

Audited Financial Statements of

School District No. 35 (Langley)

And Independent Auditors' Report thereon

June 30, 2025

School District No. 35 (Langley)

June 30, 2025

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School District No. 35 (Langley)

MANAGEMENT REPORT

Version: 7591-6845-4863

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 35 (Langley) 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. 35 (Langley) (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, KPMG, 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. 35 (Langley) 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. 35 (Langley)

Signature of the Chairperson of the Board of Education

September 23, 2025
Date Signed

Signature of the Superintendent

SEPTEMBER 24, 2025
Date Signed

Signature of the Secretary Treasurer

September 24/25
Date Signed



KPMG LLP

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INDEPENDENT AUDITOR'S REPORT

To the Board of Education of School District No. 35 (Langley), and

To the Minister of Education and Child Care, Province of British Columbia

Opinion

We have audited the financial statements of School District No. 35 (Langley), (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, 2024 of the Entity are prepared, in all material respects, in accordance with the financial reporting provisions of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

Basis for Opinion

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

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

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

Emphasis of Matter – Financial Reporting Framework

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

Our opinion is not modified in respect of this matter.



Other Information

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

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

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

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

We obtained the information, other than the financial statements and auditor's report thereon, included in the Financial Statement Discussion and Analysis document and the Unaudited Schedules 1-4 attached to the audited financial statements as at the date of this auditor's report.

If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditor's report.

We have nothing to report in this regard.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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



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

We also:

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

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

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

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, stylized font and is underlined with a single horizontal stroke.

Chartered Professional Accountants

Langley, Canada
September 24, 2025

School District No. 35 (Langley)

Statement 1

Statement of Financial Position

As at June 30, 2025

	2025 Actual	2024 Actual
	\$	\$
Financial Assets		
Cash and Cash Equivalents	104,664,515	97,919,209
Accounts Receivable		
Due from Province - Ministry of Education and Child Care	10,476,438	4,438,187
Other (Note 3)	5,055,241	3,238,642
Total Financial Assets	120,196,194	105,596,038
Liabilities		
Accounts Payable and Accrued Liabilities		
Due to Province - Ministry of Education and Child Care	470,753	-
Other (Note 4)	64,366,046	48,379,793
Unearned Revenue (Note 6)	14,841,101	16,133,075
Deferred Revenue (Note 7)	8,003,943	6,706,400
Deferred Capital Revenue (Note 8)	312,873,104	261,719,752
Employee Future Benefits (Note 9)	7,622,746	7,143,784
Asset Retirement Obligation (Note 17)	37,324,535	31,326,079
Total Liabilities	445,502,228	371,408,883
Net Debt	(325,306,034)	(265,812,845)
Non-Financial Assets		
Tangible Capital Assets (Note 5)	503,298,471	415,117,391
Prepaid Expenses	3,291,828	2,551,827
Total Non-Financial Assets	506,590,299	417,669,218
Accumulated Surplus (Deficit) (Note 12)	181,284,265	151,856,373

Contractual Obligations (Note 15, 20)

Contingent Liabilities (Note 15)

Approved by the Board

Signature of the Chairperson of the Board of Education

September 23, 2025
Date Signed

Signature of the Superintendent

SEPTEMBER 24, 2025
Date Signed

Signature of the Secretary Treasurer

September 24/25
Date Signed

School District No. 35 (Langley)

Statement 2

Statement of Operations

Year Ended June 30, 2025

	2025 Budget (Note 16) \$	2025 Actual \$	2024 Actual \$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	358,004,133	383,355,348	325,985,490
Other	246,559	238,559	255,959
Municipal Grants Spent on Sites		3,032,923	
Federal Grants	1,165,025	1,099,885	906,829
Tuition	16,903,043	17,642,938	15,962,824
Other Revenue	10,395,306	10,835,523	10,879,947
Rentals and Leases	1,092,150	1,329,530	1,042,949
Investment Income	2,770,000	2,710,119	3,640,749
Amortization of Deferred Capital Revenue	12,289,437	12,473,953	11,972,257
Total Revenue	<u>402,865,653</u>	<u>432,718,778</u>	<u>370,647,004</u>
Expenses			
Instruction	342,250,781	331,005,431	299,085,109
District Administration	11,294,789	12,087,624	10,562,062
Operations and Maintenance	48,694,787	50,277,214	46,962,610
Transportation and Housing	3,475,176	3,729,053	3,554,437
Asset Retirement Obligation revaluation		6,191,564	
Total Expense	<u>405,715,533</u>	<u>403,290,886</u>	<u>360,164,218</u>
Surplus (Deficit) for the year	<u>(2,849,880)</u>	<u>29,427,892</u>	<u>10,482,786</u>
Accumulated Surplus (Deficit) from Operations, beginning of year		151,856,373	141,373,587
Accumulated Surplus (Deficit) from Operations, end of year		<u>181,284,265</u>	<u>151,856,373</u>

School District No. 35 (Langley)

Statement 4

Statement of Changes in Net Debt

Year Ended June 30, 2025

	2025 Budget (Note 16)	2025 Actual	2024 Actual
	\$	\$	\$
Surplus (Deficit) for the year	<u>(2,849,880)</u>	<u>29,427,892</u>	<u>10,482,786</u>
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets (Note 5)	(77,031,645)	(112,605,246)	(39,136,811)
Amortization of Tangible Capital Assets (Note 5)	17,820,855	18,232,602	16,986,348
Asset Retirement Obligation revaluation (Note 17)		6,191,564	
Total Effect of change in Tangible Capital Assets	<u>(59,210,790)</u>	<u>(88,181,080)</u>	<u>(22,150,463)</u>
Acquisition of Prepaid Expenses		(3,291,826)	(2,551,825)
Use of Prepaid Expenses		2,551,825	2,544,783
Total Effect of change in Other Non-Financial Assets	<u>-</u>	<u>(740,001)</u>	<u>(7,042)</u>
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	<u>(62,060,670)</u>	<u>(59,493,189)</u>	<u>(11,674,719)</u>
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Debt		<u>(59,493,189)</u>	<u>(11,674,719)</u>
Net Debt, beginning of year		<u>(265,812,845)</u>	<u>(254,138,126)</u>
Net Debt, end of year		<u>(325,306,034)</u>	<u>(265,812,845)</u>

School District No. 35 (Langley)

Statement 5

Statement of Cash Flows

Year Ended June 30, 2025

	2025 Actual	2024 Actual
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	29,427,892	10,482,786
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(7,854,850)	(3,318,518)
Prepaid Expenses	(740,001)	(7,042)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	16,457,006	8,377,029
Unearned Revenue	(1,291,974)	1,379,414
Deferred Revenue	1,297,543	764,774
Employee Future Benefits	478,962	341,021
Asset Retirement Obligation (Note 17)	(193,108)	(305,585)
Amortization of Tangible Capital Assets (Note 5)	18,232,602	16,986,348
Amortization of Deferred Capital Revenue (Note 8)	(12,473,953)	(11,972,257)
Recognition of Deferred Capital Revenue Spent on Sites (Note 8)	(33,103,413)	-
Recognition of Deferred Capital Revenue Spent on Asset Retirement Obligation	(193,108)	(305,585)
Asset Retirement Obligation revaluation (Note 17)	6,191,564	-
Total Operating Transactions	16,235,162	22,422,385
Capital Transactions		
Tangible Capital Assets Purchased	(40,191,752)	(10,360,174)
Tangible Capital Assets -WIP Purchased	(66,221,930)	(28,776,637)
Total Capital Transactions	(106,413,682)	(39,136,811)
Financing Transactions		
Capital Revenue Received	96,923,826	34,098,469
Total Financing Transactions	96,923,826	34,098,469
Net Increase (Decrease) in Cash and Cash Equivalents	6,745,306	17,384,043
Cash and Cash Equivalents, beginning of year	97,919,209	80,535,166
Cash and Cash Equivalents, end of year	104,664,515	97,919,209
Cash and Cash Equivalents, end of year, is made up of:		
Cash	63,881,241	58,620,647
Cash Equivalents	40,783,274	39,298,562
	104,664,515	97,919,209

School District No. 35 (Langley)

Notes to the Financial Statements

Year Ended June 30, 2025

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. 35 (Langley)" and operates as "School District No. 35 (Langley)". A Board of Education (Board) is elected for a four-year term and 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. 35 (Langley) is exempt from federal and provincial income taxes.

