,732)	(484,544)	1,338,276	-	
Tangible Capital Assets - Work in Progress	(228,584)		228,584	-	
Local Capital	(3,540,000)		3,540,000	-	
Other	(159,908)		159,908	-	
<b>Net Changes for the year</b>	<b>793,488</b>	<b>-</b>	<b>649,880</b>	<b>1,443,368</b>	<b>2,317,813</b>
<b>Accumulated Surplus (Deficit), end of year - Statement 2</b>	<b>12,386,676</b>	<b>-</b>	<b>34,505,253</b>	<b>46,891,929</b>	<b>45,448,561</b>



**School District No. 68 (Nanaimo-Ladysmith)**

Schedule 2 (Unaudited)

## Schedule of Operating Operations

Year Ended June 30, 2025

	2025 Budget (Note 14)	2025 Actual	2024 Actual
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education and Child Care	174,107,277	175,116,838	166,835,735
Other	238,416	257,741	321,813
Tuition	6,325,000	6,394,970	5,897,720
Other Revenue	3,349,835	3,619,459	3,198,755
Rentals and Leases	670,000	901,378	643,617
Investment Income	600,000	1,086,942	1,320,701
<b>Total Revenue</b>	<b>185,290,528</b>	<b>187,377,328</b>	<b>178,218,341</b>
<b>Expenses</b>			
Instruction	158,117,503	153,225,060	144,354,389
District Administration	8,345,320	7,209,117	7,090,453
Operations and Maintenance	20,568,240	19,196,534	18,678,427
Transportation and Housing	2,089,144	2,170,905	2,129,310
<b>Total Expense</b>	<b>189,120,207</b>	<b>181,801,616</b>	<b>172,252,579</b>
<b>Operating Surplus (Deficit) for the year</b>	<b>(3,829,679)</b>	<b>5,575,712</b>	<b>5,965,762</b>
<b>Budgeted Appropriation (Retirement) of Surplus (Deficit)</b>	<b>7,119,679</b>		
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased		(853,732)	(805,301)
Tangible Capital Assets - Work in Progress		(228,584)	
Local Capital	(3,290,000)	(3,540,000)	(2,000,000)
Other		(159,908)	(146,583)
<b>Total Net Transfers</b>	<b>(3,290,000)</b>	<b>(4,782,224)</b>	<b>(2,951,884)</b>
<b>Total Operating Surplus (Deficit), for the year</b>	<b>-</b>	<b>793,488</b>	<b>3,013,878</b>
<b>Operating Surplus (Deficit), beginning of year</b>		<b>11,593,188</b>	<b>8,579,310</b>
<b>Operating Surplus (Deficit), end of year</b>		<b>12,386,676</b>	<b>11,593,188</b>
<b>Operating Surplus (Deficit), end of year</b>			
Internally Restricted		8,439,468	6,089,197
Unrestricted		3,947,208	5,503,991
<b>Total Operating Surplus (Deficit), end of year</b>		<b>12,386,676</b>	<b>11,593,188</b>

# School District No. 68 (Nanaimo-Ladysmith)

## Schedule of Operating Revenue by Source

Year Ended June 30, 2025

Schedule 2A (Unaudited)

