

Audited Financial Statements of

School District No. 43 (Coquitlam)

And Independent Auditors' Report thereon

June 30, 2025

School District No. 43 (Coquitlam)

June 30, 2025

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School District No. 43 (Coquitlam)

MANAGEMENT REPORT

Version: 9522-8776-6794

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 43 (Coquitlam) 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. 43 (Coquitlam) (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, KPGM 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. 43 (Coquitlam) 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. 43 (Coquitlam)

Michael Thomas	2025-09-23
Signature of the Chairperson of the Board of Education	Date Signed
Nadine Tambellini	
Signature of the Superintendent	Date Signed
Nita Mikl	2025-09-23
Signature of the Secretary Treasurer	Date Signed



KPMG LLP

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INDEPENDENT AUDITOR'S REPORT

To the Board of Education of School District No. 43 (Coquitlam),
To the Minister of Education and Child Care, Province of British Columbia

Opinion

We have audited the financial statements of School District No. 43 (Coquitlam) (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 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:

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

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

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

We obtained the other information, other than the financial statements and the auditor's report thereon, included in the Financial Statement Discussion and Analysis document and Unaudited Schedules 1 to 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, slightly slanted style. A horizontal line is drawn underneath the signature.

Chartered Professional Accountants

Vancouver, Canada
September 23, 2025

School District No. 43 (Coquitlam)

Statement of Financial Position

As at June 30, 2025

	2025 Actual	2024 Actual (Recast - Note 25)
	\$	\$
Financial Assets		
Cash and Cash Equivalents	169,266,635	139,078,299
Accounts Receivable		
Due from Province - Ministry of Education and Child Care	12,264,690	7,902,787
Other (Note 3)	11,746,872	18,869,855
Portfolio Investments (Note 4)	70,000,000	85,000,000
Total Financial Assets	263,278,197	250,850,941
Liabilities		
Accounts Payable and Accrued Liabilities		
Other (Note 5)	62,089,450	55,974,561
Unearned Revenue (Note 6)	18,828,409	21,857,606
Deferred Revenue (Note 7)	9,287,233	11,610,728
Deferred Capital Revenue (Note 8)	605,222,825	542,973,993
Employee Future Benefits (Note 9)	46,197,976	47,568,885
Asset Retirement Obligation (Note 24)	9,967,934	10,123,875
Capital Lease Obligations (Note 11)	166,729	199,496
Other Liabilities (Note 5)	8,965,784	8,124,679
Total Liabilities	760,726,340	698,433,823
Net Debt	(497,448,143)	(447,582,882)
Non-Financial Assets		
Tangible Capital Assets (Note 12)	777,020,270	711,552,415
Prepaid Expenses	562,422	590,154
Total Non-Financial Assets	777,582,692	712,142,569
Accumulated Surplus (Deficit)	280,134,549	264,559,687

Unrecognized Assets (Note 15)
 Contractual Obligations (Note 16)
 Contractual Rights (Note 17)
 Contingent Liabilities (Note 18)

Approved by the Board

Michael Thomas

2025-09-23

Signature of the Chairperson of the Board of Education

Date Signed

Nadine Tambellini

2025-09-23

Signature of the Superintendent

Date Signed

Nita Mikl

2025-09-23

Signature of the Secretary Treasurer

Date Signed

School District No. 43 (Coquitlam)

Statement of Operations
Year Ended June 30, 2025

	2025 Budget (Note 19) \$	2025 Actual \$	2024 Actual (Recast - Note 25) \$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	443,188,322	444,821,183	422,470,683
Other	37,869	30,858	19,145
Federal Grants	3,756,692	4,186,678	3,756,170
Tuition	22,383,846	24,600,151	24,838,508
Other Revenue	15,183,051	17,590,160	18,568,015
Rentals and Leases	2,601,196	3,204,097	2,940,468
Investment Income	5,116,000	8,422,434	8,253,658
Amortization of Deferred Capital Revenue	19,000,000	17,791,887	17,660,899
Total Revenue	<u>511,266,976</u>	<u>520,647,448</u>	<u>498,507,546</u>
Expenses			
Instruction	420,852,199	416,554,312	395,439,584
District Administration	21,290,284	18,247,142	17,281,219
Operations and Maintenance	73,889,656	69,583,762	63,789,744
Transportation and Housing	819,837	671,670	805,501
Debt Services	16,000	15,700	7,340
Total Expense	<u>516,867,976</u>	<u>505,072,586</u>	<u>477,323,388</u>
Surplus (Deficit) for the year	<u>(5,601,000)</u>	<u>15,574,862</u>	<u>21,184,158</u>
Accumulated Surplus (Deficit) from Operations, beginning of year		264,559,687	243,375,529
Accumulated Surplus (Deficit) from Operations, end of year		<u><u>280,134,549</u></u>	<u>264,559,687</u>

School District No. 43 (Coquitlam)

Statement of Changes in Net Debt

Year Ended June 30, 2025

	2025 Budget (Note 19) \$	2025 Actual \$	2024 Actual (Recast - Note 25) \$
Surplus (Deficit) for the year	<u>(5,601,000)</u>	<u>15,574,862</u>	<u>21,184,158</u>
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(46,201,000)	(91,316,638)	(80,229,262)
Amortization of Tangible Capital Assets	25,835,000	25,848,783	21,051,007
Total Effect of change in Tangible Capital Assets	<u>(20,366,000)</u>	<u>(65,467,855)</u>	<u>(59,178,255)</u>
Acquisition of Prepaid Expenses		(562,422)	(590,154)
Use of Prepaid Expenses		590,154	795,458
Total Effect of change in Other Non-Financial Assets	<u>-</u>	<u>27,732</u>	<u>205,304</u>
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	<u>(25,967,000)</u>	<u>(49,865,261)</u>	<u>(37,788,793)</u>
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Debt		<u>(49,865,261)</u>	<u>(37,788,793)</u>
Net Debt, beginning of year		<u>(447,582,882)</u>	<u>(409,794,089)</u>
Net Debt, end of year		<u>(497,448,143)</u>	<u>(447,582,882)</u>

School District No. 43 (Coquiltam)

Statement of Cash Flows
Year Ended June 30, 2025

	2025 Actual	2024 Actual (Recast - Note 25)
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	15,574,862	21,184,158
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	2,761,080	(17,186,012)
Prepaid Expenses	27,732	205,304
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	6,114,889	15,069,251
Unearned Revenue	(3,029,197)	(25,389)
Deferred Revenue	(2,323,495)	1,536,252
Employee Future Benefits	(1,370,909)	479,176
Asset Retirement Obligations	(155,941)	(188,692)
Other Liabilities	841,105	688,389
Amortization of Tangible Capital Assets	25,848,783	21,051,007
Amortization of Deferred Capital Revenue	(17,791,887)	(17,660,899)
Recognition of Deferred Revenue - Other	(316,423)	(100,000)
Total Operating Transactions	<u>26,180,599</u>	<u>25,052,545</u>
Capital Transactions		
Tangible Capital Assets Purchased	(12,016,825)	(12,935,876)
Tangible Capital Assets -WIP Purchased	(79,299,813)	(67,076,996)
Total Capital Transactions	<u>(91,316,638)</u>	<u>(80,012,872)</u>
Financing Transactions		
Capital Revenue Received	80,357,142	68,751,721
Capital Lease Additions (Repayments)	(32,767)	(16,894)
Total Financing Transactions	<u>80,324,375</u>	<u>68,734,827</u>
Investing Transactions		
Investments in Portfolio Investments	15,000,000	10,000,000
Total Investing Transactions	<u>15,000,000</u>	<u>10,000,000</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>30,188,336</u>	<u>23,774,500</u>
Cash and Cash Equivalents, beginning of year	<u>139,078,299</u>	<u>115,303,799</u>
Cash and Cash Equivalents, end of year	<u>169,266,635</u>	<u>139,078,299</u>
Cash and Cash Equivalents, end of year, is made up of:		
Cash	<u>169,266,635</u>	<u>139,078,299</u>
	<u>169,266,635</u>	<u>139,078,299</u>

SCHOOL DISTRICT NO. 43 (COQUITLAM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 1 AUTHORITY AND PURPOSE

The School District, established on July 1, 1946, operates under the authority of the *School Act of British Columbia* as a corporation under the name of “The Board of Education of School District No. 43 (Coquitlam)”, and operates as “School District No. 43 (Coquitlam)”. A board of education (“Board”) which is 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. 43 (Coquitlam) 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* supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board. The Budget Transparency and Accountability Act requires that the financial statements be prepared in accordance with the set of standards and guidelines that comprise generally accepted accounting principles for senior governments in Canada, or if the Treasury Board makes a regulation, the set of standards and guidelines that comprise generally accepted accounting principles for senior governments in Canada as modified by the alternate standard or guideline or part thereof adopted in the regulation.