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 hospital sectors to adopt Canadian public sector accounting standards without any PS4200 elections.

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.

b) Cash and Cash Equivalents

Cash and cash equivalents include cash in the bank and deposits in the Provincial Ministry of Finance Central Deposit Program which are readily convertible to cash and that are not subject to

School District No. 35 (Langley)
Notes to the Financial Statements
Year Ended June 30, 2025

2. Summary of Significant Accounting Policies (continued)

b) Cash and Cash Equivalents (continued)

a significant risk of change in value. The deposits with the Ministry of Finance can be withdrawn from the program with three days of notice.

c) Accounts Receivable

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

d) Prepaid Expenses

Prepaid expenses include costs prepaid for insurance, equipment and software maintenance, and other fees. These prepaid expenses are stated at acquisition cost and are charged to expense over the future periods expected to benefit from them.

e) 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.

f) Deferred Revenue and Deferred Capital Revenue

Deferred revenue includes both government transfers and other 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(i).

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. 35 (Langley)
Notes to the Financial Statements
Year Ended June 30, 2025

2. Summary of Significant Accounting Policies (continued)

g) Tangible Capital Assets

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, if available. Otherwise, a nominal value is used.

Work-in-progress is recorded as an acquisition to the applicable asset class at substantial completion.

Tangible capital assets that no longer contribute to the ability of the School District to provide services are written down to residual value and accounted for as expenses in the statement of operations.

Buildings that are demolished or destroyed are written-off.

The cost, less any residual value, of tangible capital assets (excluding sites) is amortized on a straight-line basis over the estimated useful life of the asset. Estimated useful lives for the School District's tangible capital assets, as determined by management, are as follows:

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

Amortization of tangible capital assets are taken at one-half the normal annual rate in the year of acquisition and in the year of disposal.

h) Internally Restricted 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 12: Accumulated Surplus and Note 13: Interfund Transfers).

i) Revenue Recognition

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

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

School District No. 35 (Langley)

Notes to the Financial Statements

Year Ended June 30, 2025

2. Summary of Significant Accounting Policies (continued)

i) Revenue Recognition (continued)

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 asset 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, if available, 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 the 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 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 the 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.

j) Expenses

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

Allocation of Costs

- Operating expenses are reported by function, program, and object. Whenever possible, expenses are determined by actual identification. Additional costs pertaining to specific instructional programs, such as special and aboriginal education, are allocated to these programs. All other costs are allocated to related programs.
- Actual salaries of personnel assigned to two or more functions or programs are allocated based on the time spent in each function and program. School-based clerical salaries are allocated to school administration and partially to other programs to which they may be assigned. Principals' and Vice-Principals' salaries are allocated to school administration and may be partially allocated to other programs to recognize their other responsibilities.
- Principals, Vice-Principals, and Directors of Instruction employed under an administrative officer contract are categorized as Principals and Vice-Principals.
- Superintendents, Secretary-Treasurers, Trustees and other employees excluded from union contracts are categorized as Other Professionals.
- Employee benefits and allowances are allocated to the same programs, and in the same proportions, as the individual's salary.

School District No. 35 (Langley)
Notes to the Financial Statements
Year Ended June 30, 2025

2. Summary of Significant Accounting Policies (continued)

- Supplies and services are allocated based on actual program identification.

k) 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 and accounts payable and accrued liabilities.

All financial assets and liabilities are recorded at cost or amortized cost and the associated transaction costs are added to the carrying value of these investments upon initial recognition. Transaction costs are incremental costs directly attributable to the acquisition or issue of a financial asset or a financial liability.

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

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

All financial assets except derivatives are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations.

l) 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. Benefits include vested sick leave, accumulating non-vested sick leave, retirement allowances, vacation pay and life insurance.

The School District accrues its obligations and related costs 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 (losses) are amortized over the expected average remaining service lifetime (EARSL) of active employees covered under the plan. The EARSL for employees of the School District is 13.0 years (2024: 11.2 years).

The most recent valuation of the obligation was performed at March 31, 2025 and projected to June 30, 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.

School District No. 35 (Langley)

Notes to the Financial Statements

Year Ended June 30, 2025

2. Summary of Significant Accounting Policies (continued)

m) Asset Retirement Obligation

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 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 g). Assumptions used in the calculations are reviewed annually.

n) Liability for Contaminated Sites

A liability for contaminated sites is recognized when a site is not in productive use and the following criteria are met:

- An environmental standard exists;
- Contamination exceeds the environmental standard;
- The School District is directly responsible or accepts responsibility for the contamination;
- 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.

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 for assets and liabilities at the date of the financial statements and revenues and expenses during the reporting period. Areas requiring the use of management estimates relate to rates for amortization, estimated employee future benefits and the asset retirement obligation. Actual results could differ from those estimates.

School District No. 35 (Langley)
Notes to the Financial Statements
Year Ended June 30, 2025

3. Accounts Receivable – Other

	June 30, 2025	June 30, 2024
Other Accounts Receivable	\$ 4,465,790	\$ 2,705,612
Due from Federal Government	589,451	532,277
Due from Langley School District Foundation	-	753
	<u>\$ 5,055,241</u>	<u>\$ 3,238,642</u>

4. Accounts Payable and Accrued Liabilities - Other

	June 30, 2025	June 30, 2024
Trade Payables	\$ 26,151,796	\$ 12,040,674
Salaries and Benefits Payable	27,926,622	27,716,066
Accrued Vacation Pay	5,630,121	5,151,357
Other	4,656,566	3,471,696
Due to Langley School District Foundation	941	-
	<u>\$64,366,046</u>	<u>\$48,379,793</u>

School District No. 35 (Langley)
Notes to the Financial Statements
Year Ended June 30, 2025