	2025 Budget (Note 14)	2025 Actual	2024 Actual
	\$	\$	\$
<b>Provincial Grants - Ministry of Education and Child Care</b>			
Operating Grant, Ministry of Education and Child Care	173,078,225	174,164,283	164,224,574
ISC/LEA Recovery	(1,752,835)	(1,873,644)	(1,752,835)
Other Ministry of Education and Child Care Grants			
Pay Equity	160,000	160,000	160,000
Funding for Graduated Adults		24,539	28,903
Student Transportation Fund	244,630	244,630	244,630
Support Staff Benefits Grant	67,920	67,920	67,920
FSA Scorer Grant	15,693	15,693	15,693
Child Care Funding	247,000	269,821	75,522
Labour Settlement Funding	1,684,514	1,684,514	2,783,091
K-12 ICY Clinical Counsellor Funding	257,130	257,130	886,285
PFA 2019 Benefit Agreement	105,000	101,952	101,952
<b>Total Provincial Grants - Ministry of Education and Child Care</b>	<b>174,107,277</b>	<b>175,116,838</b>	<b>166,835,735</b>
<b>Provincial Grants - Other</b>	<b>238,416</b>	<b>257,741</b>	<b>321,813</b>
<b>Tuition</b>			
International and Out of Province Students	6,325,000	6,394,970	5,897,720
<b>Total Tuition</b>	<b>6,325,000</b>	<b>6,394,970</b>	<b>5,897,720</b>
<b>Other Revenues</b>			
Other School District/Education Authorities	420,000	424,381	400,493
Funding from First Nations	1,752,835	1,873,644	1,752,835
Miscellaneous			
Cafeteria Revenue	600,000	641,835	558,442
BC Hydro Energy Manager Grant	65,000	63,805	60,000
Child Care Fees	322,000	314,433	132,886
Other	190,000	301,361	294,099
<b>Total Other Revenue</b>	<b>3,349,835</b>	<b>3,619,459</b>	<b>3,198,755</b>
<b>Rentals and Leases</b>	<b>670,000</b>	<b>901,378</b>	<b>643,617</b>
<b>Investment Income</b>	<b>600,000</b>	<b>1,086,942</b>	<b>1,320,701</b>
<b>Total Operating Revenue</b>	<b>185,290,528</b>	<b>187,377,328</b>	<b>178,218,341</b>

**School District No. 68 (Nanaimo-Ladysmith)**

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2025

	2025 Budget (Note 14)	2025 Actual	2024 Actual
	\$	\$	\$
<b>Salaries</b>			
Teachers	81,035,915	79,769,835	76,310,840
Principals and Vice Principals	10,799,867	10,406,933	9,667,218
Educational Assistants	14,634,117	13,727,420	12,244,918
Support Staff	14,422,356	14,229,696	13,671,982
Other Professionals	6,128,550	5,878,908	5,607,744
Substitutes	7,650,916	7,926,191	7,467,871
<b>Total Salaries</b>	<b>134,671,721</b>	<b>131,938,983</b>	<b>124,970,573</b>
<b>Employee Benefits</b>	<b>34,921,557</b>	<b>33,809,002</b>	<b>31,888,928</b>
<b>Total Salaries and Benefits</b>	<b>169,593,278</b>	<b>165,747,985</b>	<b>156,859,501</b>
<b>Services and Supplies</b>			
Services	6,027,640	5,115,953	4,877,166
Student Transportation	156,487	146,589	119,479
Professional Development and Travel	1,129,651	1,105,169	943,628
Rentals and Leases	81,395	80,710	79,413
Dues and Fees	723,083	821,459	695,642
Insurance	463,200	447,374	484,105
Supplies	8,165,473	5,747,309	5,807,442
Utilities	2,780,000	2,589,068	2,386,203
<b>Total Services and Supplies</b>	<b>19,526,929</b>	<b>16,053,631</b>	<b>15,393,078</b>
<b>Total Operating Expense</b>	<b>189,120,207</b>	<b>181,801,616</b>	<b>172,252,579</b>