Regulation 257/2010 requires all taxpayer supported organizations in the Schools, Universities, Colleges and Hospitals sectors to adopt Canadian public sector accounting standards without any PS4200 elections effective their first fiscal year commencing after January 1, 2012.

Regulation 198/2011 requires that restricted contributions received or receivable for acquiring or developing a depreciable tangible capital asset or contributions in the form of a depreciable tangible capital asset are to be deferred and recognized in revenue at the same rate that amortization of the related tangible capital asset is recorded.

For British Columbia taxpayer supported organizations, these contributions include government transfers and externally restricted contributions.

The accounting policy requirements under Regulation 198/2011 are significantly different from the requirements of Canadian public sector accounting standards which requires that;

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

As a result, revenue recognized in the statement of operations and certain related deferred capital revenue would be recorded differently under Canadian Public Sector Accounting Standards.

SCHOOL DISTRICT NO. 43 (COQUITLAM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

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

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.

c) Cash and Cash Equivalents

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

d) Accounts Receivable

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

e) Portfolio Investments

The School District has investments in GIC's that have a maturity of greater than 3 months at the time of acquisition. Investments not quoted in an active market are reported at amortized cost less impairment, if applicable.

Impairment is defined as a loss in value of a portfolio investment that is other than a temporary decline and is included in the Statement of Operations.

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 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. 43 (COQUITLAM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

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

h) Employee Future Benefits

i. Post-employment benefits

The School District provides certain post-employment benefits including accumulated sick leave, accumulated vacation pay, overtime, death benefits, early retirement, and severance/retirement allowances 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. The future 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 and retirement rates and mortality. The discount rate used to measure obligations is based on the cost of borrowing.

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

The most recent actuarial 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 provides employees retired under the legacy Non-Teaching Pension Plan, health and dental benefits under a cost sharing arrangement. The plan was closed to new enrollees effective December 31, 2017. An actuarial valuation is conducted every three years. The most recent valuation of the obligation was performed at March 31, 2024 and projected for use at June 30, 2025.

ii. Pension Plans

The School District and its employees make contributions to the Teachers' Pension Plan and Municipal Pension Plan. The plans are multi-employer plan 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:

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

The School District's asset retirement obligations include 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 include costs directly attributable to the asset retirement activities. The estimated costs have been recorded as a liability and capitalized into the carrying amount of tangible capital assets, which is being amortized in accordance with the amortization accounting policy outlined in Note 2(k). The obligation was measured at current cost as the timing of future cash flows cannot be reasonably determined. 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.

SCHOOL DISTRICT NO. 43 (COQUITLAM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

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

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.
- 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. Work in progress is not amortized until assets are available for productive use.

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.

SCHOOL DISTRICT NO. 43 (COQUITLAM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

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

k) Tangible Capital Assets (continued)

Estimated useful life is as follows:

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

l) Capital Leases

Leases that, from the point of view of the lessee, transfer substantially all the benefits and risks incident to ownership of the property to the School District are considered capital leases. These are accounted for as an asset and an obligation. Capital lease obligations are recorded at the present value of the minimum lease payments excluding 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

Materials, supplies and services held for use by the School District in the following fiscal year are included as a prepaid expense and stated at acquisition cost. Such items are charged to expense over the periods expected to benefit from it.

n) Funds and Reserves

Certain amounts, as approved by the Board are set aside in accumulated surplus for future operating and capital purposes. Transfers to and from funds and reserves are an adjustment to the respective fund when approved. (See Note 13 – Interfund Transfers and Note 21 – Internally Restricted Funds).

o) Revenue Recognition

Revenues are recognized 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:

SCHOOL DISTRICT NO. 43 (COQUITLAM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

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

o) Revenue Recognition (continued)

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

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

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

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

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

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

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

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

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.

SCHOOL DISTRICT NO. 43 (COQUITLAM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

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

p) Expenditures (continued)

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.

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

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

SCHOOL DISTRICT NO. 43 (COQUITLAM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

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

q) Financial Instruments (continued)

Unrealized gains and losses from changes in the fair value of financial instruments are recorded at fair value and 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. There are no unrealized gains or losses as at June 30, 2025. As a result, the School District does not have a statement of remeasurement gains and losses. Interest and dividends attributable to financial instruments are reported in the statement of operations.

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

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

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

SCHOOL DISTRICT NO. 43 (COQUITLAM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 3 ACCOUNTS RECEIVABLE – OTHER

	<u>2025</u>	<u>2024</u>
Benefit deposit allowances	\$2,626,827	\$2,877,528
Federal grants	1,296,391	1,175,764
Due from municipality	700,000	3,350,574
GST Input Tax Credit	955,810	1,535,996
Interest Income	2,574,488	3,722,988
Other Receivables	3,658,356	6,272,005
Allowance for doubtful accounts	<u>(65,000)</u>	<u>(65,000)</u>
Total Other Receivables	<u>\$11,746,872</u>	<u>\$18,869,855</u>

NOTE 4 PORTFOLIO INVESTMENTS

	<u>2025</u>	<u>2024</u>
Guaranteed investment certificates (GIC's)	<u>\$70,000,000</u>	<u>\$85,000,000</u>
Total Portfolio Investments	<u>\$70,000,000</u>	<u>\$85,000,000</u>

\$25,000,000 matures in F2026 with annual yields between 5.25% and 6.00%. \$45,000,000 matures between F2027 and F2032 with annual yields between 5.00% and 7.00%.

NOTE 5 ACCOUNTS PAYABLE, ACCRUED AND OTHER LIABILITIES

	<u>2025</u>	<u>2024</u>
Trade Payables	\$26,121,703	\$23,187,681
Salary & Benefits Payable	<u>35,967,747</u>	<u>32,786,880</u>
Balance - Accounts Payable & Accrued Liabilities	<u>\$62,089,450</u>	<u>\$55,974,561</u>
Accrued Vacation Pay	8,269,139	7,689,450
Other	<u>696,645</u>	<u>435,229</u>
Balance - Total Other Liabilities	<u>\$ 8,965,784</u>	<u>\$ 8,124,679</u>

NOTE 6 UNEARNED REVENUE

	<u>2025</u>	<u>2024</u>
Balance, beginning of year	\$21,857,606	\$21,882,995
Tuition fees received	20,327,731	23,210,237
Tuition fees recognized	<u>(23,356,928)</u>	<u>(23,235,626)</u>
Balance, end of year	<u>\$18,828,409</u>	<u>\$21,857,606</u>

Unearned revenue includes tuition collected from international students for school terms beginning after June 30, 2025.

SCHOOL DISTRICT NO. 43 (COQUITLAM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 7 DEFERRED REVENUE

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

	2025	2024 (recast Note 25)
Balance, beginning of year	\$11,610,728	\$10,074,476
Increases:		
Provincial grants	63,919,912	61,223,081
Other	18,512,315	19,258,900
Investment income	10,878	150,462
	<u>82,443,105</u>	<u>80,632,443</u>
Decreases:		
Revenue recognized	84,766,600	79,096,191
Balance, end of year	<u>\$9,287,233</u>	<u>\$11,610,728</u>

NOTE 8 DEFERRED CAPITAL REVENUE

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

	2025	2024
Deferred capital revenue subject to amortization		
Balance, beginning of year	\$460,316,418	\$436,814,650
Prior period adjustment	-	(28,288,897)
Adjusted balance, beginning of year	<u>\$460,316,418</u>	<u>\$408,525,753</u>
Increases:		
Capital additions	6,465,794	6,445,817
Transfer from work in progress	25,020,870	63,005,747
	<u>31,486,664</u>	<u>69,451,564</u>
Decreases:		
Amortization	17,791,887	17,660,899
Net change for the year	<u>13,694,777</u>	<u>51,790,665</u>
Balance, end of year	<u>\$474,011,195</u>	<u>\$460,316,418</u>

SCHOOL DISTRICT NO. 43 (COQUITLAM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 8 DEFERRED CAPITAL REVENUE *(continued)*

Deferred capital revenue - Work in Progress

Balance, beginning of year	\$53,493,809	\$32,041,914
Prior period adjustment	-	28,288,897
Adjusted balance, beginning of year	\$53,493,809	\$60,330,811
Increases: Transfers from deferred revenue	72,903,185	56,168,745
Decreases: Transfers to deferred capital revenue	25,020,870	63,005,747
Net change for the year	47,882,315	(6,837,002)
Balance, end of year	\$101,376,124	\$53,493,809
Unspent deferred capital revenue	\$29,835,506	\$29,163,766
Total deferred capital revenue balance, end of year	\$605,222,825	\$542,973,993

NOTE 9 EMPLOYEE FUTURE BENEFITS

Employee future benefit plan obligations consist of two plans as summarized.