5. Tangible Capital Assets

June 30, 2025	Balance July 1, 2024	Additions	Disposals	Transfers (WIP)	Balance Jun 30, 2025
Cost:					
Sites	\$ 103,276,673	\$ 33,103,413	\$ -	\$ -	\$ 136,380,086
Buildings	503,183,231	8,289,973	-	38,371,732	549,844,936
Building - work in progress	26,463,627	64,646,746	-	(38,371,732)	52,738,641
Furniture & equipment	37,296,290	3,642,118	2,591,975	-	38,346,433
Vehicles	7,171,668	1,206,969	263,640	-	8,114,997
Computer software	87,725	11,987	2,208	-	97,504
Computer hardware	11,358,165	1,704,040	1,019,183	-	12,043,022
	<u>\$ 688,837,379</u>	<u>\$ 112,605,246</u>	<u>\$ 3,877,006</u>	<u>\$ -</u>	<u>\$ 797,565,619</u>
Accumulated Amortization:					
Sites	\$ -	\$ -	\$ -	\$ -	\$ -
Buildings	248,188,357	17,556,630	-	-	265,744,987
Furniture & equipment	17,724,691	3,744,562	2,591,975	-	18,877,278
Vehicles	3,100,241	764,333	263,640	-	3,600,934
Computer software	31,157	18,522	2,208	-	47,471
Computer hardware	4,675,542	2,340,119	1,019,183	-	5,996,478
	<u>\$ 273,719,988</u>	<u>\$ 24,424,166</u>	<u>\$ 3,877,006</u>	<u>\$ -</u>	<u>\$ 294,267,148</u>
June 30, 2024	Balance July 1, 2023	Additions	Disposals	Transfers (WIP)	Balance Jun 30, 2024
Cost:					
Sites	\$ 103,276,673	\$ -	\$ -	\$ -	\$ 103,276,673
Buildings	490,710,074	4,284,774	-	8,188,383	503,183,231
Building - work in progress	6,934,632	27,717,378	-	(8,188,383)	26,463,627
Furniture & equipment	36,405,375	3,048,615	2,157,700	-	37,296,290
Vehicles	7,334,346	472,440	635,118	-	7,171,668
Computer software	67,080	29,065	8,420	-	87,725
Computer hardware	8,504,965	3,584,539	731,339	-	11,358,165
	<u>\$ 653,233,145</u>	<u>\$ 39,136,811</u>	<u>\$ 3,532,577</u>	<u>\$ -</u>	<u>\$ 688,837,379</u>
Accumulated Amortization:					
Sites	\$ -	\$ -	\$ -	\$ -	\$ -
Buildings	237,582,307	10,606,050	-	-	248,188,357
Furniture & equipment	16,229,187	3,653,204	2,157,700	-	17,724,691
Vehicles	3,010,058	725,301	635,118	-	3,100,241
Computer software	24,097	15,480	8,420	-	31,157
Computer hardware	3,420,568	1,986,313	731,339	-	4,675,542
	<u>\$ 260,266,217</u>	<u>\$ 16,986,348</u>	<u>\$ 3,532,577</u>	<u>\$ -</u>	<u>\$ 273,719,988</u>

School District No. 35 (Langley)
Notes to the Financial Statements
Year Ended June 30, 2025

5. Tangible Capital Assets (continued)

Net Book Value	June 30, 2025	June 30, 2024
Sites	\$ 136,380,086	\$ 103,276,673
Buildings	284,099,948	254,994,874
Buildings – work-in-progress	52,738,641	26,463,627
Furniture & equipment	19,469,155	19,571,599
Vehicles	4,514,063	4,071,427
Computer software	50,033	56,568
Computer hardware	6,046,545	6,682,623
	<u>\$ 503,298,471</u>	<u>\$ 415,117,391</u>

Buildings – work-in-progress have not been amortized. Amortization of these assets will commence when the asset is put into service.

Included in both the cost and accumulated amortization for Buildings are amounts of \$6,191,564 related to the revaluation of the Asset Retirement Obligation as described in note 17.

6. Unearned Revenue

	June 30, 2025	June 30, 2024
Balance, Beginning of Year	\$ 16,133,075	\$ 14,753,661
Changes for the Year		
Increase:		
Tuition fees	14,699,691	16,105,479
Transportation	1,960	2,280
Grants	118,321	9,855
Other	-	2,158
	<u>14,105,479</u>	<u>16,119,772</u>
Decrease:		
Tuition fees	(16,105,479)	(14,637,234)
Rentals	-	(20,925)
Transportation	(2,280)	-
Grants	(2,010)	(82,198)
Other	(2,158)	-
	<u>(16,111,927)</u>	<u>(14,740,357)</u>
Balance, End of Year	<u>\$ 14,841,101</u>	<u>\$ 16,133,075</u>

School District No. 35 (Langley)
Notes to the Financial Statements
Year Ended June 30, 2025

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.

	June 30, 2025	June 30, 2024
Balance, Beginning of Year	\$ 6,706,400	\$ 5,941,626
Changes for the year:		
Increase:		
Provincial Grants - MECC	68,771,257	60,350,535
Federal Grants	1,190,343	1,005,919
Other revenue	9,704,263	9,469,386
	<u>79,665,863</u>	<u>70,825,840</u>
Decrease:		
Allocated to revenue	(74,072,719)	(66,184,175)
Recovered	(4,295,601)	(3,876,891)
	<u>(78,368,320)</u>	<u>(70,061,066)</u>
Balance, End of Year	<u>\$ 8,003,943</u>	<u>\$ 6,706,400</u>

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.

	June 30, 2025	June 30, 2024
Balance, Beginning of Year	\$ 261,719,752	\$ 239,899,125
Increase:		
Provincial Grants - MECC	94,709,088	32,062,509
Other revenue	2,553,599	1,904,101
Investment income	130,948	131,859
	<u>97,393,635</u>	<u>34,098,469</u>
Decrease:		
Amortization	(12,473,953)	(11,972,257)
Site purchase	(33,103,413)	-
Asset Retirement Obligation	(193,108)	(305,585)
Transfer to income statement for AFG	(469,809)	-
	<u>(46,240,283)</u>	<u>(12,277,842)</u>
Balance, End of Year	<u>\$ 312,873,104</u>	<u>\$ 261,719,752</u>

School District No. 35 (Langley)
Notes to the Financial Statements
Year Ended June 30, 2025

9. Employee Future Benefits

Benefits include vested sick leave, accumulating non-vested sick leave, retirement allowances, vacation pay and life insurance. The accrued benefit obligation for employee future benefits is not funded as funding is provided when the benefits are paid. 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	\$ 6,713,668	\$ 6,713,895
Service cost	578,237	587,526
Interest cost	293,569	277,124
Benefit payments – April 1 to March 31	(417,267)	(524,454)
Actuarial gain (loss)	(1,465,003)	(340,423)
Accrued benefit obligation, March 31	<u>\$ 5,703,204</u>	<u>\$ 6,713,668</u>

Reconciliation of Funded Status at End of Fiscal Year		
Accrued benefit obligation – March 31	\$ 5,703,204	\$ 6,713,895
Employer contributions after measurement date	(8,500)	(64,737)
Benefits expense after measurement date	177,012	217,952
Unamortized net actuarial (gain) loss	1,751,030	276,901
Accrued benefit liability - June 30	<u>\$ 7,622,746</u>	<u>\$ 7,143,784</u>

Reconciliation of Change in Accrued Benefit Liability		
Accrued benefit liability – July 1	\$ 7,143,784	\$ 6,802,763
Net expense for fiscal year	839,992	908,590
Employer contributions	(361,030)	(567,569)
Accrued benefit liability - June 30	<u>\$ 7,622,746</u>	<u>\$ 7,143,784</u>

Components of Net Benefit Expense		
Service cost	\$ 554,302	\$ 585,204
Interest cost	276,564	281,235
Amortization of actuarial (gain) loss	9,126	42,151
Net Benefit Expense	<u>\$ 839,992</u>	<u>\$ 908,590</u>

School District No. 35 (Langley)
Notes to the Financial Statements**Year Ended June 30, 2025**

9. Employee Future Benefits (continued)

The significant actuarial assumptions for measuring the School District's accrued benefit obligations 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	13.0 years	11.2 years

10. Employee Pension Plans**a) Teachers' Pension Plan and Municipal Pension Plan**

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 52,000 active members, and approximately 43,000 retired members. As of December 31, 2024, the Municipal Pension Plan has about 273,000 active members, including approximately 32,000 from school districts.