# School District No. 68 (Nanaimo-Ladysmith)

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 \$
<b>1 Instruction</b>							
1.02 Regular Instruction	61,732,663	1,441,723	266,781	118,721	346,354	5,755,472	69,661,714
1.03 Career Programs	-	-	-	-	-	-	-
1.07 Library Services	2,498,469	-	-	318,516	-	133,440	2,950,425
1.08 Counselling	3,075,716	-	230,240	-	446,197	10,048	3,762,201
1.10 Inclusive Education	9,534,138	110,637	11,504,777	-	-	1,055,721	22,205,273
1.20 Early Learning and Child Care	-	-	289,977	-	-	35,815	325,792
1.30 English Language Learning	792,695	-	90,227	-	-	4,332	887,254
1.31 Indigenous Education	1,851,743	153,768	1,216,563	65,159	-	106,824	3,394,057
1.41 School Administration	59,816	8,358,946	-	3,075,371	-	444,043	11,938,176
1.60 Summer School	-	-	-	-	-	-	-
1.61 Continuing Education	-	-	-	-	-	-	-
1.62 International and Out of Province Students	224,595	310,059	-	145,396	266,801	49,338	996,189
1.64 Other	-	-	52,096	-	-	-	52,096
<b>Total Function 1</b>	<b>79,769,835</b>	<b>10,375,133</b>	<b>13,650,661</b>	<b>3,723,163</b>	<b>1,059,352</b>	<b>7,595,033</b>	<b>116,173,177</b>
<b>4 District Administration</b>							
4.11 Educational Administration	-	-	-	282,499	1,343,204	1,396	1,627,099
4.20 Early Learning and Child Care	-	31,800	-	38,793	33,002	-	103,595
4.40 School District Governance	-	-	-	60,282	471,898	-	532,180
4.41 Business Administration	-	-	-	893,699	1,755,732	64,619	2,714,050
<b>Total Function 4</b>	<b>-</b>	<b>31,800</b>	<b>-</b>	<b>1,275,273</b>	<b>3,603,836</b>	<b>66,015</b>	<b>4,976,924</b>
<b>5 Operations and Maintenance</b>							
5.20 Early Learning and Child Care	-	-	-	2,496	-	-	2,496
5.41 Operations and Maintenance Administration	-	-	76,759	895,333	775,841	37,910	1,785,843
5.50 Maintenance Operations	-	-	-	6,386,977	321,466	227,045	6,935,488
5.52 Maintenance of Grounds	-	-	-	612,748	-	-	612,748
5.56 Utilities	-	-	-	90,625	-	-	90,625
<b>Total Function 5</b>	<b>-</b>	<b>-</b>	<b>76,759</b>	<b>7,988,179</b>	<b>1,097,307</b>	<b>264,955</b>	<b>9,427,200</b>
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration	-	-	-	115,666	118,413	-	234,079
7.70 Student Transportation	-	-	-	1,127,415	-	188	1,127,603
7.73 Housing	-	-	-	-	-	-	-
<b>Total Function 7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,243,081</b>	<b>118,413</b>	<b>188</b>	<b>1,361,682</b>
<b>9 Debt Services</b>							
<b>Total Function 9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Functions 1 - 9</b>	<b>79,769,835</b>	<b>10,406,933</b>	<b>13,727,420</b>	<b>14,229,696</b>	<b>5,878,908</b>	<b>7,926,191</b>	<b>131,938,983</b>

# School District No. 68 (Nanaimo-Ladysmith)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2025

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2025 Actual	2025 Budget (Note 14)	2024 Actual
	\$	\$	\$	\$	\$	\$	\$
<b>1 Instruction</b>							
1.02 Regular Instruction	69,661,714	18,160,778	87,822,492	3,679,946	91,502,438	93,662,311	87,154,220
1.03 Career Programs	-	-	-	641,835	641,835	600,000	558,961
1.07 Library Services	2,950,425	785,831	3,736,256	98,915	3,835,171	3,854,239	3,467,265
1.08 Counselling	3,762,201	980,668	4,742,869	89,829	4,832,698	5,138,802	4,074,470
1.10 Inclusive Education	22,205,273	5,909,934	28,115,207	417,283	28,532,490	30,200,721	26,949,515
1.20 Early Learning and Child Care	325,792	101,044	426,836	51,988	478,824	487,593	188,606
1.30 English Language Learning	887,254	224,930	1,112,184	5,061	1,117,245	806,271	1,005,336
1.31 Indigenous Education	3,394,057	851,607	4,245,664	201,608	4,447,272	4,835,774	4,247,921
1.41 School Administration	11,938,176	2,894,267	14,832,443	137,838	14,970,281	15,725,370	13,958,689
1.60 Summer School	-	-	-	-	-	-	-
1.61 Continuing Education	-	-	-	-	-	-	-
1.62 International and Out of Province Students	996,189	228,774	1,224,963	1,571,453	2,796,416	2,804,722	2,531,031
1.64 Other	52,096	17,050	69,146	1,244	70,390	1,700	218,375
<b>Total Function 1</b>	<b>116,173,177</b>	<b>30,154,883</b>	<b>146,328,060</b>	<b>6,897,000</b>	<b>153,225,060</b>	<b>158,117,503</b>	<b>144,354,389</b>
<b>4 District Administration</b>							
4.11 Educational Administration	1,627,099	336,576	1,963,675	302,339	2,266,014	2,554,552	2,089,805
4.20 Early Learning and Child Care	103,595	29,883	133,478	7,469	140,947	119,005	51,347
4.40 School District Governance	532,180	88,915	621,095	318,941	940,036	1,182,718	863,072
4.41 Business Administration	2,714,050	615,521	3,329,571	532,549	3,862,120	4,489,045	4,086,229
<b>Total Function 4</b>	<b>4,976,924</b>	<b>1,070,895</b>	<b>6,047,819</b>	<b>1,161,298</b>	<b>7,209,117</b>	<b>8,345,320</b>	<b>7,090,453</b>
<b>5 Operations and Maintenance</b>							
5.20 Early Learning and Child Care	2,496	624	3,120	16,549	19,669	-	11,951
5.41 Operations and Maintenance Administration	1,785,843	388,929	2,174,772	649,224	2,823,996	2,761,753	2,685,056
5.50 Maintenance Operations	6,935,488	1,706,918	8,642,406	3,996,961	12,639,367	13,850,024	12,477,300
5.52 Maintenance of Grounds	612,748	144,332	757,080	168,754	925,834	969,591	916,668
5.56 Utilities	90,625	21,121	111,746	2,675,922	2,787,668	2,986,872	2,587,452
<b>Total Function 5</b>	<b>9,427,200</b>	<b>2,261,924</b>	<b>11,689,124</b>	<b>7,507,410</b>	<b>19,196,534</b>	<b>20,568,240</b>	<b>18,678,427</b>
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration	234,079	60,036	294,115	19,944	314,059	309,223	279,200
7.70 Student Transportation	1,127,603	261,264	1,388,867	467,979	1,856,846	1,779,921	1,850,110
7.73 Housing	-	-	-	-	-	-	-
<b>Total Function 7</b>	<b>1,361,682</b>	<b>321,300</b>	<b>1,682,982</b>	<b>487,923</b>	<b>2,170,905</b>	<b>2,089,144</b>	<b>2,129,310</b>
<b>9 Debt Services</b>							
<b>Total Function 9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Functions 1 - 9</b>	<b>131,938,983</b>	<b>33,809,002</b>	<b>165,747,985</b>	<b>16,053,631</b>	<b>181,801,616</b>	<b>189,120,207</b>	<b>172,252,579</b>