	2025	2024
Employee future benefit plans (a)	\$38,903,976	\$39,841,885
Non-Teaching retirement benefit plan (b)	\$7,294,000	7,727,000
Total Employee Future Benefits	\$46,197,976	\$47,568,885

SCHOOL DISTRICT NO. 43 (COQUITLAM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 9 EMPLOYEE FUTURE BENEFITS *(continued)*

a) Employee Future Benefit Plans

Benefits include vested sick leave, early retirement incentive, 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.

	2025	2024
Reconciliation of accrued benefit obligation:		
Accrued benefit obligation – April 1	\$32,488,868	\$31,965,441
Service cost	2,213,526	2,254,795
Interest cost	1,419,298	1,320,429
Benefits payments	(3,323,404)	(1,501,679)
Actuarial (gain) / loss	1,531,865	(1,550,118)
Accrued benefit obligation – March 31	\$34,330,153	\$32,488,868
Reconciliation of funded status at end of fiscal year:		
Accrued benefit obligation – March 31	\$34,330,153	\$32,488,868
Funded status – surplus / (deficit)	\$(34,330,153)	\$(32,488,868)
Employer contributions after measurement date	1,836,479	1,395,219
Benefit expense after measurement date	(983,603)	(908,206)
Unamortized net actuarial (gain) / loss	(5,426,699)	(7,840,030)
Accrued benefit asset / (liability) – June 30	\$(38,903,976)	\$(39,841,885)
Reconciliation of change in accrued benefit liability:		
Accrued benefit liability – July 1	\$39,841,885	\$39,025,709
Net expense for the year	2,826,755	3,039,199
Employer contributions	(3,764,664)	(2,223,023)
Accrued benefit liability – June 30	\$38,903,976	\$39,841,885
Components of net benefit expense:		
Service Cost	\$2,292,161	\$2,244,478
Interest Cost	1,416,060	1,345,146
Amortization of net actuarial loss	(881,466)	(550,425)
Net benefit expense	\$2,826,755	\$3,039,199

The impact of changes in assumptions between the March 31, 2025 measurement date and the June 30, 2025 reporting date have been considered and are not considered to be material. The significant actuarial assumptions adopted for measuring the School District’s accrued benefit obligations other than in respect of certain post-retirement benefits for non-teaching employees are:

	2025	2024
Discount rate – April 1	4.25%	4.00%
Discount rate – March 31	4.00%	4.25%
Long term salary growth – April 1	2.50% + seniority	2.50% + seniority
Long term salary growth – March 31	2.50% + seniority	2.50% + seniority
EARSL – March 31	11.4 years	11.0 years

SCHOOL DISTRICT NO. 43 (COQUITLAM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 9 EMPLOYEE FUTURE BENEFITS *(continued)*

b) Post-Retirement Health and Dental Benefits (Non-Pension Benefits)

The Post Retirement Group Benefit Plan represents the benefit obligation related to the Board's share of premiums payable in respect of retirees of the Non-Teaching Pension Plan for extended health benefits and dental benefits. Effective December 31, 2017, the Post Retirement Group Benefit plan was closed to new enrollees. The Board has also announced its intention to end the dental subsidy at December 31, 2032, the end of the agreement period. As at June 30, 2025 no funds have been internally designated to fund this liability.

	2025	2024
Reconciliation of accrued benefit obligation:		
Accrued benefit obligation – April 1	\$3,621,000	\$4,213,000
Interest Cost	146,000	161,000
Benefit payments	(376,000)	(386,000)
Actuarial (gains)/losses	63,000	(367,000)
Accrued benefit obligation – March 31	\$3,454,000	\$3,621,000
Reconciliation of funded status at end of fiscal year:		
Accrued benefit obligation – March 31	\$(3,454,000)	\$(3,621,000)
Funded status – surplus / (deficit)	\$(3,454,000)	\$(3,621,000)
Funded status – surplus / (deficit)	\$(3,454,000)	\$(3,621,000)
Net change in 2 nd quarter expenses	56,000	51,000
Unamortized net actuarial (gain) / loss	(3,896,000)	(4,157,000)
Accrued benefit asset / (liability) – June 30	\$(7,294,000)	\$(7,727,000)
Current service cost – net of employee's contributions	\$(3,000)	\$1,000
Interest cost	146,000	161,000
Amortize actuarial (gains) / losses	(198,000)	(120,000)
Defined benefit costs recognized	\$(55,000)	\$42,000
	2025	2024
Discount Rate	Beginning of the year: 4.25% End of the year: 4.00%	Beginning of the year: 4.00% End of the year: 4.25%
Dental	Based on CIA McMaster Model	Based on CIA McMaster Model
Extended Health	Based on CIA McMaster Model	Based on CIA McMaster Model
Estimated annual claim cost		
Extended Health – couple	\$1,684	\$1,684
Extended Health - single	\$842	\$842
Dental – couple	\$1,416	\$1,416
Dental – single	\$708	\$708
EARSL	14.1 years	14.1 years

SCHOOL DISTRICT NO. 43 (COQUITLAM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 10 EMPLOYEE PENSION PLANS

The School District and its employees contribute to the Teachers' Pension Plan and Municipal Pension Plan (jointly trustee pension plans). The board of trustees for this plan representing plan members and employers are responsible for administering the pension plan including investing assets and administering benefits. These plans are multi-employer defined benefit pension plans. Basic pension benefits are based on a formula. As at December 31, 2024, the Teachers' Pension Plan has about 52,000 active members and approximately 43,000 retired members. As at December 31, 2023, the Municipal Pension Plan has about 256,000 active members and approximately 128,000 retired members.

Every three years, an actuarial valuation is performed to assess the financial position of the plans and the 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 funding surplus for basic pension benefits on a going concern basis.

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

The School District paid \$34,765,655 for employer contributions to these two plans in the year ended June 30, 2025. (2024 - \$32,648,222).

The Teachers' Pension Plan is determined on a formula based on a contribution rate of 11.30% of salary for 2025 (2024: 11.3%). The Municipal Pension Plan is determined on a formula based on a contribution rate of 9.31% of salary for 2025 (2024: 9.31%).

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

Employers participating in the plan 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 the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plans.

NOTE 11 CAPITAL LEASE OBLIGATIONS

The School District leases assets under a capital lease. The current lease will expire August 31, 2029. The capital lease provides for a transfer of ownership of the assets to the School District through a bargain purchase option. The interest rate implicit in the lease is 8.50%. The School District has certain other leasing agreements with third parties; assets under these other agreements and respective liabilities are not material.

SCHOOL DISTRICT NO. 43 (COQUITLAM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 11 CAPITAL LEASE OBLIGATIONS *(continued)*

Total future minimum lease payments are as follows:

2026	\$48,467
2027	48,467
Thereafter	100,985
Total minimum lease payments	<u>\$197,919</u>
Less interest at the average implicit interest rate of 8.5%	<u>\$31,190</u>
Net present value of lease obligations	<u>\$166,729</u>

Total interest on leases for 2025 was \$15,700 (2024 - \$7,340).