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

The most recent actuarial valuation of the Teachers' Pension Plan as at December 31, 2023, indicated a \$4,572 million surplus for basic pension benefits on a going concern basis, and a balance of \$1,437 million in the rate stabilization account.

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, and a balance of \$3,185 million in the rate stabilization account.

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

Employers participating in the plans record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting).

School District No. 35 (Langley)
Notes to the Financial Statements
Year Ended June 30, 2025

10. Employee Pension Plans (continued)

a) Teachers' Pension Plan and Municipal Pension Plan (continued)

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.

The School District's employer contributions to these plans in the fiscal year ended June 30, 2025 were \$26,672,663 (2024: \$24,399,244).

11. Expense by Object

	June 30, 2025	June 30, 2024
Salaries and Benefits	\$330,833,394	\$300,442,528
Services and Supplies	38,707,216	34,743,230
Interest	69,561	104,056
Amortization	18,232,602	16,986,349
Asset Retirement Obligation revaluation	6,191,564	-
Other	9,256,549	7,888,055
	<u>\$403,290,886</u>	<u>\$360,164,218</u>

12. Accumulated Surplus

The School District's accumulated surplus consists of balances in its internal capital and internal operating funds. The balance in the internal capital fund consists of amounts invested in tangible capital assets and local capital. The balance in the internal operating fund consists of amounts restricted for various specific purposes and an unrestricted amount.

School District No. 35 (Langley)
Notes to the Financial Statements
Year Ended June 30, 2025

12. Accumulated Surplus (continued)

	June 30, 2025	June 30, 2024
Total Capital Fund Surplus	\$157,540,385	\$129,714,985
Restricted Operating Surplus		
Constraints on Funds:		
Internally restricted for commitments 2024/2025	2,867,969	3,022,083
Internally restricted for initiatives not completed 2024/2025	119,000	139,000
Internally restricted for Indigenous Education 2024/2025	107,814	-
Internally restricted for Administration supports	400,000	445,000
Internally restricted for Clerical supports	100,000	-
Internally restricted for Exempt mentorship	40,000	-
Internally restricted for Middle school initiatives for K-7 schools	20,000	50,000
Internally restricted for Accessible playground equipment	400,000	400,000
School Generated Funds	2,934,601	2,862,690
Operations Spanning Multiple Years:		
Internally restricted to balance 2024/2025 budget	-	350,000
Internally restricted to balance 2025/2026 budget	1,528,446	-
Internally restricted to balance future budgets	3,151,648	2,936,333
Internally restricted for student capacity needs	3,687,331	3,607,331
School surpluses	392,071	428,032
Internally restricted for classroom furniture	400,000	420,000
Internally restricted for ERP replacement	1,300,000	950,000
Internally restricted for Project Management costs for Smith Middle/Secondary	300,000	300,000
Internally restricted for Cyber security	145,000	250,000
Internally restricted for Facility upgrades	500,000	600,000
Future Capital Cost Share:		
Restricted for Future District Capital Contribution	-	30,919
Total Restricted Operating Surplus	18,393,880	16,791,388
Unrestricted Operating Surplus	5,350,000	5,350,000
Total Operating Surplus	23,743,880	22,141,388
Accumulated Surplus	\$181,284,265	\$151,856,373

13. Interfund Transfers

The School District manages its accounts using three different funds – Operating, Special Purpose and Capital. Transfers between these funds during the year ended June 30, 2025, were as follows:

- A transfer in the amount of \$158,184 (2024: \$70,329) was made from the special purpose fund to the capital fund for payment of capital assets purchased.
- A transfer in the amount of \$6,298,585 (2024: \$10,304,214) was made from the operating fund to the capital fund for payment of capital assets purchased.

School District No. 35 (Langley)

Notes to the Financial Statements

Year Ended June 30, 2025

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 generally considered to be in the normal course of operations and are recorded at the exchange amount.

The School District has an economic interest in the Langley School District Foundation (Foundation) which acts as a fundraising agency for the School District. The Foundation is a separate legal entity and is a registered charity under the provisions of the *Income Tax Act* of Canada. The Foundation has its own board of directors who approve grants to support various initiatives of the School District.

During the year, the School District received \$792,173 (2024: \$791,534) in contributions from the Foundation to support and promote programs not funded by the Ministry of Education and Child Care. The School District made contributions to the Foundation to support its operations of \$100,000 (2024: \$100,000). The School District also has \$941 in amounts payable due to the Foundation (2024: \$753 accounts receivable).

15. Contractual Obligations and Contingent Liabilities

- a) In the normal course of business, lawsuits and claims have been brought against the School District. The School District contests these lawsuits and claims. Management believes that the results of any pending legal proceedings will not have a material effect on the financial position of the School District.
- b) The School District has entered into a number of multiple-year contracts for the delivery of services and the construction 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.

	2026	2027	2028
Langley Secondary School Expansion	\$ 11,000,000	\$ 7,730,000	\$ -
Lynn Fripps Modular	3,350,000	100,000	-
Nicomekl Modular	3,250,000	500,000	-
Northeast Latimer Elementary School	7,960,000	-	-
Peter Ewart Middle School Seismic	4,580,000	-	-
Smith Middle School	53,640,000	20,210,000	100,000
Smith Secondary School	84,490,000	41,270,000	1,000,000
Various AFG projects	1,600,000	-	-
	<u>\$169,870,000</u>	<u>\$ 69,810,000</u>	<u>\$ 1,100,000</u>

School District No. 35 (Langley)
Notes to the Financial Statements
Year Ended June 30, 2025

16. Budgeted Figures

Budget figures were approved by the Board through the adoption of an annual amended budget bylaw on February 25, 2025.

Budget figures included in the financial statements reflect the amended planned budget approved by the Board. The School District has elected to present the amended budget as it reflects a budget based on funding as a result of final enrollment numbers versus estimated enrollment projections.