**School District No. 68 (Nanaimo-Ladysmith)**

Schedule 3 (Unaudited)

## Schedule of Special Purpose Operations

Year Ended June 30, 2025

	2025 Budget (Note 14)	2025 Actual	2024 Actual
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education and Child Care	25,698,569	24,606,228	21,422,730
Other	147,000	185,882	147,020
Other Revenue	3,865,059	4,070,217	4,039,302
Investment Income	80,000	84,666	101,883
<b>Total Revenue</b>	<u>29,790,628</u>	<u>28,946,993</u>	<u>25,710,935</u>
<b>Expenses</b>			
Instruction	27,306,297	26,720,488	23,728,281
District Administration	1,278,700	669,617	546,816
Operations and Maintenance	884,613	809,669	871,488
Transportation and Housing	321,018	262,675	220,634
<b>Total Expense</b>	<u>29,790,628</u>	<u>28,462,449</u>	<u>25,367,219</u>
<b>Special Purpose Surplus (Deficit) for the year</b>	<u>-</u>	<u>484,544</u>	<u>343,716</u>
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased		(484,544)	(343,716)
<b>Total Net Transfers</b>	<u>-</u>	<u>(484,544)</u>	<u>(343,716)</u>
<b>Total Special Purpose Surplus (Deficit) for the year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Special Purpose Surplus (Deficit), beginning of year</b>			
<b>Special Purpose Surplus (Deficit), end of year</b>		<u>-</u>	<u>-</u>

# School District No. 68 (Nanaimo-Ladysmith)

Schedule 3A (Unaudited)

