

Audited Financial Statements of

School District No. 59 (Peace River South)

And Independent Auditors Report thereon

June 30, 2026

School District No. 59 (Peace River South)

June 30, 2026

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School District No. 59 (Peace River South)

MANAGEMENT REPORT

Version: 9208-8463-6480

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 59 (Peace River South) 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.

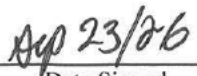
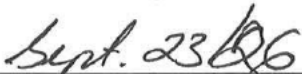
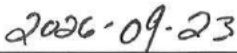
The preparation of financial statements necessarily involves the use of estimates based on management's judgment particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

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

The external auditors, Eclipse 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. 59 (Peace River South) 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. 59 (Peace River South)

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

INDEPENDENT AUDITOR'S REPORT

To the Board of Education of School District No. 59 (Peace River South) and the Minister of Education and Child Care of British Columbia

Opinion

We have audited the accompanying financial statements of School District No. 59 (Peace River South) which comprise the statement of financial position as at June 30, 2026, and the statement of operations, changes in net financial assets (debt) and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the School District No. 59 (Peace River South) as at June 30, 2026, and the result of its operations and its cash flows for the year then ended 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 conduct our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the district in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 2 to the financial statements which describe the basis of accounting and the significant differences between such basis of accounting and Canadian Public Sector Accounting Standards. Note 2 to the financial statements discloses the impact of these differences.

Other Information

Management is responsible for the other information. Other information comprises of the unaudited schedules 1-4 that are attached to the audited financial statements.

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

Dawson Creek

813 103rd Ave Dawson Creek, BC, V1G 2G2
P: 250.782.3374 | E: dc@eclipsellp.ca

Fort St. John

10208 99th Ave Fort St. John, BC, V1J 1V4
P: 250.785.5645 | E: fsj@eclipsellp.ca

Grande Prairie

#203, 9815 97th St. Grande Prairie, AB, T8V 8B9
P: 780.532.8303 | E: gp@eclipsellp.ca

Independent Auditor's Report to the Board of Education of School District No. 59 (Peace River South) and the Ministry of Education and Child Care of British Columbia (*continued*)

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.

If, based on the work we have performed on this 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 and fair presentation of these financial statements in accordance with the financial reporting provisions of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement and maintain professional scepticism 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 district's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Independent Auditor's Report to the Board of Education of School District No. 59 (Peace River South) and the Ministry of Education and Child Care of British Columbia *(continued)*

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the district's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, further events or conditions may cause the district to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statement represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Dawson Creek, BC
September 23, 2026

Eclipse LLP
Chartered Professional Accountants

School District No. 59 (Peace River South)

Statement of Financial Position

As at June 30, 2026

	2026 Actual \$	2025 Actual \$
Financial Assets		
Cash and Cash Equivalents	15,246,302	20,636,158
Accounts Receivable		
Due from Province - Ministry of Education and Child Care	852,739	
Due from Province - Other	568,041	
Due from First Nations	444,064	
Other (Note 3)	288,457	399,646
Total Financial Assets	17,399,603	21,035,804
Liabilities		
Accounts Payable and Accrued Liabilities		
Due to Province - Other	25,950	
Other (Note 4)	3,149,835	3,632,462
Unearned Revenue (Note 5)	99,543	64,093
Deferred Revenue (Note 6)	1,948,849	2,011,212
Deferred Capital Revenue (Note 7)	47,665,080	39,029,709
Employee Future Benefits (Note 8)	1,085,058	1,123,487
Asset Retirement Obligation (Note 18)	7,100,000	6,151,717
Total Liabilities	61,074,315	52,012,680
Net Debt	(43,674,712)	(30,976,876)
Non-Financial Assets		
Tangible Capital Assets (Note 9)	56,020,728	44,704,625
Prepaid Expenses	231,794	261,109
Total Non-Financial Assets	56,252,522	44,965,734
Accumulated Surplus (Deficit) (Note 22)	12,577,810	13,988,858

Unrecognized Assets (Note 13)

Contractual Obligations (Note 14)

Contractual Rights (Note 15)

Measurement Uncertainty (Note 2(o))

Contingent Liabilities (Note 16)

Approved by the Board

Signature of the Chairperson of the Board of Education

Date Signed

Signature of the Superintendent

Date Signed

Signature of the Secretary Treasurer

Date Signed

School District No. 59 (Peace River South)

Statement of Operations

Year Ended June 30, 2026

	2026 Budget	2026 Actual	2025 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	61,381,029	62,767,651	61,010,061
Other	204,594	436,528	188,295
Tuition	74,553	74,553	63,627
Other Revenue	2,156,830	3,014,916	2,600,518
Rentals and Leases	181,000	183,522	176,715
Investment Income	427,000	293,664	770,640
Amortization of Deferred Capital Revenue	2,003,799	1,971,964	1,852,276
Total Revenue	<u>66,428,805</u>	<u>68,742,798</u>	<u>66,662,132</u>
Expenses			
Instruction	52,118,052	52,945,340	50,166,511
District Administration	2,616,848	2,860,118	2,701,903
Operations and Maintenance	10,160,393	9,683,537	9,582,319
Transportation and Housing	4,535,727	4,664,851	4,786,970
Total Expense	<u>69,431,020</u>	<u>70,153,846</u>	<u>67,237,703</u>
Surplus (Deficit) for the year	<u>(3,002,215)</u>	<u>(1,411,048)</u>	<u>(575,571)</u>
Accumulated Surplus (Deficit) from Operations, beginning of year		13,988,858	14,564,429
Accumulated Surplus (Deficit) from Operations, end of year		<u>12,577,810</u>	<u>13,988,858</u>

School District No. 59 (Peace River South)

Statement of Changes in Net Debt

Year Ended June 30, 2026

	2026 Budget	2026 Actual	2025 Actual
	\$	\$	\$
Surplus (Deficit) for the year	<u>(3,002,215)</u>	<u>(1,411,048)</u>	<u>(575,571)</u>
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(2,103,909)	(13,814,868)	(6,569,824)
Amortization of Tangible Capital Assets	2,647,889	2,498,765	2,326,549
Total Effect of change in Tangible Capital Assets	<u>543,980</u>	<u>(11,316,103)</u>	<u>(4,243,275)</u>
Acquisition of Prepaid Expenses		(231,794)	(261,109)
Use of Prepaid Expenses		261,109	175,442
Total Effect of change in Other Non-Financial Assets	<u>-</u>	<u>29,315</u>	<u>(85,667)</u>
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	<u>(2,458,235)</u>	<u>(12,697,836)</u>	<u>(4,904,513)</u>
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Debt		<u>(12,697,836)</u>	<u>(4,904,513)</u>
Net Debt, beginning of year		<u>(30,976,876)</u>	<u>(26,072,363)</u>
Net Debt, end of year		<u><u>(43,674,712)</u></u>	<u><u>(30,976,876)</u></u>