NOTE 12 TANGIBLE CAPITAL ASSETS

Net Book Value:	Net Book Value 2025	Net Book Value 2024
Sites	\$112,496,185	\$112,496,185
Buildings	642,158,244	577,268,753
Furniture & Equipment	9,101,753	8,871,994
Vehicles	2,071,363	2,003,660
Computer Hardware	<u>11,192,725</u>	<u>10,911,823</u>
	<u>\$777,020,270</u>	<u>\$711,552,415</u>

June 30, 2025

Costs:	Balance at June 30, 2024	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2025
Sites	\$112,496,185	\$ -	\$ -	\$ -	\$112,496,185
Buildings	855,330,899	6,119,615	-	24,227,793	885,678,307
Furniture & Equipment	13,542,740	1,110,382	948,378	507,107	14,211,851
Vehicles	2,820,094	356,070	228,910	-	2,947,254
Computer Hardware	20,470,687	4,430,758	3,873,570	-	21,027,875
	<u>\$1,004,660,605</u>	<u>\$12,016,825</u>	<u>\$5,050,858</u>	<u>\$24,734,900</u>	<u>\$1,036,361,472</u>
Work in progress	65,562,141	79,299,813	-	(24,734,900)	120,127,054
	<u>\$1,070,222,746</u>	<u>\$91,316,638</u>	<u>\$5,050,858</u>	<u>\$-</u>	<u>\$1,156,488,526</u>

Accumulated Amortization:	Balance at June 30, 2024	Additions	Disposals	Balance at June 30, 2025
Buildings	\$343,624,287	\$20,022,830	\$ -	\$363,647,117
Furniture & Equipment	4,670,746	1,387,730	948,378	5,110,098
Vehicles	816,434	288,367	228,910	875,891
Computer Hardware	9,558,864	4,149,856	3,873,570	9,873,570
	<u>\$358,670,331</u>	<u>\$25,848,783</u>	<u>\$5,050,858</u>	<u>\$379,468,256</u>

SCHOOL DISTRICT NO. 43 (COQUITLAM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 12 TANGIBLE CAPITAL ASSETS *(continued)*

June 30, 2024

Costs:	Balance at June 30, 2023	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2024
Sites	\$112,496,185	\$ -	\$ -	\$ -	\$112,496,185
Buildings	778,754,246	6,581,527	-	69,995,126	855,330,899
Furniture & Equipment	12,947,414	396,517	294,313	493,122	13,542,740
Vehicles	1,554,227	1,292,046	26,179	-	2,820,094
Computer Hardware	18,852,489	4,882,176	3,263,978	-	20,470,687
	<u>\$924,604,561</u>	<u>\$13,152,266</u>	<u>\$3,584,470</u>	<u>\$70,488,248</u>	<u>\$1,004,660,605</u>
Work in progress	68,973,393	67,076,996	-	(70,488,248)	65,562,141
	<u>\$993,577,954</u>	<u>\$80,229,262</u>	<u>\$3,584,470</u>	<u>\$-</u>	<u>\$1,070,222,746</u>

Accumulated Amortization:	Balance at June 30, 2023	Additions	Disposals	Balance at June 30, 2024
Buildings	\$326,624,129	\$17,000,158	\$ -	\$343,624,287
Furniture & Equipment	4,550,147	414,912	294,313	4,670,746
Vehicles	743,227	99,386	26,179	816,434
Computer Hardware	9,286,291	3,536,551	3,263,978	9,558,864
	<u>\$341,203,794</u>	<u>\$21,051,007</u>	<u>\$3,584,470</u>	<u>\$358,670,331</u>

NOTE 13 INTERFUND TRANSFERS

Interfund transfers between the operating and capital funds for the year ended June 30, 2025 were \$8,521,658 (2024 - \$9,161,150). Of this transfer, \$5,021,691 pertains to capital assets purchased (2024 - \$6,138,682), and \$3,451,500 pertains to restricted funds set aside for future local capital projects (2024 - \$2,998,235).

NOTE 14 RELATED PARTY TRANSACTIONS

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

In fiscal year 2020 the School District sponsored the establishment of the SD43 Education Foundation, a separate and independent legally established entity under the British Columbia Societies Act. The Foundation has a Board separate from the School District. There were no significant transactions between the two entities.

NOTE 15 UNRECOGNIZED ASSETS

The School District owns two land parcels obtained through crown grants that have been registered at the land title office with nil value. These assets have been identified as a) Parcel 029-541-875 (Sheffield/Partington Creek) and b) Parcel 29-267-781 (Marigold Elementary).

SCHOOL DISTRICT NO. 43 (COQUITLAM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 16 CONTRACTUAL OBLIGATIONS

a) The School District has committed to capital expenditures to construct new facilities and upgrade current facilities. The outstanding capital commitments as at June 30, 2025 are \$166,724,293 (2024 - \$164,817,900). 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.

Funding approval for these committed projects is as follows:

Contractual Obligations	2026	2027	2028	2029	Total
Ministry Funded:					
Burke Mountain	\$55,060,842	\$20,000,000	\$5,000,000	-	\$80,060,842
Coast Salish	2,063,284	-	-	-	2,063,284
Dr. Charles Best	12,000,000	2,291,774	-	-	14,291,774
Ioco – Day Care	9,000,000	4,790,730	-	-	13,790,730
Montgomery Middle	20,000,000	20,000,000	4,866,246	-	44,866,246
Moody Elementary	8,500,000	1,651,417	-	-	10,151,417
School District Funded:					
Education Learning Centre	-	1,500,000	-	-	1,500,000
Total:	\$106,624,126	\$50,233,921	\$9,866,246	-	\$166,724,293

b) The School District has no significant operating leases.

c) The collective agreement between the School District and the Coquitlam Teachers' Association allows teachers to elect to be paid over 12 months. As at June 30, 2025 the amount held by the School District and included in cash and accounts payable was \$10,911,393 (2024 - \$10,408,277).

NOTE 17 CONTRACTUAL RIGHTS

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

	2026	2027	2028	Thereafter	Total
Cedarbrook	\$134,805	141,546	148,623	-	\$424,974
Burquitlam	271,850	271,850	271,850	-	815,550
Future Lease Revenue	\$406,655	413,396	420,473	-	\$1,240,524

SCHOOL DISTRICT NO. 43 (COQUITLAM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 18 CONTINGENT LIABILITIES

In the ordinary course of operations, the School District has legal proceedings brought against it and provisions have been included in liabilities where the outcome is likely and the amount is determinable. It is the opinion of management that final determination of these claims will not have a material effect on the financial position or operations of the School District.

NOTE 19 BUDGET FIGURES

Budget figures included in the financial statements were approved by the Board through the adoption of an amended annual budget bylaw on February 11, 2025 and reflect more current estimates on student enrolment, revenues and expenditures.

	Original Budget	Amended Budget	Change
Revenue			
Provincial Grants			
Ministry of Education	\$ 431,073,776	\$ 443,188,322	\$12,114,546
Other	12,768	37,869	25,101
Federal Grants	3,756,692	3,756,692	-
Tuition	22,383,846	22,383,846	-
Other Revenue	12,828,857	15,183,051	2,354,194
Rentals and Leases	2,511,196	2,601,196	90,000
Investment Income	4,900,000	5,116,000	216,000
Amortization of Deferred Capital Revenue	19,000,000	19,000,000	-
Total Revenue	<u>\$ 496,467,135</u>	<u>\$ 511,266,976</u>	<u>\$14,799,841</u>
Expenses			
Instruction	409,116,027	420,852,199	11,736,172
District Administration	20,261,160	21,290,284	1,029,124
Operation and Maintenance	71,424,838	73,889,656	2,464,818
Transportation and Housing	815,110	819,837	4,727
Debt Service	16,000	16,000	-
Total Expense	<u>\$ 501,633,135</u>	<u>\$ 516,867,976</u>	<u>\$15,234,841</u>
Surplus (Deficit) for the year	<u>(\$5,166,000)</u>	<u>(\$5,601,000)</u>	<u>(\$435,000)</u>
Prior Year Surplus Appropriation	<u>\$3,750,000</u>	<u>\$3,750,000</u>	<u>\$-</u>
Budgeted Surplus (Deficit) for the year	<u>(\$1,416,000)</u>	<u>(\$1,851,000)</u>	<u>(\$ 435,000)</u>
Capital Fund Surplus (Deficit)	<u>(\$1,416,000)</u>	<u>(\$1,851,000)</u>	<u>(\$ 435,000)</u>
Budgeted Surplus (Deficit) for the year	<u>(\$1,416,000)</u>	<u>(\$1,851,000)</u>	<u>(\$ 435,000)</u>

SCHOOL DISTRICT NO. 43 (COQUITLAM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 20 EXPENSE BY OBJECT

	2025	2024
Salaries and benefits	\$425,066,365	\$403,011,825
Services and supplies	54,157,438	53,260,556
Amortization	25,848,783	21,051,007
Total	<u>\$505,072,586</u>	<u>\$477,323,388</u>