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2025

	Annual Facility Grant	Learning Improvement Fund	Special Education Equipment	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK	Classroom Enhancement Fund - Overhead
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Deferred Revenue, beginning of year</b>	17,500		2,687	1,826,724		23,811		47,963	
<b>Add:</b> Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	555,747	604,087			256,000	68,600	298,099	2,630,683	1,599,393
Provincial Grants - Other				3,759,070					
Other				84,666					
Investment Income									
	555,747	604,087	-	3,843,736	256,000	68,600	298,099	2,630,683	1,599,393
<b>Less:</b> Allocated to Revenue	555,747	604,087	1,328	3,693,834	256,000	80,814	298,099	2,646,073	1,599,393
<b>Deferred Revenue, end of year</b>	<b>17,500</b>	<b>-</b>	<b>1,359</b>	<b>1,976,626</b>	<b>-</b>	<b>11,597</b>	<b>-</b>	<b>32,573</b>	<b>-</b>
<b>Revenues</b>									
Provincial Grants - Ministry of Education and Child Care	555,747	604,087	1,328		256,000	80,814	298,099	2,646,073	1,599,393
Provincial Grants - Other									
Other Revenue				3,609,168					
Investment Income				84,666					
	555,747	604,087	1,328	3,693,834	256,000	80,814	298,099	2,646,073	1,599,393
<b>Expenses</b>									
Salaries									
Teachers							75,600	397,158	
Principals and Vice Principals									220,805
Educational Assistants		453,658		23,458	199,913			1,606,367	
Support Staff									325,460
Other Professionals									193,734
Substitutes		22,480		38,021		40,153	40,293	8,409	481,576
	-	476,138	-	61,479	199,913	40,153	115,893	2,011,934	1,221,575
Employee Benefits		127,843		15,110	54,143	8,276	28,699	536,362	322,818
Services and Supplies	555,747	106	1,328	3,514,530	1,944	32,385	76,162	97,777	55,000
	555,747	604,087	1,328	3,591,119	256,000	80,814	220,754	2,646,073	1,599,393
<b>Net Revenue (Expense) before Interfund Transfers</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>102,715</b>	<b>-</b>	<b>-</b>	<b>77,345</b>	<b>-</b>	<b>-</b>
<b>Interfund Transfers</b>									
Tangible Capital Assets Purchased				(102,715)			(77,345)		
	-	-	-	(102,715)	-	-	(77,345)	-	-
<b>Net Revenue (Expense)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Additional Expenses funded by, and reported in, the Operating Fund</b>	<b>47,512</b>								

# School District No. 68 (Nanaimo-Ladysmith)

Schedule 3A (Unaudited)

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2025

	Classroom Enhancement Fund - Staffing	Classroom Enhancement Fund - Remedies	First Nation Student Transportation	Mental Health in Schools	Changing Results for Young Children	Seamless Day Kindergarten	Early Childhood Education Dual Credit Program	Student & Family Affordability	SEY2KT (Early Years to Kindergarten)
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Deferred Revenue, beginning of year</b>			93,311	20,328	5,581		22,146	469,276	16,856
<b>Add:</b> Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	14,550,360	1,093,974	227,707	51,000	11,250	55,400	5,000		19,000
Provincial Grants - Other									
Other									
Investment Income									
	14,550,360	1,093,974	227,707	51,000	11,250	55,400	5,000	-	19,000
<b>Less:</b> Allocated to Revenue	14,550,360	811,320	262,675	71,328	15,252	55,400	12,237	469,276	12,653
<b>Deferred Revenue, end of year</b>	-	282,654	58,343	-	1,579	-	14,909	-	23,203
<b>Revenues</b>									
Provincial Grants - Ministry of Education and Child Care	14,550,360	811,320	262,675	71,328	15,252	55,400	12,237	469,276	12,653
Provincial Grants - Other									
Other Revenue									
Investment Income									
	14,550,360	811,320	262,675	71,328	15,252	55,400	12,237	469,276	12,653
<b>Expenses</b>									
Salaries									
Teachers	11,571,790								
Principals and Vice Principals									
Educational Assistants						41,165			
Support Staff			178,807						
Other Professionals									
Substitutes		664,965	5,692		10,237	402			5,997
	11,571,790	664,965	184,499	-	10,237	41,567	-	-	5,997
Employee Benefits	2,978,570	146,355	49,284		2,090	11,661			1,306
Services and Supplies			28,892	71,328	2,925	2,172	12,237	469,276	5,350
	14,550,360	811,320	262,675	71,328	15,252	55,400	12,237	469,276	12,653
<b>Net Revenue (Expense) before Interfund Transfers</b>	-	-	-	-	-	-	-	-	-
<b>Interfund Transfers</b>									
Tangible Capital Assets Purchased									
	-	-	-	-	-	-	-	-	-
<b>Net Revenue (Expense)</b>	-	-	-	-	-	-	-	-	-
<b>Additional Expenses funded by, and reported in, the Operating Fund</b>									



# School District No. 68 (Nanaimo-Ladysmith)

Schedule 3A (Unaudited)