School District No. 59 (Peace River South)

Statement of Cash Flows
Year Ended June 30, 2026

	2026 Actual \$	2025 Actual \$
Operating Transactions		
Surplus (Deficit) for the year	(1,411,048)	(575,571)
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(1,753,655)	230,296
Prepaid Expenses	29,315	(85,666)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	(456,677)	994,844
Unearned Revenue	35,450	(27,000)
Deferred Revenue	(62,363)	366,502
Employee Future Benefits	(38,429)	17,314
Amortization of Tangible Capital Assets	2,498,765	2,326,549
Amortization of Deferred Capital Revenue	(1,971,964)	(1,852,276)
Total Operating Transactions	(3,130,606)	1,394,992
Capital Transactions		
Tangible Capital Assets Purchased	(6,201,316)	(4,113,902)
Tangible Capital Assets -WIP Purchased	(6,665,269)	(2,455,922)
Total Capital Transactions	(12,866,585)	(6,569,824)
Financing Transactions		
Capital Revenue Received	10,607,335	3,045,637
Total Financing Transactions	10,607,335	3,045,637
Net Increase (Decrease) in Cash and Cash Equivalents	(5,389,856)	(2,129,195)
Cash and Cash Equivalents, beginning of year	20,636,158	22,765,353
Cash and Cash Equivalents, end of year	15,246,302	20,636,158
Cash and Cash Equivalents, end of year, is made up of:		
Cash	15,246,302	20,636,158
	15,246,302	20,636,158

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 1 AUTHORITY AND PURPOSE

The School District, established on April 12, 1946 operates under authority of the *School Act* of British Columbia as a corporation under the name of "The Board of Education of School District No. 59 (Peace River South)", and operates as "School District No. 59 (Peace River South)." A board of education ("Board") elected for a four-year term governs the School District. The School District provides educational programs to students enrolled in schools in the district and is principally funded by the Province of British Columbia through the Ministry of Education and Child Care. School District No. 59 (Peace River South) is exempt from federal and provincial corporate income taxes.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting

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

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

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

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

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

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

Year-ended June 30, 2025 – increase in annual surplus by \$4,001,591.

June 30, 2025 – increase in accumulated surplus and decrease in deferred contributions by \$32,726,900.

Year-ended June 30, 2026 – increase in annual surplus by \$9,565,643.

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

June 30, 2026 – increase in accumulated surplus and decrease in deferred contributions by \$42,292,543.

b) Cash and Cash Equivalents

Cash and cash equivalents include Certificates of Deposit with the Provincial Treasury that are readily convertible to known amounts of cash, have no set maturity terms, and that are subject to an insignificant risk of change in value. These cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investing.

c) Accounts Receivable

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

d) Unearned Revenue

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

e) Deferred Revenue and Deferred Capital Revenue

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

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

f) Employee Future Benefits

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

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

amortized over the expected average remaining service lifetime of active employees covered under the plan.

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

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

g) Asset Retirement Obligations

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

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

The liability for the removal of asbestos and other hazardous material in several of the buildings owned by the School District has been initially recognized using the modified retroactive method. The liability has been measured at current cost as the timing and amounts of future cash flows cannot be estimated. The resulting costs have been capitalized into the carrying amount of tangible capital assets and are being amortized on the same basis as the related tangible capital asset (see note 2 (i)). Assumptions used in the calculations are reviewed annually.

h) 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.

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

i) Tangible Capital Assets

The following criteria apply:

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

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

j) Prepaid Expenses

Prepaid expenses consist of unexpired insurance premiums and other prepaid amounts which are stated at acquisition cost and are charged to expense over the periods expected to benefit from it.

k) 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 Notes 11 – Interfund Transfers and Note 22 – Accumulated Surplus).

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

I) Revenue Recognition

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

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

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

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

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

The accounting treatment for restricted contributions is not consistent with the requirements of Canadian public sector accounting standards which require that government transfers be recognized as revenue when approved by the transferor and eligibility criteria have been met unless the transfer contains a stipulation that meets the criteria for liability recognition in which case the transfer is recognized as revenue over the period that the liability is extinguished. See note 2(a) for the impact of this policy on these financial statements.

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

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

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

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

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

m) Expenditures

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

Categories of Salaries

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

Allocation of Costs

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

n) Financial Instruments

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

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

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

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

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

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

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

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

o) Measurement Uncertainty

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

NOTE 3 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	2026	2025
Due from Federal Government	\$212,350	\$271,045
Simon Fraser University	15,960	29,196
Skills Trades BC	14,890	-
WorkSafeBC	11,695	-
BCGEU	2,966	2,747
BCTF	1,419	11,938
PRSTA	533	16,358
Other	28,644	68,362
	\$288,457	\$399,646

NOTE 4 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES – OTHER

	2026	2025
Trade payables	\$1,447,744	\$2,115,012
Salaries and benefits payable	510,446	477,002
Source deductions	293,461	263,130
Accrued vacation pay	849,634	727,365
Other	48,550	49,953
	\$3,149,835	\$3,632,462

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 5 UNEARNED REVENUE

	2026	2025
Balance, beginning of year	\$64,093	\$91,092
Changes for the year:		
Increase:		
Dollars Received	116,893	117,758
Decrease:		
Dollars Spent	81,443	144,757
Net changes for the year	35,450	(26,999)
Balance, end of year	\$99,543	\$64,093

NOTE 6 DEFERRED REVENUE

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

	2026	2025
Balance, beginning of year	\$2,011,212	\$1,644,710
Changes for the year:		
Increase: Contributions received		
Provincial grants – Ministry of Education & Child Care	8,040,109	6,966,508
Provincial grants – Other	269,433	
Investment income	1,308	1,940
Other	1,625,970	1,314,918
	9,936,820	8,283,366
Decrease:		
Expenses	9,720,231	7,655,398
Interfund Transfers	261,466	261,466
Recovered	17,486	
	9,999,183	7,916,864
Net changes for the year	(62,363)	366,502
Balance, end of year	\$1,948,849	\$2,011,212