NOTE 21 INTERNALLY RESTRICTED FUNDS

a) Operating Fund

The School District attributes a portion of the accumulated surplus to an internal operating fund and internally restricts a portion of the balance. The detail of the restricted operating surplus is as follows:

	2025	2024
		(restated Note 25)
Internally restricted due to nature of constraints on the funds:		
School carryforward surpluses	\$3,208,158	\$2,814,366
ESA contingency reserve	1,000,000	1,000,000
Facility & maintenance initiatives	2,055,625	2,055,625
Technology initiatives	1,225,000	1,225,000
Education stabilization reserve	4,000,014	4,000,014
Teacher mentorship funds	620,600	634,996
Business system initiative	4,165,007	4,165,007
Staffing stabilization reserve	6,000,000	1,000,000
Contingency for benefits	5,000,000	2,000,000
School-based capital initiatives	11,683,309	7,317,305
Joint Use Agreements	3,497,260	3,199,594
Internally restricted for operations spanning multiple years		
2024/2025 – Operating budget	-	3,750,000
2025/2026 – Operating budget	3,750,000	3,750,000
2026/2027 – Operating budget	3,750,000	2,500,000
2027/2028 – Operating budget	2,500,000	1,250,000
2028/2029 – Operating budget	1,250,000	-
Total internally restricted operating fund surplus	<u>\$53,704,973</u>	<u>\$40,661,907</u>
Unrestricted operating surplus (deficit)	-	-
Total operating fund surplus (deficit)	<u>\$53,704,973</u>	<u>\$40,661,907</u>

b) Capital Fund

The School District internally restricts a portion of its capital surplus in the local capital reserve account for future capital requirements including facility additions, capital improvements, and other capital infrastructure requirements. As at June 30, 2025 \$33,324,600 has been restricted (2024 - \$34,872,276).

SCHOOL DISTRICT NO. 43 (COQUITLAM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 22 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 23 RISK MANAGEMENT

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

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

(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 borrower. This risk is mitigated as most amounts receivable are due from the Province and therefore, are collectible.

It is management's opinion that the School District is not exposed to significant credit risk associated with its cash deposits and portfolio investments as they are placed in recognized British Columbia institutions. The School District is currently invested solely in guaranteed investment certificates. Cash and cash equivalents currently consist of deposits held with a chartered bank and the Provincial Central Deposit Program.

(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. The School District is exposed to fair value risk related to its investments in GIC's which bear a fixed rate of interest.

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

SCHOOL DISTRICT NO. 43 (COQUITLAM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 23 RISK MANAGEMENT *(continued)*

(c) Liquidity risk

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

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

Risk Management and insurance services for all school districts in British Columbia are provided by the Risk Management Branch of the Ministry of Finance.

NOTE 24 ASSET RETIREMENT OBLIGATION

Legal obligations exist for the removal and disposal of asbestos and other hazardous materials within some district owned buildings that will undergo major renovations or demolition in the future.

	2025	2024
Asset Retirement Obligation, opening balance	\$10,123,875	\$10,312,567
Settlements during the year	155,942	188,692
Asset Retirement Obligation, closing balance	\$9,967,933	\$10,123,875

NOTE 25 RECAST OF DEFERRED REVENUE

During the fiscal year ending June 30, 2025 the District undertook a reallocation of funds previously held in Special Purpose Funds (Deferred Revenue) to the Operating Surplus. It was determined that the contributions received for Contractual Reserves (Joint Use Agreements) did not meet the description of a restricted contribution and therefore an amount of \$3,199,594 was transferred, with the impact of decreasing Deferred Revenue and increasing beginning and end of year Accumulated Surplus as at June 30, 2024 by \$3,199,594.

School District No. 43 (Coquiltam)

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 (Recast - Note 25)
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	40,661,907		223,897,780	264,559,687	240,175,935
Prior Period Adjustments					3,199,594
Accumulated Surplus (Deficit), beginning of year, as restated	40,661,907	-	223,897,780	264,559,687	243,375,529
Changes for the year					
Surplus (Deficit) for the year	21,564,724		(5,989,862)	15,574,862	21,184,158
Interfund Transfers					
Tangible Capital Assets Purchased	(5,021,691)		5,021,691	-	
Local Capital	(3,451,500)		3,451,500	-	
Other	(48,467)		48,467	-	
Net Changes for the year	13,043,066	-	2,531,796	15,574,862	21,184,158
Accumulated Surplus (Deficit), end of year - Statement 2	53,704,973	-	226,429,576	280,134,549	264,559,687

School District No. 43 (Coquitlam)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2025

	2025 Budget (Note 19) \$	2025 Actual \$	2024 Actual (Recast - Note 25) \$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	377,799,144	379,893,075	361,690,961
Other		2,128	12,768
Tuition	22,383,846	24,600,151	24,838,508
Other Revenue	776,032	889,170	524,504
Rentals and Leases	2,201,196	2,803,860	2,540,231
Investment Income	4,116,000	7,223,396	6,266,349
Total Revenue	407,276,218	415,411,780	395,873,321
Expenses			
Instruction	339,942,922	333,867,985	317,995,704
District Administration	20,418,618	17,375,476	17,281,219
Operations and Maintenance	46,764,819	42,000,695	41,030,563
Transportation and Housing	749,859	602,900	739,301
Total Expense	407,876,218	393,847,056	377,046,787
Operating Surplus (Deficit) for the year	(600,000)	21,564,724	18,826,534
Budgeted Appropriation (Retirement) of Surplus (Deficit)	3,750,000		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(2,451,000)	(5,021,691)	(6,138,682)
Local Capital	(650,000)	(3,451,500)	(2,998,235)
Other	(49,000)	(48,467)	(24,233)
Total Net Transfers	(3,150,000)	(8,521,658)	(9,161,150)
Total Operating Surplus (Deficit), for the year	-	13,043,066	9,665,384
Operating Surplus (Deficit), beginning of year		40,661,907	27,796,929
Prior Period Adjustments			3,199,594
Reclassify Contractual Reserves to Operating Surplus			3,199,594
Operating Surplus (Deficit), beginning of year, as restated		40,661,907	30,996,523
Operating Surplus (Deficit), end of year		53,704,973	40,661,907
Operating Surplus (Deficit), end of year		53,704,973	40,661,907
Internally Restricted		53,704,973	40,661,907
Total Operating Surplus (Deficit), end of year		53,704,973	40,661,907

School District No. 43 (Coquitlam)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2025

	2025 Budget (Note 19)	2025 Actual	2024 Actual (Recast - Note 25)
	\$	\$	\$
Provincial Grants - Ministry of Education and Child Care			
Operating Grant, Ministry of Education and Child Care	371,510,916	372,624,682	352,609,641
Other Ministry of Education and Child Care Grants			
Pay Equity	706,353	706,353	706,353
Funding for Graduated Adults	1,577,367	2,149,545	2,072,452
Student Transportation Fund	81,641	81,641	81,641
FSA Scorer Grant	28,656	30,156	28,656
Labour Settlement Funding	3,710,865	4,147,766	5,993,872
NGN Self-Provisioned Site Grant	144,131	152,932	144,131
DELF	39,215	-	39,215
Anti-Racism Action Plan	-	-	15,000
Total Provincial Grants - Ministry of Education and Child Care	377,799,144	379,893,075	361,690,961
Provincial Grants - Other	-	2,128	12,768
Tuition			
Continuing Education	266,346	473,807	433,970
International and Out of Province Students	22,117,500	23,356,928	23,235,626
Miscellaneous International Education Revenue	-	769,416	1,168,912
Total Tuition	22,383,846	24,600,151	24,838,508
Other Revenues			
Miscellaneous			
Miscellaneous	776,032	889,170	524,504
Total Other Revenue	776,032	889,170	524,504
Rentals and Leases	2,201,196	2,803,860	2,540,231
Investment Income	4,116,000	7,223,396	6,266,349
Total Operating Revenue	407,276,218	415,411,780	395,873,321

School District No. 43 (Coquitlam)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2025