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2025

	ECL (Early Care & Learning)	Feeding Futures Fund	Health Career Grants	Dual Credit Program Expansion	Professional Learning Grant	Other Misc. Grants	Other MECC Grants	School Age Child Care Spaces	National School Food Program
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Deferred Revenue, beginning of year</b>		273,146	9,471			462,266	12,659	359,418	
<b>Add:</b> Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	175,000	1,665,804	50,000	50,000	221,496			360,000	323,151
Provincial Grants - Other						147,000			
Other						365,617			
Investment Income									
	175,000	1,665,804	50,000	50,000	221,496	512,617	-	360,000	323,151
<b>Less:</b> Allocated to Revenue	175,000	1,856,109	40,553	33,473	-	646,931	-	127,673	71,378
<b>Deferred Revenue, end of year</b>	-	82,841	18,918	16,527	221,496	327,952	12,659	591,745	251,773
<b>Revenues</b>									
Provincial Grants - Ministry of Education and Child Care	175,000	1,856,109	40,553	33,473				127,673	71,378
Provincial Grants - Other						185,882			
Other Revenue						461,049			
Investment Income									
	175,000	1,856,109	40,553	33,473	-	646,931	-	127,673	71,378
<b>Expenses</b>									
Salaries									
Teachers		106,430		22,981					
Principals and Vice Principals	142,685								
Educational Assistants		263,437				72,659			
Support Staff						18,147		19,649	
Other Professionals								58,946	
Substitutes		24,094				12,257			
	142,685	393,961	-	22,981	-	103,063	-	78,595	-
Employee Benefits	31,637	116,097		5,186		13,317		19,649	
Services and Supplies	678	1,214,324	40,553	5,306		437,979		20,622	
	175,000	1,724,382	40,553	33,473	-	554,359	-	118,866	-
<b>Net Revenue (Expense) before Interfund Transfers</b>	-	131,727	-	-	-	92,572	-	8,807	71,378
<b>Interfund Transfers</b>									
Tangible Capital Assets Purchased		(131,727)				(92,572)		(8,807)	(71,378)
	-	(131,727)	-	-	-	(92,572)	-	(8,807)	(71,378)
<b>Net Revenue (Expense)</b>	-	-	-	-	-	-	-	-	-
<b>Additional Expenses funded by, and reported in, the Operating Fund</b>									

**School District No. 68 (Nanaimo-Ladysmith)**

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2025

Schedule 3A (Unaudited)

	<u>TOTAL</u>
	\$
Deferred Revenue, beginning of year	3,663,143
Add: Restricted Grants	
Provincial Grants - Ministry of Education and Child Care	24,871,751
Provincial Grants - Other	147,000
Other	4,124,687
Investment Income	84,666
	<u>29,228,104</u>
Less: Allocated to Revenue	<u>28,946,993</u>
Deferred Revenue, end of year	<u>3,944,254</u>
Revenues	
Provincial Grants - Ministry of Education and Child Care	24,606,228
Provincial Grants - Other	185,882
Other Revenue	4,070,217
Investment Income	84,666
	<u>28,946,993</u>
Expenses	
Salaries	
Teachers	12,173,959
Principals and Vice Principals	363,490
Educational Assistants	2,660,657
Support Staff	542,063
Other Professionals	252,680
Substitutes	1,354,576
	<u>17,347,425</u>
Employee Benefits	4,468,403
Services and Supplies	6,646,621
	<u>28,462,449</u>
Net Revenue (Expense) before Interfund Transfers	<u>484,544</u>
Interfund Transfers	
Tangible Capital Assets Purchased	<u>(484,544)</u>
	<u>(484,544)</u>
Net Revenue (Expense)	<u>-</u>
Additional Expenses funded by, and reported in, the Operating Fund	<u>47,512</u>

# School District No. 68 (Nanaimo-Ladysmith)

Schedule 4 (Unaudited)