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 7 DEFERRED CAPITAL REVENUE

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

	Spent Deferred Capital Contr. 2026	Unspent Deferred Capital Contr. 2026	Total Deferred Capital Contr. 2026	Total Deferred Capital Contr. 2025
Balance, beginning of year	\$32,726,900	\$6,302,809	\$39,029,709	\$37,836,348
Changes for the year:				
Increase:				
Transfer: Unspent Deferred Cap. Contr.	5,777,470	-	5,777,470	3,688,945
Transfer: Unspent Deferred Cap. Contr. (WIP)	5,760,137	-	5,760,137	2,164,922
Provincial Grants: Ministry of Education	-	5,427,116	5,427,116	2,941,087
Provincial Grants: Other	-	5,086,725	5,086,725	-
Investment Income	-	92,494	92,494	103,550
Other	-	1,000	1,000	1,000
	11,537,607	10,607,335	22,144,942	8,899,504
Decrease:				
Amortization: Spent Deferred Cap. Contr.	1,971,964	-	1,971,964	1,852,276
Transfer: Spent Deferred Cap. Contr.	-	5,777,470	5,777,470	3,688,945
Transfer: Spent Deferred Cap. Contr. (WIP)	-	5,760,137	5,760,137	2,164,922
	1,971,964	11,537,607	13,509,571	7,706,143
Net increase (decrease) for the year	9,565,643	(930,272)	8,635,371	1,193,361
Balance, end of year	\$42,292,543	\$5,372,537	\$47,665,080	\$39,029,709

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 8 EMPLOYEE FUTURE BENEFITS

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

	<u>2026</u>	<u>2025</u>
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	741,778	1,022,956
Service Cost	85,748	94,433
Interest Cost	30,071	44,857
Benefit Payments	(107,890)	(94,969)
Increase (Decrease) in obligation due to Plan Amendment	-	-
Actuarial (Gain) Loss	(70,975)	(325,499)
Accrued Benefit Obligation – March 31	<u>678,732</u>	<u>741,778</u>
 Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation - March 31	678,732	741,778
Market Value of Plan Assets - March 31	-	-
Funded Status - Surplus (Deficit)	(678,732)	(741,778)
Employer Contributions After Measurement Date	28,442	15,765
Benefits Expense After Measurement Date	(28,566)	(28,955)
Unamortized Net Actuarial (Gain) Loss	(406,202)	(368,520)
Accrued Benefit Asset (Liability) - June 30	<u>(1,085,058)</u>	<u>(1,123,487)</u>
 Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability (Asset) - July 1	1,123,487	1,106,173
Net Expense for Fiscal Year	82,138	115,604
Employer Contributions	(120,567)	(98,289)
Accrued Benefit Liability (Asset) - June 30	<u>1,085,058</u>	<u>1,123,487</u>
 Components of Net Benefit Expense		
Service Cost	84,658	92,262
Interest Cost	30,772	41,161
Immediate Recognition of Plan Amendment	-	-
Amortization of Net Actuarial (Gain)/Loss	(33,292)	(17,819)
Net Benefit Expense (Income)	<u>82,138</u>	<u>115,604</u>
 Assumptions		
Discount Rate - April 1	4.00%	4.25%
Discount Rate - March 31	4.50%	4.00%
Long Term Salary Growth - April 1	2.50% + seniority	2.50% + seniority
Long Term Salary Growth - March 31	2.50% + seniority	2.50% + seniority
EARSL - March 31	12.7	12.7

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 9 TANGIBLE CAPITAL ASSETS

2026

Cost:	Balance, beginning of year	Additions	Disposals	Transfers (WIP)	Balance, end of year
Sites	\$ 5,244,777	\$ -	\$ -	\$ -	\$ 5,244,777
Buildings	93,132,149	6,943,793	-	-	100,075,942
Buildings – work in progress	2,164,922	6,665,269	-	-	8,830,191
Furniture & Equipment	1,918,699	34,056	(103,433)	-	1,849,322
Vehicles	4,998,566	132,073	(186,427)	-	4,944,212
Computer Hardware	67,441	39,677	(23,230)	291,000	374,888
Computer Hardware (WIP)	291,000	-	-	(291,000)	-
Total	\$ 107,817,554	\$ 13,814,868	\$ (313,090)	\$ -	\$ 121,319,332

Accumulated Amortization:	Balance, beginning of year	Amortization	Disposals	Transfers (WIP)	Balance, end of year
Buildings	\$ 59,820,365	\$ 1,768,991	\$ -	\$ -	\$ 61,589,356
Furniture & Equipment	987,359	188,401	(103,433)	-	1,072,327
Vehicles	2,253,353	497,140	(186,427)	-	2,564,066
Computer Hardware	51,852	44,233	(23,230)	-	72,855
Total	\$ 63,112,929	\$ 2,498,765	\$ (313,090)	\$ -	\$ 65,298,604

2025

Cost:	Balance, beginning of year	Additions	Disposals	Transfers (WIP)	Balance, end of year
Sites	\$ 5,244,777	\$ -	\$ -	\$ -	\$ 5,244,777
Buildings	89,982,471	3,149,678	-	-	93,132,149
Buildings – work in progress	-	2,164,922	-	-	2,164,922
Furniture & Equipment	1,975,745	70,788	(127,834)	-	1,918,699
Vehicles	4,678,391	893,436	(573,261)	-	4,998,566
Computer Hardware	67,441	-	-	-	67,441
Computer Hardware (WIP)	-	291,000	-	-	291,000
Total	\$ 101,948,825	\$ 6,569,824	\$ (701,095)	\$ -	\$ 107,817,554

Accumulated Amortization:	Balance, beginning of year	Amortization	Disposals	Transfers (WIP)	Balance, end of year
Buildings	\$ 58,185,875	\$ 1,634,490	\$ -	\$ -	\$ 59,820,365
Furniture & Equipment	920,471	194,722	(127,834)	-	987,359
Vehicles	2,342,765	483,849	(573,261)	-	2,253,353
Computer Hardware	38,364	13,488	-	-	51,852
Total	\$ 61,487,475	\$ 2,326,549	\$ (701,095)	\$ -	\$ 63,112,929

Net Book Value	2026	2025
Sites	\$5,244,777	\$5,244,777
Buildings	38,486,586	33,311,784
Buildings – work in progress	8,830,191	2,164,922
Furniture & Equipment	776,995	931,340
Vehicles	2,380,146	2,745,213
Computer Hardware	302,033	15,589
Computer Hardware – work in progress	-	291,000
Total	\$56,020,728	\$44,704,625

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 10 EMPLOYEE PENSION PLANS

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

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

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

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

The school district paid \$4,250,930.99 for employer contributions to the plans for the year ended June 30, 2026 (2025: \$4,129,622).