	2025 Budget (Note 19)	2025 Actual	2024 Actual (Recast - Note 25)
	\$	\$	\$
Salaries			
Teachers	179,179,684	178,033,921	170,516,634
Principals and Vice Principals	20,526,747	20,172,187	19,245,925
Educational Assistants	29,572,510	28,755,243	26,294,723
Support Staff	33,177,752	30,611,425	29,368,966
Other Professionals	9,012,538	8,994,348	8,995,147
Substitutes	17,594,048	16,884,550	16,503,567
Total Salaries	289,063,279	283,451,674	270,924,962
Employee Benefits	80,866,121	78,958,233	73,376,995
Total Salaries and Benefits	369,929,400	362,409,907	344,301,957
Services and Supplies			
Services	10,339,647	9,193,746	9,019,276
Student Transportation	694,200	544,172	681,898
Professional Development and Travel	2,463,511	2,231,731	2,154,077
Rentals and Leases	532,398	435,435	255,250
Dues and Fees	1,746,288	1,888,467	1,733,941
Insurance	1,900,149	1,819,558	1,754,921
Supplies	13,534,835	9,834,701	11,360,464
Utilities	6,735,790	5,489,339	5,785,003
Total Services and Supplies	37,946,818	31,437,149	32,744,830
Total Operating Expense	407,876,218	393,847,056	377,046,787

School District No. 43 (Coquitlam)

Operating Expense by Function, Program and Object

Year Ended June 30, 2025

	Teachers Salaries	Principals and Vice Principals Salaries	Educational Assistants Salaries	Support Staff Salaries	Other Professionals Salaries	Substitutes Salaries	Total Salaries
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	133,438,318	1,225,868	47,845	1,080,029	-	8,449,210	144,241,270
1.03 Career Programs	-	-	482,657	-	-	-	482,657
1.07 Library Services	-	-	443,477	-	-	21,758	465,235
1.08 Counselling	5,655,538	-	-	-	-	333,890	5,989,428
1.10 Inclusive Education	20,732,562	173,385	26,421,353	126,130	100,326	4,093,440	51,647,196
1.30 English Language Learning	6,724,181	-	-	-	-	396,980	7,121,161
1.31 Indigenous Education	402,383	171,613	1,062,300	51,862	-	9,219	1,697,377
1.41 School Administration	-	16,873,118	-	6,916,521	-	1,194,968	24,984,607
1.60 Summer School	1,172,711	239,068	114,691	70,020	-	16,074	1,612,564
1.61 Continuing Education	2,294,137	221,950	-	841,492	100,326	85,935	3,543,840
1.62 International and Out of Province Students	7,614,091	318,209	182,920	321,263	394,239	415,300	9,246,022
1.64 Other	-	-	-	-	-	-	-
Total Function 1	178,033,921	19,223,211	28,755,243	9,407,317	594,891	15,016,774	251,031,357
4 District Administration							
4.11 Educational Administration	-	790,453	-	116,076	1,793,096	-	2,699,625
4.40 School District Governance	-	-	-	-	534,559	-	534,559
4.41 Business Administration	-	-	-	2,169,226	4,135,619	25,246	6,330,091
Total Function 4	-	790,453	-	2,285,302	6,463,274	25,246	9,564,275
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	-	158,523	-	184,433	1,360,475	14,253	1,717,684
5.50 Maintenance Operations	-	-	-	17,324,784	346,305	1,830,512	19,501,601
5.52 Maintenance of Grounds	-	-	-	1,395,860	-	(2,235)	1,393,625
5.56 Utilities	-	-	-	-	196,459	-	196,459
Total Function 5	-	158,523	-	18,905,077	1,903,239	1,842,530	22,809,369
7 Transportation and Housing							
7.41 Transportation and Housing Administration	-	-	-	13,729	32,944	-	46,673
7.70 Student Transportation	-	-	-	-	-	-	-
Total Function 7	-	-	-	13,729	32,944	-	46,673
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	178,033,921	20,172,187	28,755,243	30,611,425	8,994,348	16,884,550	283,451,674

School District No. 43 (Coquitlam)

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 19)	2024 Actual (Recast - Note 25)
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	144,241,270	40,246,505	184,487,775	5,357,446	189,845,221	194,246,121	181,958,741
1.03 Career Programs	482,657	159,350	642,007	220,372	862,379	856,181	877,904
1.07 Library Services	465,235	146,415	611,650	387,007	998,657	1,046,101	1,148,888
1.08 Counselling	5,989,428	1,643,055	7,632,483	1,278	7,633,761	7,788,456	7,086,791
1.10 Inclusive Education	51,647,196	14,903,854	66,551,050	848,104	67,399,154	68,063,061	63,541,632
1.30 English Language Learning	7,121,161	1,953,519	9,074,680	38,111	9,112,791	9,266,484	8,384,634
1.31 Indigenous Education	1,697,377	468,444	2,165,821	182,998	2,348,819	2,711,828	2,229,200
1.41 School Administration	24,984,607	6,356,062	31,340,669	349,781	31,690,450	32,022,675	29,925,671
1.60 Summer School	1,612,564	300,959	1,913,523	12,444	1,925,967	1,914,366	1,790,392
1.61 Continuing Education	3,543,840	794,519	4,338,359	842,894	5,181,253	4,846,711	4,958,989
1.62 International and Out of Province Students	9,246,022	2,532,683	11,778,705	4,812,085	16,590,790	16,749,238	15,730,555
1.64 Other	-	-	-	278,743	278,743	431,700	362,307
Total Function 1	251,031,357	69,505,365	320,536,722	13,331,263	333,867,985	339,942,922	317,995,704
4 District Administration							
4.11 Educational Administration	2,699,625	678,203	3,377,828	1,664,834	5,042,662	5,493,067	4,728,430
4.40 School District Governance	534,559	135,649	670,208	140,970	811,178	948,574	830,380
4.41 Business Administration	6,330,091	1,784,794	8,114,885	3,406,751	11,521,636	13,976,977	11,722,409
Total Function 4	9,564,275	2,598,646	12,162,921	5,212,555	17,375,476	20,418,618	17,281,219
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	1,717,684	412,506	2,130,190	919,516	3,049,706	2,943,268	3,082,309
5.50 Maintenance Operations	19,501,601	5,918,125	25,419,726	5,304,277	30,724,003	34,160,629	29,737,474
5.52 Maintenance of Grounds	1,393,625	460,846	1,854,471	800,849	2,655,320	2,831,115	2,389,836
5.56 Utilities	196,459	49,853	246,312	5,325,354	5,571,666	6,829,807	5,820,944
Total Function 5	22,809,369	6,841,330	29,650,699	12,349,996	42,000,695	46,764,819	41,030,563
7 Transportation and Housing							
7.41 Transportation and Housing Administration	46,673	12,892	59,565	-	59,565	63,159	57,403
7.70 Student Transportation	-	-	-	543,335	543,335	686,700	681,898
Total Function 7	46,673	12,892	59,565	543,335	602,900	749,859	739,301
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	283,451,674	78,958,233	362,409,907	31,437,149	393,847,056	407,876,218	377,046,787

School District No. 43 (Coquitlam)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2025

	2025 Budget (Note 19) \$	2025 Actual \$	2024 Actual (Recast - Note 25) \$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	65,389,178	64,928,108	60,779,722
Other	37,869	28,730	6,377
Federal Grants	3,756,692	4,186,678	3,756,170
Other Revenue	13,807,019	15,623,084	14,553,922
Total Revenue	82,990,758	84,766,600	79,096,191
Expenses			
Instruction	80,909,277	82,686,327	77,443,880
District Administration	871,666	871,666	-
Operations and Maintenance	1,139,837	1,139,837	1,586,111
Transportation and Housing	69,978	68,770	66,200
Total Expense	82,990,758	84,766,600	79,096,191
Special Purpose Surplus (Deficit) for the year	-	-	-
Total Special Purpose Surplus (Deficit) for the year	-	-	-
Special Purpose Surplus (Deficit), beginning of year			
Special Purpose Surplus (Deficit), end of year		-	-

School District No. 43 (Coquitlam)