## Schedule of Capital Operations

Year Ended June 30, 2025

	2025 Budget (Note 14)	2025 Actual			2024 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
<b>Revenues</b>					
Provincial Grants					
Ministry of Education and Child Care		598,421		598,421	332,255
Investment Income	185,000		237,849	237,849	300,470
Amortization of Deferred Capital Revenue	7,850,000	7,888,100		7,888,100	7,554,649
<b>Total Revenue</b>	<u>8,035,000</u>	<u>8,486,521</u>	<u>237,849</u>	<u>8,724,370</u>	<u>8,187,374</u>
<b>Expenses</b>					
Operations and Maintenance		558,045	237,462	795,507	695,967
Amortization of Tangible Capital Assets					
Operations and Maintenance	11,800,000	12,496,652		12,496,652	11,428,661
Debt Services					
Capital Lease Interest			49,099	49,099	54,411
<b>Total Expense</b>	<u>11,800,000</u>	<u>13,054,697</u>	<u>286,561</u>	<u>13,341,258</u>	<u>12,179,039</u>
<b>Capital Surplus (Deficit) for the year</b>	<u>(3,765,000)</u>	<u>(4,568,176)</u>	<u>(48,712)</u>	<u>(4,616,888)</u>	<u>(3,991,665)</u>
<b>Net Transfers (to) from other funds</b>					
Tangible Capital Assets Purchased		1,338,276		1,338,276	1,149,017
Tangible Capital Assets - Work in Progress		228,584		228,584	
Local Capital	3,290,000		3,540,000	3,540,000	2,000,000
Capital Lease Payment			159,908	159,908	146,583
<b>Total Net Transfers</b>	<u>3,290,000</u>	<u>1,566,860</u>	<u>3,699,908</u>	<u>5,266,768</u>	<u>3,295,600</u>
<b>Other Adjustments to Fund Balances</b>					
Tangible Capital Assets Purchased from Local Capital		1,155,940	(1,155,940)	-	
Tangible Capital Assets WIP Purchased from Local Capital		272,820	(272,820)	-	
Principal Payment					
Capital Lease		110,809	(110,809)	-	
<b>Total Other Adjustments to Fund Balances</b>		<u>1,539,569</u>	<u>(1,539,569)</u>	<u>-</u>	
<b>Total Capital Surplus (Deficit) for the year</b>	<u>(475,000)</u>	<u>(1,461,747)</u>	<u>2,111,627</u>	<u>649,880</u>	<u>(696,065)</u>
<b>Capital Surplus (Deficit), beginning of year</b>		29,644,677	4,210,696	33,855,373	34,551,438
<b>Capital Surplus (Deficit), end of year</b>		<u>28,182,930</u>	<u>6,322,323</u>	<u>34,505,253</u>	<u>33,855,373</u>

# School District No. 68 (Nanaimo-Ladysmith)

Tangible Capital Assets

Year Ended June 30, 2025

Schedule 4A (Unaudited)

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
<b>Cost, beginning of year</b>	16,063,545	369,709,528	17,027,073	6,326,932	343,719	7,611,704	417,082,501
<b>Changes for the Year</b>							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		2,706,325	869,612	394,825			3,970,762
Deferred Capital Revenue - Other		361,882	39,691	140,318			541,891
Operating Fund		-	268,589	-		585,143	853,732
Special Purpose Funds		48,258	343,193	-		93,093	484,544
Local Capital		216,192	281,720	376,916		281,112	1,155,940
Asset Retirement Obligation Adjustment		620,721					620,721
Transferred from Work in Progress		3,594,472	240,461				3,834,933
	-	7,547,850	2,043,266	912,059	-	959,348	11,462,523
Decrease:							
Deemed Disposals			163,121	220,092	311,249	1,448,581	2,143,043
	-	-	163,121	220,092	311,249	1,448,581	2,143,043
<b>Cost, end of year</b>	16,063,545	377,257,378	18,907,218	7,018,899	32,470	7,122,471	426,401,981
<b>Work in Progress, end of year</b>		9,069,783	880,345				9,950,128
<b>Cost and Work in Progress, end of year</b>	16,063,545	386,327,161	19,787,563	7,018,899	32,470	7,122,471	436,352,109
<b>Accumulated Amortization, beginning of year</b>		194,582,300	6,953,243	1,943,140	271,668	3,604,214	207,354,565
<b>Changes for the Year</b>							
Increase: Amortization for the Year		8,521,607	1,796,715	667,291	37,619	1,473,420	12,496,652
Decrease:							
Deemed Disposals			163,121	220,092	311,249	1,448,581	2,143,043
		-	163,121	220,092	311,249	1,448,581	2,143,043
<b>Accumulated Amortization, end of year</b>		203,103,907	8,586,837	2,390,339	(1,962)	3,629,053	217,708,174
<b>Tangible Capital Assets - Net</b>	<b>16,063,545</b>	<b>183,223,254</b>	<b>11,200,726</b>	<b>4,628,560</b>	<b>34,432</b>	<b>3,493,418</b>	<b>218,643,935</b>