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

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

NOTE 11 INTERFUND TRANSFERS

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

Operating Fund to Capital Fund

- A transfer in the amount of \$162,380 (2025: \$215,008) was made from the operating fund to the capital fund for capital purchases put into productive use.
- A transfer in the amount of \$905,132 (2025: \$239,483) was made from the operating fund to the capital fund for capital purchases that were work in progress at the year end.

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

Special Purpose Fund to Capital Fund

- A transfer in the amount of \$261,466 (2025: \$209,949) was made from the special purpose fund to the capital fund for capital purchases put into productive use.
- A transfer in the amount of \$0 (2025: \$51,517) was made from the special purpose fund to the capital fund for capital purchases that were work in progress at the year end.

NOTE 12 RELATED PARTY TRANSACTIONS

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

NOTE 13 UNRECOGNIZED ASSETS

The School District has been made available the use of Crown Land. The Crown Land has not been recorded in these Financial Statements.

NOTE 14 CONTRACTUAL OBLIGATIONS

The School District has a total of \$2,573,444 (2025: \$3,835,637) of contractual obligations at year end related to the construction or renovation of tangible capital assets. These contractual obligations will become liabilities in the future when the terms of the contracts are met. Disclosure relates to the unperformed portion of the contracts.

Contractual obligations	Project	2026	2025
Crescent Park Elementary Expansion	Modulars	\$834,940	\$1,944,194
Crescent Park Elementary Expansion	Engineering	22,051	44,683
Tumbler Ridge Child Care	Architect	215,682	226,655
Dawson Creek Child Care	Architect	208,670	219,338
Tremblay Elementary	Roofing	519,047	-
Don Titus Elementary	Roofing	452,112	-
Tremblay Elementary	HVAC	320,942	-
Tremblay Elementary	Playground	-	207,058
Tumbler Ridge Elementary	HVAC	-	1,193,709
		\$2,573,444	\$3,835,637

NOTE 15 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 rental revenue. The following table summarizes the contractual rights of the School District for future assets:

Contractual rights	2027	2028	2029	2030	2031	Thereafter
Future Rental Revenue	\$143,975	\$141,733	\$131,732	\$20,239	\$1,000	\$10,000

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 16 CONTINGENT LIABILITIES

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

NOTE 17 BUDGET FIGURES

Budget figures included in the financial statements are not audited. They were approved by the Board through the adoption of an amended annual budget on March 11, 2026. The Board adopted a preliminary annual budget on April 30, 2025. The amended budget is used for comparison purposes, as these are based on actual student enrollments.

The difference between the two budgets is as follows:

	2026 Amended	2026 Preliminary	Difference
Revenues			
Provincial Grants			
Ministry of Education	\$ 61,381,029	\$ 60,284,027	\$ 1,097,002
Other	204,594	204,594	-
Tuition	74,553	54,692	19,861
Other Revenue	2,156,830	2,268,317	(111,487)
Rentals and Leases	181,000	181,000	-
Investment Income	427,000	577,000	(150,000)
Amortization of Deferred Capital Revenue	2,003,799	2,003,799	-
Total Revenue	<u>66,428,805</u>	<u>65,573,429</u>	<u>855,376</u>
Expenses			
Instruction	52,118,052	43,242,932	8,875,120
District Administration	2,616,848	9,624,725	(7,007,877)
Operations and Maintenance	10,160,393	10,575,637	(415,244)
Transportation and Housing	4,535,727	4,604,126	(68,399)
Total Expenses	<u>69,431,020</u>	<u>68,047,420</u>	<u>1,383,600</u>
Surplus (Deficit) for the year	<u>(3,002,215)</u>	<u>(2,473,991)</u>	<u>(528,224)</u>
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets			
From Operating and Special Purpose Funds	(2,103,909)	(1,870,500)	(233,409)
From Deferred Capital Revenue	-	-	-
Total Acquisition of Tangible Capital Assets	<u>(2,103,909)</u>	<u>(1,870,500)</u>	<u>(233,409)</u>
Amortization of Tangible Capital Assets	2,647,889	2,647,889	-
Total Effect of change in Tangible Capital Assets	<u>543,980</u>	<u>777,389</u>	<u>(233,409)</u>
(Increase) Decrease in Net Financial Assets	<u><u>\$ (2,458,235)</u></u>	<u><u>\$ (1,696,602)</u></u>	<u><u>\$ (761,633)</u></u>

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 18 ASSET RETIREMENT OBLIGATION

Legal liabilities may exist for the removal or disposal of asbestos and other environmentally hazardous materials within some district owned buildings that will undergo major renovations or demolition in the future. A reasonable estimate of the fair value of the obligation has been recognized using the modified retroactive approach as at July 1, 2022 and a change in estimate was completed as at June 30, 2026. The obligation has been measured at current cost as the timing of future cash flows cannot be reasonably determined. These costs have been capitalized as part of the assets' carrying value and are amortized over the assets' estimated useful lives.

Asset Retirement Obligation, July 1, 2023	\$6,151,717
Change in Estimate (2026)	948,283
Settlements during the year	-
Asset Retirement Obligation, closing balance	<u>\$7,100,000</u>

NOTE 19 EXPENSE BY OBJECT

	2026	2025
Salaries and benefits	\$55,649,386	\$54,044,419
Services and supplies	12,005,695	10,866,735
Amortization	2,498,765	2,326,549
	<u>\$70,153,846</u>	<u>\$67,237,703</u>

NOTE 20 ECONOMIC DEPENDENCE

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

NOTE 21 SUBSEQUENT EVENTS

On July 21, 2026, the School District and the Government of British Columbia entered into a memorandum of agreement to dispose through remediation a school building and associated site improvements in the community of Tumbler Ridge. The Government of British Columbia will be conducting the disposal directly including the costs of the remediation. Land will be brought to a state allowing for a future use, with the costs at this time being undetermined.