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

	Annual Facility Grant	Learning Improvement Fund	Scholarships and Bursaries	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK	Classroom Enhancement Fund - Overhead
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	-	-	57,371	8,175,779	-	2,994	287,600	205,274	-
Reclassify Contractual Reserve to Operating Surplus	-	-	-	-	-	-	-	-	-
Deferred Revenue, beginning of year, as restated	-	-	57,371	8,175,779	-	2,994	287,600	205,274	-
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	1,139,837	1,310,012	-	-	320,000	117,600	507,992	1,735,490	2,503,050
Federal Grants	-	-	-	-	-	-	-	-	-
Other	-	-	-	13,894,335	-	-	-	-	-
Investment Income	-	-	-	-	-	-	-	-	-
District Entered	-	-	-	-	-	-	-	-	-
	1,139,837	1,310,012	-	13,894,335	320,000	117,600	507,992	1,735,490	2,503,050
Less: Allocated to Revenue	1,139,837	1,310,012	57,371	14,325,081	320,000	109,101	795,592	1,758,377	2,503,050
Deferred Revenue, end of year	-	-	-	7,745,033	-	11,493	-	182,387	-
Revenues									
Provincial Grants - Ministry of Education and Child Care	1,139,837	1,310,012	-	-	320,000	109,101	795,592	1,758,377	2,503,050
Provincial Grants - Other	-	-	-	-	-	-	-	-	-
Federal Grants	-	-	-	-	-	-	-	-	-
Other Revenue	-	-	57,371	14,325,081	-	-	-	-	-
	1,139,837	1,310,012	57,371	14,325,081	320,000	109,101	795,592	1,758,377	2,503,050
Expenses									
Salaries									
Teachers	-	-	-	-	-	63,315	188,294	-	-
Principals and Vice Principals	-	-	-	-	-	-	-	-	340,000
Educational Assistants	-	1,069,587	-	-	-	-	-	978,981	1,443,426
Support Staff	-	-	-	-	222,040	-	-	222,367	-
Other Professionals	-	-	-	-	-	-	-	-	-
Substitutes	-	-	-	-	9,801	-	7,342	-	100,000
	-	1,069,587	-	-	231,841	63,315	195,636	1,201,348	1,883,426
Employee Benefits	-	240,425	-	-	81,814	15,979	24,916	310,504	609,624
Services and Supplies	1,139,837	-	57,371	14,325,081	6,345	29,807	575,040	246,525	10,000
	1,139,837	1,310,012	57,371	14,325,081	320,000	109,101	795,592	1,758,377	2,503,050
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 43 (Coquitlam)

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	Student & Family Affordability	SEY2KT (Early Years to Kindergarten)	ECL (Early Care & Learning)	Feeding Futures Fund
	\$	\$	\$	\$	\$	\$	\$	\$	
Deferred Revenue, beginning of year	-	-	2,259	27,399	-	849,249	26,388	28,034	270,143
Reclassify Contractual Reserve to Operating Surplus	-	-	-	-	-	-	-	-	-
Deferred Revenue, beginning of year, as restated	-	-	2,259	27,399	-	849,249	26,388	28,034	270,143
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	47,495,789	4,493,131	67,719	47,000	6,750	-	19,000	175,000	3,576,667
Federal Grants	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Investment Income	-	-	-	-	-	-	-	-	-
District Entered	-	-	-	-	-	-	-	-	-
	47,495,789	4,493,131	67,719	47,000	6,750	-	19,000	175,000	3,576,667
Less: Allocated to Revenue	47,495,789	4,364,883	68,770	58,003	6,750	849,249	7,464	168,681	3,790,026
Deferred Revenue, end of year	-	128,248	1,208	16,396	-	-	37,924	34,353	56,784
Revenues									
Provincial Grants - Ministry of Education and Child Care	47,495,789	4,364,883	68,770	58,003	6,750	849,249	7,464	168,681	3,790,026
Provincial Grants - Other	-	-	-	-	-	-	-	-	-
Federal Grants	-	-	-	-	-	-	-	-	-
Other Revenue	-	-	-	-	-	-	-	-	-
	47,495,789	4,364,883	68,770	58,003	6,750	849,249	7,464	168,681	3,790,026
Expenses									
Salaries									
Teachers	34,462,940	3,997,095	-	-	-	-	-	125,207	339,180
Principals and Vice Principals	-	-	-	-	-	-	-	-	-
Educational Assistants	-	-	-	-	-	-	-	-	-
Support Staff	-	-	-	-	-	-	-	-	481,905
Other Professionals	-	-	-	-	-	-	-	-	-
Substitutes	1,575,110	14,086	-	-	-	-	-	-	44,745
	36,038,050	4,011,181	-	-	-	-	-	125,207	865,830
Employee Benefits	11,457,739	353,702	-	-	-	-	-	40,124	205,404
Services and Supplies	-	-	68,770	58,003	6,750	849,249	7,464	3,350	2,718,792
	47,495,789	4,364,883	68,770	58,003	6,750	849,249	7,464	168,681	3,790,026
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 43 (Coquitlam)

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

	Professional Learning Grant	Day Treatment	Sundry Programs	Staff Development	Sick Leave Benefit Plan	Contractual Reserves	Apprenticeship Programs	Settlement Workers (Prov)	ELSA/LINC Entered
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	-	-	44,323	59,900	272,181	3,199,594	521,605	37,869	-
Reclassify Contractual Reserve to Operating Surplus	-	-	-	-	-	(3,199,594)	-	-	-
Deferred Revenue, beginning of year, as restated	-	-	44,323	59,900	272,181	-	521,605	37,869	-
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	204,125	182,524	-	-	-	-	-	-	-
Federal Grants	-	-	-	-	-	-	-	-	3,341,962
Other	-	-	6,550	57,817	-	-	252,350	-	-
Investment Income	-	-	-	-	10,878	-	-	-	-
District Entered	-	-	-	-	-	-	-	-	-
	204,125	182,524	6,550	57,817	10,878	-	252,350	-	3,341,962
Less: Allocated to Revenue	-	182,524	12,706	66,887	4,487	-	360,064	28,730	3,341,962
Deferred Revenue, end of year	204,125	-	38,167	50,830	278,572	-	413,891	9,139	-
Revenues									
Provincial Grants - Ministry of Education and Child Care	-	182,524	-	-	-	-	-	-	-
Provincial Grants - Other	-	-	-	-	-	-	-	28,730	-
Federal Grants	-	-	-	-	-	-	-	-	3,341,962
Other Revenue	-	-	12,706	66,887	4,487	-	360,064	-	-
	-	182,524	12,706	66,887	4,487	-	360,064	28,730	3,341,962
Expenses									
Salaries									
Teachers	-	102,010	-	-	-	-	154,068	-	1,434,098
Principals and Vice Principals	-	-	-	-	-	-	23,043	-	102,185
Educational Assistants	-	21,870	-	-	-	-	-	-	-
Support Staff	-	-	-	-	-	-	-	-	357,064
Other Professionals	-	-	-	-	-	-	-	-	4,008
Substitutes	-	-	-	-	-	-	-	-	-
	-	123,880	-	-	-	-	177,111	-	1,897,355
Employee Benefits	-	42,669	-	-	4,487	-	62,926	-	539,614
Services and Supplies	-	15,975	12,706	66,887	-	-	120,027	28,730	904,993
	-	182,524	12,706	66,887	4,487	-	360,064	28,730	3,341,962
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 43 (Coquitlam)

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

	Settlement Workers (Fed)	Retiree Ext Hlth Fund	Community Connections	National Food Program	TOTAL
	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	-	659,166	83,194	-	14,810,322
Reclassify Contractual Reserve to Operating Surplus	-	-	-	-	(3,199,594)
Deferred Revenue, beginning of year, as restated	-	659,166	83,194	-	11,610,728
Add: Restricted Grants					
Provincial Grants - Ministry of Education and Child Care	-	-	-	18,226	63,919,912
Federal Grants	844,716	-	-	-	4,186,678
Other	-	-	114,585	-	14,325,637
Investment Income	-	-	-	-	10,878
District Entered	-	-	-	-	-
	844,716	-	114,585	18,226	82,443,105
Less: Allocated to Revenue	844,716	659,166	137,322	-	84,766,600
Deferred Revenue, end of year	-	-	60,457	18,226	9,287,233
Revenues					
Provincial Grants - Ministry of Education and Child Care	-	-	-	-	64,928,108
Provincial Grants - Other	-	-	-	-	28,730
Federal Grants	844,716	-	-	-	4,186,678
Other Revenue	-	659,166	137,322	-	15,623,084
	844,716	659,166	137,322	-	84,766,600
Expenses					
Salaries					
Teachers	-	-	-	-	40,866,207
Principals and Vice Principals	47,073	-	-	-	512,301
Educational Assistants	-	-	-	-	3,513,864
Support Staff	545,562	-	-	-	1,828,938
Other Professionals	-	-	-	-	4,008
Substitutes	-	-	-	-	1,751,084
	592,635	-	-	-	48,476,402
Employee Benefits	194,616	-	-	-	14,184,543
Services and Supplies	57,465	659,166	137,322	-	22,105,655
	844,716	659,166	137,322	-	84,766,600
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-
Interfund Transfers	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-