**School District No. 68 (Nanaimo-Ladysmith)**

Schedule 4B (Unaudited)

**Tangible Capital Assets - Work in Progress**

Year Ended June 30, 2025

	<b>Buildings</b>	<b>Furniture and Equipment</b>	<b>Computer Software</b>	<b>Computer Hardware</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Work in Progress, beginning of year</b>	5,632,538	535,990			6,168,528
<b>Changes for the Year</b>					
Increase:					
Deferred Capital Revenue - Bylaw	5,068,988	31,140			5,100,128
Deferred Capital Revenue - Other	1,648,377	366,624			2,015,001
Operating Fund	228,584	-			228,584
Special Purpose Funds	-	-			-
Local Capital	85,768	187,052			272,820
	7,031,717	584,816	-	-	7,616,533
Decrease:					
Transferred to Tangible Capital Assets	3,594,472	240,461			3,834,933
	3,594,472	240,461	-	-	3,834,933
<b>Net Changes for the Year</b>	3,437,245	344,355	-	-	3,781,600
<b>Work in Progress, end of year</b>	9,069,783	880,345	-	-	9,950,128

**School District No. 68 (Nanaimo-Ladysmith)**

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2025

	<b>Bylaw Capital</b>	<b>Other Provincial</b>	<b>Other Capital</b>	<b>Total Capital</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Deferred Capital Revenue, beginning of year</b>	137,991,567	15,160,472	1,088,410	154,240,449
<b>Changes for the Year</b>				
Increase:				
Transferred from Deferred Revenue - Capital Additions	3,970,762	341,129	200,762	4,512,653
Transferred from Work in Progress	1,134,829	2,163,823		3,298,652
	5,105,591	2,504,952	200,762	7,811,305
Decrease:				
Amortization of Deferred Capital Revenue	7,056,675	600,682	230,743	7,888,100
	7,056,675	600,682	230,743	7,888,100
<b>Net Changes for the Year</b>	(1,951,084)	1,904,270	(29,981)	(76,795)
<b>Deferred Capital Revenue, end of year</b>	136,040,483	17,064,742	1,058,429	154,163,654
<b>Work in Progress, beginning of year</b>	2,019,620	2,910,373	67,474	4,997,467
<b>Changes for the Year</b>				
Increase				
Transferred from Deferred Revenue - Work in Progress	5,100,128	1,653,377	361,624	7,115,129
	5,100,128	1,653,377	361,624	7,115,129
Decrease				
Transferred to Deferred Capital Revenue	1,134,829	2,163,823		3,298,652
	1,134,829	2,163,823	-	3,298,652
<b>Net Changes for the Year</b>	3,965,299	(510,446)	361,624	3,816,477
<b>Work in Progress, end of year</b>	5,984,919	2,399,927	429,098	8,813,944
<b>Total Deferred Capital Revenue, end of year</b>	142,025,402	19,464,669	1,487,527	162,977,598

**School District No. 68 (Nanaimo-Ladysmith)**

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
	\$	\$	\$	\$	\$	\$
<b>Balance, beginning of year</b>	90,679	2,709,431	3,457,301	349,197		6,606,608
<b>Changes for the Year</b>						
Increase:						
Provincial Grants - Ministry of Education and Child Care	10,767,275		1,924,395			12,691,670
Other				213,475	562,386	775,861
Investment Income		118,603		20,607		139,210
	10,767,275	118,603	1,924,395	234,082	562,386	13,606,741
Decrease:						
Transferred to DCR - Capital Additions	3,970,762		341,129		200,762	4,512,653
Transferred to DCR - Work in Progress	5,100,128		1,653,377		361,624	7,115,129
Transferred to Revenue - Site Purchases	-					-
Transferred to Revenue - Settlement of Asset Retirement Obligation	40,376					40,376
Non Capital Expenditures	558,045					558,045
	9,669,311	-	1,994,506	-	562,386	12,226,203
<b>Net Changes for the Year</b>	1,097,964	118,603	(70,111)	234,082	-	1,380,538
<b>Balance, end of year</b>	1,188,643	2,828,034	3,387,190	583,279	-	7,987,146