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 22 ACCUMULATED SURPLUS

OPERATING

Internally Restricted (appropriated) by Board for:	2026	2025
School-based Surpluses	\$304,005	\$180,383
Indigenous Education Surplus	67,784	74,421
Indigenous Education Council Surplus	261,716	136,107
Capital Projects	100,000	1,700,000
Service Improvement Allocation	-	18,585
Ministry Grants WEX and ICY	108,386	207,373
Just Before	37,593	8,659
Alberta School Sports	1,747	-
Department Carry Forwards	-	107,566
AED Equipment	-	33,000
Budget Allocation 2026-27	650,000	1,034,901
Capital Asset Additions	250,000	170,500
Strategic Initiatives	500,000	673,000
Operating Contingency	242,903	-
Subtotal Internally Restricted	<u>2,524,133</u>	<u>4,344,495</u>
Unrestricted Operating Reserve – Risk Mitigation	<u>3,250,000</u>	<u>3,642,863</u>
Total Operating Reserves	<u>5,774,133</u>	<u>7,987,358</u>

CAPITAL

Investment in Tangible Capital Assets	6,628,187	5,826,010
Local Capital	<u>175,490</u>	<u>175,490</u>
Subtotal Capital Surplus	<u>6,803,677</u>	<u>6,001,500</u>

ACCUMULATED SURPLUS

<u>\$12,577,810</u>	<u>\$13,988,858</u>
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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 and amounts receivable.

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

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

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

b) Market risk

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

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

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The School District is exposed to interest rate risk through its investments. It is management's opinion that the School District is not exposed to significant interest rate risk.

c) Liquidity risk

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

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

Risk management and insurance services for all School Districts in British Columbia are provided by the Risk Management Branch of the Ministry of Finance. There have been no changes to risk exposure from 2025 related to credit, market or liquidity risks.

School District No. 59 (Peace River South)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund
Year Ended June 30, 2026

	Operating Fund	Special Purpose Fund	Capital Fund	2026 Actual	2025 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	7,987,358		6,001,500	13,988,858	14,564,429
Changes for the year					
Surplus (Deficit) for the year	(1,145,713)	261,466	(526,801)	(1,411,048)	(575,571)
Interfund Transfers					
Tangible Capital Assets Purchased	(162,380)	(261,466)	423,846	-	-
Tangible Capital Assets - Work in Progress	(905,132)		905,132	-	-
Net Changes for the year	(2,213,225)	-	802,177	(1,411,048)	(575,571)
Accumulated Surplus (Deficit), end of year - Statement 2	5,774,133	-	6,803,677	12,577,810	13,988,858

School District No. 59 (Peace River South)

Schedule of Operating Operations

Year Ended June 30, 2026

	2026 Budget \$	2026 Actual \$	2025 Actual \$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	53,915,128	54,636,622	54,393,293
Other	204,594	167,095	188,295
Tuition	74,553	74,553	63,627
Other Revenue	1,189,494	1,434,989	1,302,362
Rentals and Leases	180,000	183,522	176,715
Investment Income	425,000	292,356	767,215
Total Revenue	55,988,769	56,789,137	56,891,507
Expenses			
Instruction	44,225,014	43,481,193	42,519,213
District Administration	2,616,848	2,680,261	2,701,903
Operations and Maintenance	7,749,480	7,609,885	7,739,619
Transportation and Housing	4,020,018	4,163,511	4,295,021
Total Expense	58,611,360	57,934,850	57,255,756
Operating Surplus (Deficit) for the year	(2,622,591)	(1,145,713)	(364,249)
Budgeted Appropriation (Retirement) of Surplus (Deficit)	4,465,034		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(1,842,443)	(162,380)	(215,008)
Tangible Capital Assets - Work in Progress		(905,132)	(239,483)
Total Net Transfers	(1,842,443)	(1,067,512)	(454,491)
Total Operating Surplus (Deficit), for the year	-	(2,213,225)	(818,740)
Operating Surplus (Deficit), beginning of year		7,987,358	8,806,098
Operating Surplus (Deficit), end of year		5,774,133	7,987,358
Operating Surplus (Deficit), end of year			
Internally Restricted		2,524,133	4,344,495
Unrestricted		3,250,000	3,642,863
Total Operating Surplus (Deficit), end of year		5,774,133	7,987,358

School District No. 59 (Peace River South)

Schedule of Operating Revenue by Source

Year Ended June 30, 2026

	2026 Budget	2026 Actual	2025 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education and Child Care			
Operating Grant, Ministry of Education and Child Care	53,404,333	53,248,965	53,296,594
ISC/LEA Recovery	(1,030,494)	(1,236,103)	(1,030,404)
Other Ministry of Education and Child Care Grants			
Pay Equity	944,395	944,395	944,395
Funding for Graduated Adults		5,395	
Student Transportation Fund	441,458	441,458	441,458
Support Staff Benefits Grant			16,677
Foundation Skills Assessment (FSA) Scorer Grant	8,187	8,187	8,187
Child Care Funding	12,000	19,655	11,687
Labour Settlement Funding		879,049	483,962
ICY Clinical Counsellor Funding	65,249	129,778	62,707
Indigenous Education Councils (IEC) Funding		152,777	136,491
Recruitment & Retention (FRSP) Grants	70,000	43,066	21,539
Total Provincial Grants - Ministry of Education and Child Care	53,915,128	54,636,622	54,393,293
Provincial Grants - Other	204,594	167,095	188,295
Tuition			
International and Out of Province Students	74,553	74,553	63,627
Total Tuition	74,553	74,553	63,627
Other Revenues			
Funding from First Nations	1,030,494	1,236,103	1,030,404
Miscellaneous			
Careers	64,000	90,310	59,002
Private School Busing	52,530	63,851	54,697
Sale Proceeds		3,690	58,038
Donations		10,000	45,000
Just Before Child Care Revenue	9,500	7,026	8,239
Miscellaneous	32,970	9,009	46,982
After School Sport and Arts Initiative		15,000	
Total Other Revenue	1,189,494	1,434,989	1,302,362
Rentals and Leases	180,000	183,522	176,715
Investment Income	425,000	292,356	767,215
Total Operating Revenue	55,988,769	56,789,137	56,891,507

School District No. 59 (Peace River South)