	Annual Budget	Amended Budget	Change
Revenues			
Ministry of Education & Child Care	\$ 340,437,407	\$ 358,004,133	\$ 17,566,726
Other - Provincial Grants	1,051,767	246,559	(805,208)
Federal Grants	-	1,165,025	1,165,025
Tuition	16,560,415	16,903,043	342,628
Other revenue	10,290,227	10,395,306	105,079
Rentals and leases	1,092,150	1,092,150	-
Investment income	3,381,700	2,770,000	(611,700)
Amort. of deferred capital revenue	11,834,981	12,289,437	454,456
	<u>384,648,647</u>	<u>402,865,653</u>	<u>18,217,006</u>
Expenses			
Instruction	324,622,037	342,250,781	17,628,744
District administration	10,686,566	11,294,789	608,223
Operations and maintenance	47,295,845	48,694,787	1,398,942
Transportation and housing	3,274,632	3,475,176	200,544
	<u>385,879,080</u>	<u>405,715,533</u>	<u>19,836,453</u>
Net Expense	<u>(1,230,433)</u>	<u>(2,849,880)</u>	<u>(1,619,447)</u>
Budgeted Allocation of Surplus	<u>350,000</u>	<u>5,990,034</u>	<u>5,640,034</u>
Budgeted Surplus (Deficit) for the Year	<u>\$ (880,433)</u>	<u>\$ 3,140,154</u>	<u>\$ 4,020,587</u>

Significant changes between the original and amended budgets are as follows:

- Ministry grants – Reflects increased funding for Classroom Enhancement Fund and Student Affordability Fund, increased Operating Grant for enrollment increase and inflation.
- Federal grant funding was moved from Other - Provincial Grants to a new Federal Grants category and increased based on increased budgets approved by federally.
- Tuition revenue is higher due to increased number of International Students.
- Investment income decreased due to prime interest rate decreases.
- Instruction expenses – Reflects increase in Classroom Enhancement Fund teachers and increased number of teachers and education assistants in operating due to increased enrollment.

School District No. 35 (Langley)

Notes to the Financial Statements

Year Ended June 30, 2025

- Operations and maintenance expenses – Reflects increased labour costs for increases in employee headcount and increased amortization expense for capital assets.

17. Asset Retirement Obligation

Legal liabilities exist for the removal and disposal of asbestos and lead paint within certain district owned buildings that will undergo major renovations or demolition in the future. 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, 2024	\$31,326,079
Revaluation	6,191,564
Settlements during the year	(193,108)
Asset Retirement Obligation, June 30, 2025	<u>\$37,324,535</u>

18. Risk Management

The School District has exposure to the following risks from its use of financial instruments: credit risk, market risk and liquidity risk. The Board ensures that the School District has identified its risks and ensures that management monitors and controls them.

a) Credit risk:

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

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

It is management's opinion that the School District is not exposed to significant credit risk associated with its cash deposits and investments as they are placed in the Central Deposit Program with the Province and in recognized British Columbia institutions and the School District invests solely in fixed income financial instruments such as term deposits, guaranteed investment certificates and other investments which are principal protected.

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

School District No. 35 (Langley)

Notes to the Financial Statements

Year Ended June 30, 2025

- ii. 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.

18. Risk Management (continued)

Liquidity risk:

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

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

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

19. Economic Dependence

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.

20. Future Capital Transactions

On June 16, 2022 the Ministry of Education and Child Care approved \$37.8 million for a seismic upgrade and an 11-classroom expansion at Peter Ewart Middle school. The Langley School District is contributing an additional \$1 million. The project will add 275 student seats, creating a total of 900 safer seats at the school. There will be minimal impact to student learning during construction as the expansion will make use of repurposing underutilized space. Construction began in June 2024 and the project is expected to be completed in August 2025. Students have been accommodated on site during construction through the use of portables.

On May 18, 2023 the Ministry of Education and Child Care announced approval for a new 555-seat elementary school in the Northeast Latimer neighbourhood. The school, now named Josette Dandurand Elementary, will include a neighbourhood learning centre that will offer services, such as child care, to benefit families in the broader community. Construction began in March 2024. The school is expected to be completed in August 2025.

On June 9, 2023 the Ministry of Education and Child Care announced the approval of a 300-seat addition at Langley Secondary school to help meet current enrolment and future growth. Funding for as much as \$27.9 million from the Province has been approved. The addition will include general instruction classrooms, foods classrooms, a science lab and special education rooms. The Langley School District is contributing an additional \$1 million to the project. The addition is expected to be ready for students in fall 2026.

School District No. 35 (Langley)
Notes to the Financial Statements
Year Ended June 30, 2025

20. Future Capital Transactions (continued)

On June 7, 2024 the Ministry of Education and Child Care announced a \$8 million investment to add 200 more student spaces at Nicomekl Elementary school by way of a prefabricated school addition. The addition will include eight classrooms and storage for students' personal belongings. Construction began in January 2025 and the project is expected to be completed in August 2025.

On September 9, 2024 the Ministry announced a new joint school campus located in the Willoughby area of the Township of Langley that will be home to Smith Middle and Smith Secondary schools. The Smith Secondary school will provide spaces for 1,900 new students through approximately \$203 million from the Province. An additional \$103 million in provincial funding will be used to create 900 new seats at Smith Middle school, and will include a neighbourhood learning centre for child care to benefit the broader community. Work began in March 2025 and both schools are expected to be completed by fall 2027.

On September 17, 2024 the Ministry of Education and Child Care announced a \$6 million investment to add 150 more student spaces at Lynn Fripps Elementary school by way of a prefabricated school addition. The addition will include six classrooms and storage for students' personal belongings. Construction began in January 2025 and the project is expected to be completed in August 2025.

School District No. 35 (Langley)

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
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	22,141,388		129,714,985	151,856,373	141,373,587
Changes for the year					
Surplus (Deficit) for the year	7,901,077	158,184	21,368,631	29,427,892	10,482,786
Interfund Transfers		(158,184)	158,184	-	-
Tangible Capital Assets Purchased	(6,298,585)		6,298,585	-	-
Local Capital	1,602,492	-	27,825,400	29,427,892	10,482,786
Net Changes for the year					
	23,743,880	-	157,540,385	181,284,265	151,856,373

Accumulated Surplus (Deficit), end of year - Statement 2

School District No. 35 (Langley)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2025

	2025 Budget (Note 16)	2025 Actual	2024 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	288,971,536	288,989,525	269,788,627
Other	246,559	238,559	255,959
Tuition	16,903,043	17,642,938	15,962,824
Other Revenue	1,082,439	1,495,105	1,493,879
Rentals and Leases	1,092,150	1,329,530	1,042,949
Investment Income	2,620,000	2,687,796	3,570,264
Total Revenue	310,915,727	312,383,453	292,114,502
Expenses			
Instruction	264,817,076	258,842,362	234,458,839
District Administration	10,287,247	11,084,383	9,808,828
Operations and Maintenance	30,604,788	31,628,623	30,003,639
Transportation and Housing	2,675,078	2,927,008	2,792,718
Total Expense	308,384,189	304,482,376	277,064,024
Operating Surplus (Deficit) for the year	2,531,538	7,901,077	15,050,478
Budgeted Appropriation (Retirement) of Surplus (Deficit)	5,990,034		
Net Transfers (to) from other funds			
Tangible Capital Assets - Work in Progress	-	-	-
Local Capital	(8,521,572)	(6,298,585)	(10,304,214)
Total Net Transfers	(8,521,572)	(6,298,585)	(10,304,214)
Total Operating Surplus (Deficit), for the year	-	1,602,492	4,746,264
Operating Surplus (Deficit), beginning of year		22,141,388	17,395,124
Operating Surplus (Deficit), end of year		23,743,880	22,141,388
Operating Surplus (Deficit), end of year			
Internally Restricted (Note 12)		18,393,880	16,791,388
Unrestricted		5,350,000	5,350,000
Total Operating Surplus (Deficit), end of year		23,743,880	22,141,388

School District No. 35 (Langley)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2025