School District No. 43 (Coquitlam)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2025

	2025	2025 Actual			2024
	Budget (Note 19)	Invested in Tangible Capital Assets	Local Capital	Fund Balance	Actual (Recast - Note 25)
	\$	\$	\$	\$	\$
Revenues					
Other Revenue	600,000	316,423	761,483	1,077,906	3,489,589
Rentals and Leases	400,000		400,237	400,237	400,237
Investment Income	1,000,000		1,199,038	1,199,038	1,987,309
Amortization of Deferred Capital Revenue	19,000,000	17,791,887		17,791,887	17,660,899
Total Revenue	21,000,000	18,108,310	2,360,758	20,469,068	23,538,034
Expenses					
Operations and Maintenance	150,000	316,423	278,024	594,447	122,063
Amortization of Tangible Capital Assets					
Operations and Maintenance	25,835,000	25,848,783		25,848,783	21,051,007
Debt Services					
Capital Lease Interest	16,000		15,700	15,700	7,340
Total Expense	26,001,000	26,165,206	293,724	26,458,930	21,180,410
Capital Surplus (Deficit) for the year	(5,001,000)	(8,056,896)	2,067,034	(5,989,862)	2,357,624
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	2,451,000	5,021,691		5,021,691	6,138,682
Local Capital	650,000		3,451,500	3,451,500	2,998,235
Capital Lease Payment	49,000		48,467	48,467	24,233
Total Net Transfers	3,150,000	5,021,691	3,499,967	8,521,658	9,161,150
Other Adjustments to Fund Balances					
Tangible Capital Assets Purchased from Local Capital		529,340	(529,340)	-	
Tangible Capital Assets WIP Purchased from Local Capital		6,396,628	(6,396,628)	-	
Principal Payment					
Capital Lease		32,767	(32,767)	-	
Settlement of Asset Retirement Obligation from Local Capital		155,942	(155,942)	-	
Total Other Adjustments to Fund Balances		7,114,677	(7,114,677)	-	
Total Capital Surplus (Deficit) for the year	(1,851,000)	4,079,472	(1,547,676)	2,531,796	11,518,774
Capital Surplus (Deficit), beginning of year		189,025,504	34,872,276	223,897,780	212,379,006
Capital Surplus (Deficit), end of year		193,104,976	33,324,600	226,429,576	223,897,780

School District No. 43 (Coquiltam)

Tangible Capital Assets
Year Ended June 30, 2025

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	112,496,185	855,330,899	13,542,740	2,820,094	-	20,470,687	1,004,660,605
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw	-	6,119,615	-	-	-	-	6,119,615
Deferred Capital Revenue - Other	-	-	346,179	-	-	-	346,179
Operating Fund	-	-	590,933	-	-	4,430,758	5,021,691
Local Capital	-	-	173,270	356,070	-	-	529,340
Transferred from Work in Progress	-	24,227,793	507,107	-	-	-	24,734,900
	-	30,347,408	1,617,489	356,070	-	4,430,758	36,751,725
Decrease:							
Deemed Disposals	-	-	948,378	228,910	-	3,873,570	5,050,858
	-	-	948,378	228,910	-	3,873,570	5,050,858
Cost, end of year	112,496,185	885,678,307	14,211,851	2,947,254	-	21,027,875	1,036,361,472
Work in Progress, end of year		120,127,054					120,127,054
Cost and Work in Progress, end of year	112,496,185	1,005,805,361	14,211,851	2,947,254	-	21,027,875	1,156,488,526
Accumulated Amortization, beginning of year		343,624,287	4,670,746	816,434	-	9,558,864	358,670,331
Changes for the Year							
Increase: Amortization for the Year		20,022,830	1,387,730	288,367	-	4,149,856	25,848,783
Decrease:							
Deemed Disposals			948,378	228,910	-	3,873,570	5,050,858
			948,378	228,910	-	3,873,570	5,050,858
Accumulated Amortization, end of year		363,647,117	5,110,098	875,891	-	9,835,150	379,468,256
Tangible Capital Assets - Net	112,496,185	642,158,244	9,101,753	2,071,363	-	11,192,725	777,020,270

School District No. 43 (Coquitlam)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2025

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
Work in Progress, beginning of year	65,562,141	-	-	-	65,562,141
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	69,805,818	507,107	-	-	70,312,925
Deferred Capital Revenue - Other	2,590,260	-	-	-	2,590,260
Local Capital	6,396,628	-	-	-	6,396,628
	<u>78,792,706</u>	<u>507,107</u>	<u>-</u>	<u>-</u>	<u>79,299,813</u>
Decrease:					
Transferred to Tangible Capital Assets	24,227,793	507,107	-	-	24,734,900
	<u>24,227,793</u>	<u>507,107</u>	<u>-</u>	<u>-</u>	<u>24,734,900</u>
Net Changes for the Year	<u>54,564,913</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>54,564,913</u>
Work in Progress, end of year	<u>120,127,054</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>120,127,054</u>

School District No. 43 (Coquitlam)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2025

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	433,093,210	11,224,125	15,999,083	460,316,418
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	6,119,615	-	346,179	6,465,794
Transferred from Work in Progress	22,920,987	2,099,883		25,020,870
	<u>29,040,602</u>	<u>2,099,883</u>	<u>346,179</u>	<u>31,486,664</u>
Decrease:				
Amortization of Deferred Capital Revenue	16,741,605	291,274	759,008	17,791,887
	<u>16,741,605</u>	<u>291,274</u>	<u>759,008</u>	<u>17,791,887</u>
Net Changes for the Year	<u>12,298,997</u>	<u>1,808,609</u>	<u>(412,829)</u>	<u>13,694,777</u>
Deferred Capital Revenue, end of year	<u>445,392,207</u>	<u>13,032,734</u>	<u>15,586,254</u>	<u>474,011,195</u>
Work in Progress, beginning of year	47,079,079	6,221,021	193,709	53,493,809
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	70,312,925	2,590,247	13	72,903,185
	<u>70,312,925</u>	<u>2,590,247</u>	<u>13</u>	<u>72,903,185</u>
Decrease				
Transferred to Deferred Capital Revenue	22,920,987	2,099,883	-	25,020,870
	<u>22,920,987</u>	<u>2,099,883</u>	<u>-</u>	<u>25,020,870</u>
Net Changes for the Year	<u>47,391,938</u>	<u>490,364</u>	<u>13</u>	<u>47,882,315</u>
Work in Progress, end of year	<u>94,471,017</u>	<u>6,711,385</u>	<u>193,722</u>	<u>101,376,124</u>
Total Deferred Capital Revenue, end of year	<u>539,863,224</u>	<u>19,744,119</u>	<u>15,779,976</u>	<u>575,387,319</u>

School District No. 43 (Coquitlam)

Changes in Unspent Deferred Capital Revenue
Year Ended June 30, 2025

	Bylaw Capital	MECC Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	6,548,388	3,605,931	2,160,845	16,008,848	839,754	29,163,766
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education and Child Care	69,995,356		6,930,971			76,926,327
Provincial Grants - Other			-			-
Other				2,283,736	362,410	2,646,146
Investment Income	-	138,048	-	646,621	-	784,669
Transfer project surplus to MECC Restricted (from) Bylaw	(111,204)	111,204				-
	<u>69,884,152</u>	<u>249,252</u>	<u>6,930,971</u>	<u>2,930,357</u>	<u>362,410</u>	<u>80,357,142</u>
Decrease:						
Transferred to DCR - Capital Additions	6,119,615	-	-		346,179	6,465,794
Transferred to DCR - Work in Progress	70,312,925	-	2,590,247		13	72,903,185
Transferred to Revenue - Capital Repairs	-	-	216,423	-	100,000	316,423
District Entered	-	-	-	-	-	-
	<u>76,432,540</u>	<u>-</u>	<u>2,806,670</u>	<u>-</u>	<u>446,192</u>	<u>79,685,402</u>
Net Changes for the Year	<u>(6,548,388)</u>	<u>249,252</u>	<u>4,124,301</u>	<u>2,930,357</u>	<u>(83,782)</u>	<u>671,740</u>
Balance, end of year	<u>-</u>	<u>3,855,183</u>	<u>6,285,146</u>	<u>18,939,205</u>	<u>755,972</u>	<u>29,835,506</u>