Schedule of Operating Expense by Object

Year Ended June 30, 2026

	2026 Budget	2026 Actual	2025 Actual
	\$	\$	\$
Salaries			
Teachers	18,220,724	18,812,095	18,846,468
Principals and Vice Principals	4,434,476	4,575,941	4,491,136
Educational Assistants	6,130,925	5,657,275	5,482,171
Support Staff	6,295,559	6,166,603	6,628,893
Other Professionals	2,721,160	2,727,597	2,214,612
Substitutes	2,077,627	1,987,470	1,882,436
Total Salaries	39,880,471	39,926,981	39,545,716
Employee Benefits	9,094,983	9,474,119	9,166,138
Total Salaries and Benefits	48,975,454	49,401,100	48,711,854
Services and Supplies			
Services	1,873,283	1,779,663	2,017,370
Student Transportation	1,209,183	2,122,082	1,264,134
Professional Development and Travel	670,743	571,825	508,386
Rentals and Leases	36,938	27,042	31,130
Dues and Fees	606,668	662,082	535,349
Insurance	238,764	193,289	198,591
Supplies	3,043,526	1,953,622	2,046,572
Utilities	1,956,801	1,224,145	1,942,370
Total Services and Supplies	9,635,906	8,533,750	8,543,902
Total Operating Expense	58,611,360	57,934,850	57,255,756

School District No. 59 (Peace River South)

Operating Expense by Function, Program and Object

Year Ended June 30, 2026

	Teachers Salaries	Principals and Vice Principals Salaries	Educational Assistants Salaries	Support Staff Salaries	Other Professionals Salaries	Substitutes Salaries	Total Salaries
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	16,006,918	1,215,260	41,075	576,950	226,821	943,489	19,010,513
1.03 Career Programs	39,951	34,018	18,277		126,195	420	218,861
1.07 Library Services	210,467		54,909			43,660	309,036
1.08 Counselling	620,661		43,962	4,096	163,187	3,894	835,800
1.10 Inclusive Education	1,477,553		5,022,037		217,441	425,249	7,142,280
1.30 English Language Learning	24,870		91,307			5,260	121,437
1.31 Indigenous Education	431,675	705,307	368,845		110,141	17,957	1,633,925
1.41 School Administration		2,550,741		755,971		102,541	3,409,253
1.62 International and Out of Province Students							-
Total Function 1	18,812,095	4,505,326	5,640,412	1,337,017	843,785	1,542,470	32,681,105
4 District Administration							
4.11 Educational Administration		70,615			547,858	1,681	620,154
4.40 School District Governance					127,701		127,701
4.41 Business Administration				244,200	673,820	2,162	920,182
Total Function 4	-	70,615	-	244,200	1,349,379	3,843	1,668,037
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				57,016	342,495	655	400,166
5.50 Maintenance Operations				2,676,132		295,025	2,971,157
5.52 Maintenance of Grounds				520,622		25,247	545,869
5.56 Utilities							-
Total Function 5	-	-	-	3,253,770	342,495	320,927	3,917,192
7 Transportation and Housing							
7.41 Transportation and Housing Administration				58,458	191,938		250,396
7.70 Student Transportation			16,863	1,273,158		120,230	1,410,251
Total Function 7	-	-	16,863	1,331,616	191,938	120,230	1,660,647
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	18,812,095	4,575,941	5,657,275	6,166,603	2,727,597	1,987,470	39,926,981

School District No. 59 (Peace River South)

Operating Expense by Function, Program and Object

Year Ended June 30, 2026

	Total Salaries \$	Employee Benefits \$	Total Salaries and Benefits \$	Services and Supplies \$	2026 Actual \$	2026 Budget \$	2025 Actual \$
1 Instruction							
1.02 Regular Instruction	19,010,513	4,631,863	23,642,376	1,948,893	25,591,269	25,134,485	24,734,708
1.03 Career Programs	218,861	48,749	267,610	163,951	431,561	534,479	556,027
1.07 Library Services	309,036	74,256	383,292	53,208	436,500	470,913	496,110
1.08 Counselling	835,800	177,452	1,013,252	18,058	1,031,310	1,275,494	984,210
1.10 Inclusive Education	7,142,280	1,694,651	8,836,931	242,061	9,078,992	9,643,506	8,921,309
1.30 English Language Learning	121,437	27,804	149,241	174,215	174,215	167,314	135,832
1.31 Indigenous Education	1,633,925	385,632	2,019,557	199,723	2,219,280	2,446,906	2,003,827
1.41 School Administration	3,409,253	756,696	4,165,949	110,100	4,276,049	4,354,917	4,526,535
1.62 International and Out of Province Students	-	-	-	242,017	242,017	197,000	160,655
Total Function 1	32,681,105	7,797,103	40,478,208	3,002,985	43,481,193	44,225,014	42,519,213
4 District Administration							
4.11 Educational Administration	620,154	136,700	756,854	66,931	823,785	789,610	776,187
4.40 School District Governance	127,701	8,638	136,339	97,199	233,538	236,628	236,657
4.41 Business Administration	920,182	216,916	1,137,098	485,840	1,622,938	1,590,610	1,689,059
Total Function 4	1,668,037	362,254	2,030,291	649,970	2,680,261	2,616,848	2,701,903
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	400,166	98,375	498,541	332,256	830,797	811,005	760,205
5.50 Maintenance Operations	2,971,157	723,631	3,694,788	1,027,024	4,721,812	4,818,405	4,851,735
5.52 Maintenance of Grounds	545,869	129,328	675,197	155,467	830,664	790,320	792,283
5.56 Utilities	-	-	-	1,226,612	1,226,612	1,329,750	1,335,396
Total Function 5	3,917,192	951,334	4,868,526	2,741,359	7,609,885	7,749,480	7,739,619
7 Transportation and Housing							
7.41 Transportation and Housing Administration	250,396	51,912	302,308	17,354	319,662	324,740	329,945
7.70 Student Transportation	1,410,251	311,516	1,721,767	2,122,082	3,843,849	3,695,278	3,965,076
Total Function 7	1,660,647	363,428	2,024,075	2,139,436	4,163,511	4,020,018	4,295,021
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	39,926,981	9,474,119	49,401,100	8,533,750	57,934,850	58,611,360	57,255,756

School District No. 59 (Peace River South)