	2025 Budget (Note 16)	2025 Actual	2024 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education and Child Care			
Operating Grant, Ministry of Education and Child Care	284,059,312	283,932,771	263,380,240
ISC/LEA Recovery	(88,977)	(111,960)	(119,745)
Other Ministry of Education and Child Care Grants			
Pay Equity	551,875	551,875	551,875
Funding for Graduated Adults	500,000	560,111	630,527
Student Transportation Fund	260,000	260,000	260,000
Support Staff Benefits Grant	325,200	325,200	325,200
FSA Scorer Grant	17,740	17,740	17,740
Child Care Funding	-	122,520	37,935
Labour Settlement Funding	2,915,010	2,915,010	3,134,532
Early Learning Framework (ELF) Implementation	3,385	-	-
Support Staff Funding EHB	166,534	177,750	177,750
Additional Support Staff Funding	11,457	-	-
Teacher Pro D Funding	250,000	238,508	-
Management Salary Increases	-	-	1,389,573
Premier Award	-	-	3,000
Total Provincial Grants - Ministry of Education and Child Care	288,971,536	288,989,525	269,788,627
Provincial Grants - Other	246,559	238,559	255,959
Tuition			
Summer School Fees	139,928	139,928	187,915
Continuing Education	48,000	70,051	51,330
International and Out of Province Students	16,715,115	17,432,959	15,723,579
Total Tuition	16,903,043	17,642,938	15,962,824
Other Revenues			
Funding from First Nations	88,977	111,960	119,745
Miscellaneous			
Other Revenues	396,462	571,661	485,602
Transportation	30,000	18,400	20,600
BC Hydro Grant	47,000	60,000	60,000
Salary Recoveries	520,000	661,173	640,656
School Generated Funds	-	71,911	167,276
Total Other Revenue	1,082,439	1,495,105	1,493,879
Rentals and Leases	1,092,150	1,329,530	1,042,949
Investment Income	2,620,000	2,687,796	3,570,264
Total Operating Revenue	310,915,727	312,383,453	292,114,502

School District No. 35 (Langley)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2025

	2025 Budget (Note 16)	2025 Actual	2024 Actual
	\$	\$	\$
Salaries			
Teachers	135,049,221	128,287,987	120,403,675
Principals and Vice Principals	15,725,040	15,810,311	14,598,788
Educational Assistants	31,875,209	30,897,883	26,530,948
Support Staff	21,517,502	22,296,648	20,857,145
Other Professionals	7,240,497	7,270,175	6,505,977
Substitutes	11,889,328	15,228,596	13,735,545
Total Salaries	223,296,797	219,791,600	202,632,078
Employee Benefits	55,921,157	55,477,830	49,033,781
Total Salaries and Benefits	279,217,954	275,269,430	251,665,859
Services and Supplies			
Services	8,941,964	8,958,589	7,297,058
Student Transportation	243,800	235,343	230,751
Professional Development and Travel	2,922,094	2,790,822	2,033,282
Rentals and Leases	69,324	77,085	36,408
Dues and Fees	1,679,060	1,665,455	1,721,860
Insurance	697,120	651,301	620,172
Interest	-	69,561	104,056
Supplies	10,905,873	11,398,056	10,108,996
Utilities	3,705,000	3,366,734	3,245,582
Bad Debts	2,000	-	-
Total Services and Supplies	29,166,235	29,212,946	25,398,165
Total Operating Expense	308,384,189	304,482,376	277,064,024

School District No. 35 (Langley)
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	103,540,373	926,602	794,215	1,232,940	550	11,319,157	117,813,837
1.03 Career Programs	347,882	-	372,905	171,132	-	35,616	927,535
1.07 Library Services	1,109,940	-	788,563	17,289	-	21,234	1,937,026
1.08 Counselling	3,835,207	-	-	-	-	31,794	3,867,001
1.10 Inclusive Education	14,726,871	1,362,387	26,565,424	150,236	805,767	1,799,622	45,410,307
1.30 English Language Learning	1,539,542	233,920	159,806	-	-	6,333	1,939,601
1.31 Indigenous Education	450,625	87,408	1,545,195	89,860	-	8,556	2,181,644
1.41 School Administration	-	12,133,915	2,425	3,765,204	-	235,818	16,137,362
1.60 Summer School	865,452	130,925	150,956	56,194	-	4,990	1,208,517
1.62 International and Out of Province Students	1,872,095	318,679	518,394	204,224	416,624	71,164	3,401,180
Total Function 1	128,287,987	15,193,836	30,897,883	5,687,079	1,222,941	13,534,284	194,824,010
4 District Administration							
4.11 Educational Administration	-	438,459	-	59,186	1,271,312	1,228	1,770,185
4.40 School District Governance	-	-	-	-	237,813	-	237,813
4.41 Business Administration	-	178,016	-	1,510,979	2,475,210	71,113	4,235,318
Total Function 4	-	616,475	-	1,570,165	3,984,335	72,341	6,243,316
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	-	-	-	115,903	1,694,667	4,345	1,814,915
5.50 Maintenance Operations	-	-	-	13,155,282	289,487	1,313,214	14,757,983
5.52 Maintenance of Grounds	-	-	-	440,209	-	58,048	498,257
5.56 Utilities	-	-	-	-	-	-	-
Total Function 5	-	-	-	13,711,394	1,984,154	1,375,607	17,071,155
7 Transportation and Housing							
7.41 Transportation and Housing Administration	-	-	-	148,914	78,745	40,886	268,545
7.70 Student Transportation	-	-	-	1,179,096	-	205,478	1,384,574
Total Function 7	-	-	-	1,328,010	78,745	246,364	1,653,119
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	128,287,987	15,810,311	30,897,883	22,296,648	7,270,175	15,228,596	219,791,600

School District No. 35 (Langley)
Operating Expense by Function, Program and Object
Year Ended June 30, 2025

Schedule 2C (Unaudited)

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2025 Actual	2025 Budget (Note 16)	2024 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	117,813,837	29,698,862	147,512,699	7,848,209	155,360,908	154,967,782	143,228,190
1.03 Career Programs	927,535	224,813	1,152,348	233,064	1,385,412	1,741,762	1,157,451
1.07 Library Services	1,937,026	474,410	2,411,436	200,359	2,611,795	2,849,824	2,654,085
1.08 Counseling	3,867,001	918,252	4,785,253	290,511	5,075,764	5,543,313	4,565,452
1.10 Inclusive Education	45,410,307	12,036,845	57,447,152	1,486,300	58,933,452	62,873,955	49,892,108
1.30 English Language Learning	1,939,601	508,689	2,448,290	111,772	2,560,062	3,202,743	2,489,865
1.31 Indigenous Education	2,181,644	537,760	2,719,404	675,284	3,394,688	3,631,972	3,587,588
1.41 School Administration	16,137,362	3,733,745	19,871,107	1,099,404	20,970,511	21,069,418	18,626,276
1.60 Summer School	1,208,517	246,699	1,455,216	39,660	1,494,876	1,370,610	1,421,657
1.62 International and Out of Province Students	3,401,180	903,475	4,304,655	2,750,239	7,054,894	7,565,697	6,836,167
Total Function 1	194,824,010	49,283,550	244,107,560	14,734,802	258,842,362	264,817,076	234,458,839
4 District Administration							
4.11 Educational Administration	1,770,185	455,731	2,225,916	454,807	2,680,723	2,573,590	2,622,194
4.40 School District Governance	237,813	15,542	253,355	191,284	444,639	438,835	397,075
4.41 Business Administration	4,235,318	1,025,138	5,260,456	2,698,565	7,959,021	7,274,822	6,789,559
Total Function 4	6,243,316	1,496,411	7,739,727	3,344,656	11,084,383	10,287,247	9,808,828
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	1,814,915	423,298	2,238,213	749,117	2,987,330	3,081,910	3,367,980
5.50 Maintenance Operations	14,757,983	3,802,733	18,560,716	5,711,713	24,272,429	22,800,891	22,404,361
5.52 Maintenance of Grounds	498,257	133,125	631,382	404,623	1,036,005	1,041,987	1,025,863
5.56 Utilities	-	-	-	3,332,859	3,332,859	3,680,000	3,205,435
Total Function 5	17,071,155	4,359,156	21,430,311	10,198,312	31,628,623	30,604,788	30,003,639
7 Transportation and Housing							
7.41 Transportation and Housing Administration	268,545	58,497	327,042	11,502	338,544	309,492	291,014
7.70 Student Transportation	1,384,574	280,216	1,664,790	923,674	2,588,464	2,365,586	2,501,704
Total Function 7	1,653,119	338,713	1,991,832	935,176	2,927,008	2,675,078	2,792,718
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	219,791,600	55,477,830	275,269,430	29,212,946	304,482,376	308,384,189	277,064,024