Schedule of Special Purpose Operations

Year Ended June 30, 2026

	2026 Budget	2026 Actual	2025 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	7,465,901	8,131,029	6,616,768
Other		269,433	
Other Revenue	967,336	1,579,927	1,298,156
Investment Income		1,308	1,940
Total Revenue	<u>8,433,237</u>	<u>9,981,697</u>	<u>7,916,864</u>
Expenses			
Instruction	7,893,038	9,464,147	7,647,298
District Administration		179,857	
Operations and Maintenance	261,466	72,027	
Transportation and Housing	17,267	4,200	8,100
Total Expense	<u>8,171,771</u>	<u>9,720,231</u>	<u>7,655,398</u>
Special Purpose Surplus (Deficit) for the year	<u>261,466</u>	<u>261,466</u>	<u>261,466</u>
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(261,466)	(261,466)	(209,949)
Tangible Capital Assets - Work in Progress			(51,517)
Total Net Transfers	<u>(261,466)</u>	<u>(261,466)</u>	<u>(261,466)</u>
Total Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>-</u>	<u>-</u>
Special Purpose Surplus (Deficit), beginning of year			
Special Purpose Surplus (Deficit), end of year		<u>-</u>	<u>-</u>

School District No. 59 (Peace River South)

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2026

	Annual Facility Grant	Learning Improvement Fund	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	Community/Link Fund - Overhead	Classroom Enhancement Fund - Staffing
	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year		97,123	757,177	35,124	20,121	19,822	31,919	1,109
Add: Restricted Grants								
Provincial Grants - Ministry of Education and Child Care	261,466	185,178		204,000	31,850	104,587	416,681	3,819,638
Provincial Grants - Other			1,615,226					
Other			1,560,570					
Investment Income								
Less: Allocated to Revenue	261,466	197,905	1,560,570	233,484	33,587	124,409	375,231	3,820,747
Recovered								
Deferred Revenue, end of year	-	84,396	811,833	5,640	18,384	-	73,369	-
Revenues								
Provincial Grants - Ministry of Education and Child Care	261,466	197,905		233,484	33,587	124,409	375,231	3,820,747
Provincial Grants - Other			1,560,570					
Other Revenue								
Investment Income								
Expenses								
Salaries								
Teachers						49	47,003	3,068,966
Principals and Vice Principals								79,164
Educational Assistants		155,408		169,434		33,352	185,741	25,516
Support Staff				5,731	10,516	9,100	32,944	58,580
Other Professionals					6,115	6,479	13	123,995
Substitutes		609		175,165	16,631	48,980	273,190	22,593
Employee Benefits		156,017		45,612	3,643	15,285	84,176	3,091,559
Services and Supplies		41,888	1,560,570	12,707	13,313	60,144	17,865	729,188
	-	197,905	1,560,570	233,484	33,587	124,409	375,231	3,820,747
Net Revenue (Expense) before Interfund Transfers	261,466	-	-	-	-	-	-	-
Interfund Transfers								
Tangible Capital Assets Purchased	(261,466)							-
	(261,466)							-
Net Revenue (Expense)	-	-	-	-	-	-	-	-

School District No. 59 (Peace River South)

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2026

	Classroom Enhancement Fund - Remedies	First Nation Student Transportation	Mental Health in Schools	Early Childhood Education (ECE) Dual Credit Program	Student & Family Affordability (SFAF)	JUST B4	Strengthening Early Years to Kindergarten (SEY2KT)	Early Care & Learning (ECL)	Feeding Futures Fund
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	192,654	30,353	46,924	63,885	23,306	-	9,579	92,384	142,756
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	218,646		55,000			25,000		533,330	509,028
Provincial Grants - Other									
Other									
Investment Income									
Less: Allocated to Revenue									
Recovered	411,300	4,200	63,001	39,700	23,306	25,000	9,579	150,073	583,361
	13,086								
Deferred Revenue, end of year	-	13,067	38,923	24,185	-	-	-	475,641	68,423
Revenues									
Provincial Grants - Ministry of Education and Child Care	411,300	4,200	63,001	39,700	23,306	25,000	9,579	150,073	583,361
Provincial Grants - Other									
Other Revenue									
Investment Income									
Expenses									
Salaries									
Teachers	83,110								
Principals and Vice Principals				16,326				122,879	55,814
Educational Assistants									71,897
Support Staff									
Other Professionals				15,615		18,631			
Substitutes	156,350		7,711	331			2,028		431
	239,460	-	7,711	32,272	-	18,631	2,028	122,879	128,142
Employee Benefits	43,011		534	7,173		4,662	430	26,031	31,144
Services and Supplies	128,829	4,200	54,756	255	23,306	1,707	7,121	1,163	424,075
	411,300	4,200	63,001	39,700	23,306	25,000	9,579	150,073	583,361
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers									
Tangible Capital Assets Purchased	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 59 (Peace River South)

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2026

Deferred Revenue, beginning of year

Add: Restricted Grants
 Provincial Grants - Ministry of Education and Child Care
 Provincial Grants - Other
 Other
 Investment Income

Less: Allocated to Revenue

Recovered

Deferred Revenue, end of year**Revenues**

Provincial Grants - Ministry of Education and Child Care
 Provincial Grants - Other
 Other Revenue
 Investment Income

Expenses

Salaries

Teachers
 Principals and Vice Principals
 Educational Assistants
 Support Staff
 Other Professionals
 Substitutes

Employee Benefits

Services and Supplies

Net Revenue (Expense) before Interfund Transfers**Interfund Transfers**

Tangible Capital Assets Purchased

Net Revenue (Expense)

	Health Career Grants	Professional Learning Grant	National School Food Program	Dual Credit Pathway to Teacher Education	Career Grants	Early Learning Grants	Tumbler Ridge Recovery	French Lang Assistants	TOTAL
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	45,831	238,867	106,842	-	8,635	46,801	-	-	2,011,212
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care			160,260	50,000			1,081,193	40,000	8,040,109
Provincial Grants - Other					5,000	5,744	269,433		269,433
Other						1,308			1,625,970
Investment Income									1,308
Less: Allocated to Revenue									
Recovered	28,349	74,134	206,752	-	3,570	17,095	1,350,626	40,000	9,936,820
	4,400								9,981,697
Deferred Revenue, end of year	13,082	164,733	60,350	50,000	10,065	36,758	-	-	1,948,849
Revenues									
Provincial Grants - Ministry of Education and Child Care	28,349	74,134	206,752	-			1,081,193	40,000	8,131,029
Provincial Grants - Other					3,570	15,787	269,433		269,433
Other Revenue						1,308			1,579,927
Investment Income									1,308
Expenses									
Salaries									
Teachers							244,171		3,443,299
Principals and Vice Principals	20,507						35,069		329,759
Educational Assistants							330		446,728
Support Staff							55,640		276,710
Other Professionals							7,100	36,400	175,986
Substitutes		42,789					32,180		401,624
Employee Benefits	20,507	42,789	-	-	-	-	374,490	36,400	5,074,106
Services and Supplies	4,473	5,252	-	-	-	-	75,034	3,600	1,174,180
	3,369	26,093	206,752	-	3,570	17,095	901,102		3,471,945
	28,349	74,134	206,752	-	3,570	17,095	1,350,626	40,000	9,720,231
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	261,466
Interfund Transfers									
Tangible Capital Assets Purchased	-	-	-	-	-	-	-	-	(261,466)
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 59 (Peace River South)