School District No. 35 (Langley)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2025

	2025 Budget (Note 16)	2025 Actual	2024 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	68,882,597	63,632,416	55,891,278
Federal Grants	1,165,025	1,099,885	906,829
Other Revenue	9,312,867	9,340,418	9,386,068
Total Revenue	<u>79,360,489</u>	<u>74,072,719</u>	<u>66,184,175</u>
Expenses			
Instruction	77,433,705	72,163,069	64,626,270
District Administration	1,007,542	1,003,241	753,234
Operations and Maintenance	869,118	710,513	697,924
Transportation and Housing	50,124	37,712	36,418
Total Expense	<u>79,360,489</u>	<u>73,914,535</u>	<u>66,113,846</u>
Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>158,184</u>	<u>70,329</u>
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	-	(158,184)	(70,329)
Total Net Transfers	<u>-</u>	<u>(158,184)</u>	<u>(70,329)</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. 35 (Langley)
Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2025

Schedule 3A (Unaudited)

	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		16,608	1,229,171		30,025			4,295,601
Add: Restricted Grants								
Provincial Grants - Ministry of Education and Child Care	680,305	1,001,864		288,000	78,400	272,029	2,365,238	53,200,801
Federal Grants			8,730,805					
Other								
Less: Allocated to Revenue	680,305	1,001,864	8,730,805	288,000	78,400	272,029	2,365,238	53,200,801
Recovered		1,018,472	8,366,960	288,000	59,532	272,029	2,365,238	47,751,288
Deferred Revenue, end of year	-	-	1,593,016	-	48,893	-	-	4,295,601
Revenues								5,449,513
Provincial Grants - Ministry of Education and Child Care	680,305	1,018,472		288,000	59,532	272,029	2,365,238	1,033,519
Federal Grants								
Other Revenue			8,366,960					
Expenses								
Salaries								
Teachers								
Principals and Vice Principals				21,000			543,166	39,530,234
Educational Assistants						69,344		
Support Staff	118,761	834,788		178,296	531		1,311,330	
Other Professionals								159,309
Substitutes								100,601
Employee Benefits	118,761	11,049		23,909		23,730	35,830	576,403
Services and Supplies	20,220	845,837	-	202,205	21,531	93,074	1,890,326	836,313
	541,324	172,635		65,496	13,206	18,839	474,904	197,206
			8,366,960	20,299	24,795	160,116	8	
	680,305	1,018,472	8,366,960	288,000	59,532	272,029	2,365,238	1,033,519
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-
Interfund Transfers								
Tangible Capital Assets Purchased	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-

School District No. 35 (Langley)
 Changes in Special Purpose Funds and Expense by Object
 Year Ended June 30, 2025

Deferred Revenue, beginning of year

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

Less: Allocated to Revenue
 Recovered

Deferred Revenue, end of year

Revenues
 Provincial Grants - Ministry of Education and Child Care
 Federal Grants
 Other Revenue

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)

Classroom Enhancement Fund - Remedies	First Nation Student Transportation	Mental Health in Schools	Changing Results for Young Children	Seamless Day Kindergarten	Early Childhood Education Dual Credit Program	Student & Family Affordability	JUST B4	SEY2KT (Early Years to Kindergarten)
\$	\$	\$	\$	\$	\$	\$	\$	\$
	13,696	9,197	6,191		87,859	318,056		
6,208,732	36,428	48,000	6,750	110,800	16,000		25,000	19,000
6,208,732	36,428	48,000	6,750	110,800	16,000		25,000	19,000
6,208,732	37,712	57,197	12,941	110,800	51,810	318,056	25,000	19,000
-	12,412	-	-	-	52,049	-	-	-
6,208,732	37,712	57,197	12,941	110,800	51,810	318,056	25,000	19,000
6,208,732	37,712	57,197	12,941	110,800	51,810	318,056	25,000	19,000
-	-	44,668		77,664			12,677	
				9,222				
-	-	44,668	-	86,886	-	-	12,677	-
6,208,732	37,712	11,007	12,941	20,915	51,810	316,900	12,127	19,000
6,208,732	37,712	1,522	12,941	2,999	51,810	316,900	196	19,000
		57,197	12,941	110,800	51,810	316,900	25,000	19,000
-	-	-	-	-	-	1,156	-	-
-	-	-	-	-	-	(1,156)	-	-
-	-	-	-	-	-	(1,156)	-	-
-	-	-	-	-	-	-	-	-

School District No. 35 (Langley)
Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2025

	ECL (Early Care & Learning)	Feeding Futures Fund	Health Career Grants	Professional Learning Grant	SWIS	Project Penny	Project Resiliency	National School Food Program	TOTAL
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year		313,014			286,982	100,000			6,706,400
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	175,000	2,752,652	29,022	208,468				215,249	68,771,257
Federal Grants					1,190,343				1,190,343
Other							973,458		9,704,263
Less: Allocated to Revenue	175,000	2,752,652	29,022	208,468	1,190,343		973,458	215,249	79,665,863
Recovered	175,000	3,019,742	28,043	-	1,099,885	100,000	973,458	-	74,072,719
Deferred Revenue, end of year	-	45,924	979	208,468	377,440	-	-	215,249	4,295,601
Revenues									8,003,943
Provincial Grants - Ministry of Education and Child Care	175,000	3,019,742	28,043			100,000			63,632,416
Federal Grants					1,099,885				1,099,885
Other Revenue							973,458		9,340,418
Expenses									74,072,719
Salaries									
Teachers		14,296			73,968		118,909		40,301,573
Principals and Vice Principals	145,491	127,895			71,326		175,156		589,212
Educational Assistants		368,361			598,257		133,200		3,515,104
Support Staff		11,564			38,923				337,779
Other Professionals					35,408		180,291		360,968
Substitutes					30,716				1,096,660
Employee Benefits	145,491	522,116	-	-	848,598	-	607,556	-	46,201,296
Services and Supplies	29,509	143,241			221,913		135,419		9,362,668
		2,297,357	28,043		29,374		230,483		18,350,571
	175,000	2,962,714	28,043	-	1,099,885	-	973,458	-	73,914,535
Net Revenue (Expense) before Interfund Transfers	-	57,028	-	-	-	100,000	-	-	158,184
Interfund Transfers									
Tangible Capital Assets Purchased		(57,028)				(100,000)			(158,184)
	-	(57,028)	-	-	-	(100,000)	-	-	(158,184)
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 35 (Langley)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2025

	2025 Budget (Note 16)	2025 Actual			2024 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Provincial Grants					
Ministry of Education and Child Care	150,000	30,733,407		30,733,407	305,585
Municipal Grants Spent on Sites		3,032,923		3,032,923	
Investment Income	150,000		22,323	22,323	70,485
Amortization of Deferred Capital Revenue	12,289,437	12,473,953		12,473,953	11,972,257
Total Revenue	12,589,437	46,240,283	22,323	46,262,606	12,348,327
Expenses					
Operations and Maintenance	150,000	469,809		469,809	
Amortization of Tangible Capital Assets					
Operations and Maintenance	17,070,881	17,468,269		17,468,269	16,261,047
Transportation and Housing	749,974	764,333		764,333	725,301
Asset Retirement Obligation revaluation	-	6,191,564		6,191,564	-
Total Expense	17,970,855	24,893,975	-	24,893,975	16,986,348
Capital Surplus (Deficit) for the year	(5,381,418)	21,346,308	22,323	21,368,631	(4,638,021)
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased		158,184		158,184	70,329
Local Capital	8,521,572		6,298,585	6,298,585	10,304,214
Total Net Transfers	8,521,572	158,184	6,298,585	6,456,769	10,374,543
Other Adjustments to Fund Balances					
Tangible Capital Assets Purchased from Local Capital		6,128,870	(6,128,870)	-	
Tangible Capital Assets WIP Purchased from Local Capital		65,567	(65,567)	-	
Total Other Adjustments to Fund Balances		6,194,437	(6,194,437)	-	
Total Capital Surplus (Deficit) for the year	3,140,154	27,698,929	126,471	27,825,400	5,736,522
Capital Surplus (Deficit), beginning of year		129,072,856	642,129	129,714,985	123,978,463
Capital Surplus (Deficit), end of year		156,771,785	768,600	157,540,385	129,714,985

School District No. 35 (Langley)

Tangible Capital Assets

Year Ended June 30, 2025

Schedule 4A (Unaudited)

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	103,276,673	503,183,231	36,992,370	7,171,668	87,725	11,358,165	662,069,832
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw	30,070,490			431,724			30,502,214
Deferred Capital Revenue - Other	3,032,923	55,268	314,293				3,402,484
Special Purpose Funds			158,184				158,184
Local Capital		2,043,141	1,594,457	775,245	11,987	1,704,040	6,128,870
Asset Retirement Obligation revaluation		6,191,564					6,191,564
Transferred from Work in Progress		38,371,732	1,431,542				39,803,274
	33,103,413	46,661,705	3,498,476	1,206,969	11,987	1,704,040	86,186,590
Decrease:							
Deemed Disposals			2,591,975	263,640	2,208	1,019,183	3,877,006
	-	-	2,591,975	263,640	2,208	1,019,183	3,877,006
Cost, end of year	136,380,086	549,844,936	37,898,871	8,114,997	97,504	12,043,022	744,379,416
Work in Progress, end of year		52,738,641	447,562				53,186,203
Cost and Work in Progress, end of year	136,380,086	602,583,577	38,346,433	8,114,997	97,504	12,043,022	797,565,619
Accumulated Amortization, beginning of year							
Changes for the Year							
Increase:							
Amortization for the Year		11,365,066	3,744,562	764,333	18,522	2,340,119	18,232,602
Asset Retirement Obligation revaluation		6,191,564					6,191,564
		17,556,630	3,744,562	764,333	18,522	2,340,119	24,424,166
Decrease:							
Deemed Disposals			2,591,975	263,640	2,208	1,019,183	3,877,006
		-	2,591,975	263,640	2,208	1,019,183	3,877,006
Accumulated Amortization, end of year		259,553,423	18,877,278	3,600,934	47,471	5,996,478	294,267,148
Tangible Capital Assets - Net	136,380,086	343,030,154	19,469,155	4,514,063	50,033	6,046,544	503,298,471

School District No. 35 (Langley)

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	26,463,627	303,920	-	-	26,767,547
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	64,068,557	1,575,184	-	-	65,643,741
Deferred Capital Revenue - Other	512,622	-	-	-	512,622
Local Capital	65,567	-	-	-	65,567
	64,646,746	1,575,184	-	-	66,221,930
Decrease:					
Transferred to Tangible Capital Assets	38,371,732	1,431,542	-	-	39,803,274
	38,371,732	1,431,542	-	-	39,803,274
Net Changes for the Year	26,275,014	143,642	-	-	26,418,656
Work in Progress, end of year	52,738,641	447,562	-	-	53,186,203

School District No. 35 (Langley)

Deferred Capital Revenue

Year Ended June 30, 2025

Schedule 4C (Unaudited)

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	204,369,001	21,020,827	3,229,696	228,619,524
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	431,724	-	369,561	801,285
Transferred from Work in Progress	38,660,652	512,622		39,173,274
	39,092,376	512,622	369,561	39,974,559
Decrease:				
Amortization of Deferred Capital Revenue	11,391,242	679,601	403,110	12,473,953
	11,391,242	679,601	403,110	12,473,953
Net Changes for the Year	27,701,134	(166,979)	(33,549)	27,500,606
Deferred Capital Revenue, end of year	232,070,135	20,853,848	3,196,147	256,120,130
 Work in Progress, beginning of year	 26,098,932	 -	 -	 26,098,932
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	65,643,741	512,622	-	66,156,363
	65,643,741	512,622	-	66,156,363
Decrease				
Transferred to Deferred Capital Revenue	38,660,652	512,622	-	39,173,274
	38,660,652	512,622	-	39,173,274
Net Changes for the Year	26,983,089	-	-	26,983,089
Work in Progress, end of year	53,082,021	-	-	53,082,021
Total Deferred Capital Revenue, end of year	285,152,156	20,853,848	3,196,147	309,202,151

School District No. 35 (Langley)

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

Schedule 4D (Unaudited)

	Bylaw Capital	MECC Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	2,334,083	1,681,442		2,985,771		7,001,296
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education and Child Care	94,709,088					94,709,088
Other				2,184,038	369,561	2,553,599
Investment Income		53,146		77,802		130,948
Transfer project surplus to MECC Restricted (from) Bylaw	(145,291)	145,291				-
Reclassify for AFG Expense projects	(469,809)					(469,809)
	94,093,988	198,437	-	2,261,840	369,561	96,923,826
Decrease:						
Transferred to DCR - Capital Additions	431,724				369,561	801,285
Transferred to DCR - Work in Progress	65,643,741	512,622				66,156,363
Transferred to Revenue - Site Purchases	30,070,490			3,032,923		33,103,413
Transferred to Revenue - Settlement of Asset Retirement Obligation	193,108					193,108
	96,339,063	512,622	-	3,032,923	369,561	100,254,169
Net Changes for the Year	(2,245,075)	(314,185)	-	(771,083)	-	(3,330,343)
Balance, end of year	89,008	1,367,257	-	2,214,688	-	3,670,953