Schedule of Capital Operations

Year Ended June 30, 2026

	2026	2026 Actual			2025
	Budget	Invested in Tangible	Local	Fund	Actual
	\$	Capital Assets	Capital	Balance	\$
Revenues					
Rentals and Leases	1,000			-	
Investment Income	2,000			-	1,485
Amortization of Deferred Capital Revenue	2,003,799	1,971,964		1,971,964	1,852,276
Total Revenue	<u>2,006,799</u>	<u>1,971,964</u>	-	<u>1,971,964</u>	<u>1,853,761</u>
Expenses					
Amortization of Tangible Capital Assets					
Operations and Maintenance	2,149,447	2,001,625		2,001,625	1,842,700
Transportation and Housing	498,442	497,140		497,140	483,849
Total Expense	<u>2,647,889</u>	<u>2,498,765</u>	-	<u>2,498,765</u>	<u>2,326,549</u>
Capital Surplus (Deficit) for the year	<u>(641,090)</u>	<u>(526,801)</u>	-	<u>(526,801)</u>	<u>(472,788)</u>
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	2,103,909	423,846		423,846	424,957
Tangible Capital Assets - Work in Progress		905,132		905,132	291,000
Total Net Transfers	<u>2,103,909</u>	<u>1,328,978</u>	-	<u>1,328,978</u>	<u>715,957</u>
Total Capital Surplus (Deficit) for the year	<u>1,462,819</u>	<u>802,177</u>	-	<u>802,177</u>	<u>243,169</u>
Capital Surplus (Deficit), beginning of year		5,826,010	175,490	6,001,500	5,758,331
Capital Surplus (Deficit), end of year		<u>6,628,187</u>	<u>175,490</u>	<u>6,803,677</u>	<u>6,001,500</u>

School District No. 59 (Peace River South)

Tangible Capital Assets
Year Ended June 30, 2026

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	5,244,777	93,132,149	1,918,699	4,998,566	-	67,441	105,361,632
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		2,971,466		3,749			2,975,215
Deferred Capital Revenue - Other		2,802,255					2,802,255
Operating Fund			34,056	128,324		39,677	162,380
Special Purpose Funds		221,789					261,466
Asset Retirement Obligation Increase		948,283					948,283
Transferred from Work in Progress						291,000	291,000
	-	6,943,793	34,056	132,073	-	330,677	7,440,599
Decrease:							
Deemed Disposals			103,433	186,427		23,230	313,090
	-	-	103,433	186,427	-	23,230	313,090
Cost, end of year	5,244,777	100,075,942	1,849,322	4,944,212	-	374,888	112,489,141
Work in Progress, end of year		8,830,191					8,830,191
Cost and Work in Progress, end of year	5,244,777	108,906,133	1,849,322	4,944,212	-	374,888	121,319,332
Accumulated Amortization, beginning of year		59,820,365	987,359	2,253,353		51,852	63,112,929
Changes for the Year							
Amortization for the Year		1,768,991	188,401	497,140		44,233	2,498,765
		1,768,991	188,401	497,140	-	44,233	2,498,765
Deemed Disposals			103,433	186,427		23,230	313,090
Written-off During Year							-
		-	103,433	186,427	-	23,230	313,090
		61,589,356	1,072,327	2,564,066	-	72,855	65,298,604
Accumulated Amortization, end of year							
Tangible Capital Assets - Net	5,244,777	47,316,777	776,995	2,380,146	-	302,033	56,020,728

School District No. 59 (Peace River South)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2026

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
Work in Progress, beginning of year	2,164,922			291,000	2,455,922
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	5,708,524				5,708,524
Deferred Capital Revenue - Other	51,613				51,613
Operating Fund	905,132				905,132
	6,665,269	-	-	-	6,665,269
Decrease:					
Transferred to Tangible Capital Assets				291,000	291,000
	-	-	-	291,000	291,000
Net Changes for the Year	6,665,269	-	-	(291,000)	6,374,269
Work in Progress, end of year	8,830,191	-	-	-	8,830,191

School District No. 59 (Peace River South)

Deferred Capital Revenue

Year Ended June 30, 2026

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	28,830,478	896,187	835,313	30,561,978
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	2,975,215	2,802,255		5,777,470
	2,975,215	2,802,255	-	5,777,470
Decrease:				
Amortization of Deferred Capital Revenue	1,859,302	75,537	37,125	1,971,964
	1,859,302	75,537	37,125	1,971,964
Net Changes for the Year	1,115,913	2,726,718	(37,125)	3,805,506
Deferred Capital Revenue, end of year	29,946,391	3,622,905	798,188	34,367,484
Work in Progress, beginning of year	1,731,995	432,927		2,164,922
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	5,708,524	51,613		5,760,137
	5,708,524	51,613	-	5,760,137
Net Changes for the Year	5,708,524	51,613	-	5,760,137
Work in Progress, end of year	7,440,519	484,540	-	7,925,059
Total Deferred Capital Revenue, end of year	37,386,910	4,107,445	798,188	42,292,543

School District No. 59 (Peace River South)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2026

	Bylaw Capital	MECC Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	3,256,623	164,253	2,843,674	-	38,259	6,302,809
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education and Child Care	5,427,116		5,086,725			5,427,116
Provincial Grants - Other					1,000	5,086,725
Other		9,282	81,609		1,603	1,000
Investment Income	5,427,116	9,282	5,168,334	-	2,603	92,494
						10,607,335
Decrease:						
Transferred to DCR - Capital Additions	2,975,215		2,802,255			5,777,470
Transferred to DCR - Work in Progress	5,708,524		51,613			5,760,137
	8,683,739	-	2,853,868	-	-	11,537,607
	(3,256,623)	9,282	2,314,466	-	2,603	(930,272)
Net Changes for the Year						
	-	173,535	5,158,140	-	40,862	5,372,537
Balance, end of year						