

Audited Financial Statements of

School District No. 87 (Stikine)

And Independent Auditors' Report thereon

June 30, 2026

School District No. 87 (Stikine)

June 30, 2026

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School District No. 87 (Stikine)

MANAGEMENT REPORT

Version: 9894-9148-7166

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 87 (Stikine) 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. 87 (Stikine) (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, Doane Grant Thornton 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. 87 (Stikine) 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. 87 (Stikine)



September 23, 2026

Signature of the Chairperson of the Board of Education

Date Signed



Signature of the Superintendent

Sept 25/26

Date Signed



Signature of the Secretary Treasurer

Sept 25/26

Date Signed

Independent auditor's report

To the Board of Education of School District No.87 (Stikine) and
The Ministry of Education and Child Care of the Province of British Columbia:

Opinion

We have audited the financial statements of School District No. 87 (Stikine) ("the School District"), which comprise the statement of financial position as at June 30, 2026, and the statements of operations, change in net debt and cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of School District as at June 30, 2026, and its results of operations, its changes in its net debt, and its cash flows for the year then ended in accordance with Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the School District in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

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

Other matter – previous auditor

The financial statements for the year ended June 30, 2025 were audited by another auditor who expressed an unmodified opinion on those financial statements on September 22, 2025.

Other matter – supplementary information

Our audit was conducted for the purposes of forming an opinion on the financial statements taken as a whole. Schedules 1-4 on pages 25-37 are presented for purposes of additional information and is not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements, and, accordingly, we express no opinion on it.

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 Canadian public sector accounting standards, 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 School District's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate the School District or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- 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 School District's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School District's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School District to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Doane Grant Thornton LLP

Chartered Professional Accountants

Terrace, Canada
September 28, 2026

School District No. 87 (Stikine)

Statement of Financial Position

As at June 30, 2026

Statement 1

	2026 Actual \$	2025 Actual \$
Financial Assets		
Cash and Cash Equivalents	9,096,037	9,418,397
Accounts Receivable		
Due from First Nations	115,664	977,680
Other (Note 3)	628,784	544,360
Total Financial Assets	9,840,485	10,940,437
Liabilities		
Accounts Payable and Accrued Liabilities		
Other (Note 4)	1,512,674	1,101,694
Unearned Revenue (Note 5)	500	500
Deferred Revenue (Note 6)	2,814,960	2,638,982
Deferred Capital Revenue (Note 7)	10,322,866	9,502,757
Employee Future Benefits (Note 8)	23,553	21,379
Total Liabilities	14,674,553	13,265,312
Net Debt	(4,834,068)	(2,324,875)
Non-Financial Assets		
Tangible Capital Assets (Note 9)	15,105,004	13,323,614
Prepaid Expenses	78,839	150,068
Total Non-Financial Assets	15,183,843	13,473,682
Accumulated Surplus (Deficit)	10,349,775	11,148,807

Approved by the Board



September 23, 2026

Signature of the Chairperson of the Board of Education

Date Signed



September 25/26

Signature of the Superintendent

Date Signed



Sept 25/26

Signature of the Secretary Treasurer

Date Signed

School District No. 87 (Stikine)

Statement 2

Statement of Operations

Year Ended June 30, 2026

	2026 Budget	2026 Actual	2025 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	8,676,853	7,536,335	6,871,267
Other			78,000
Federal Grants	12,100	12,100	12,100
Other Revenue	1,437,248	1,472,086	1,450,351
Rentals and Leases	216,200	226,897	215,615
Investment Income	300,725	210,407	349,868
Amortization of Deferred Capital Revenue	506,999	508,271	485,852
Total Revenue	11,150,125	9,966,096	9,463,053
Expenses			
Instruction	6,582,921	6,215,010	5,894,668
District Administration	1,470,614	1,554,508	1,251,769
Operations and Maintenance	2,996,552	2,255,957	2,441,673
Transportation and Housing	884,936	739,653	808,401
Total Expense	11,935,023	10,765,128	10,396,511
Surplus (Deficit) for the year	(784,898)	(799,032)	(933,458)
Accumulated Surplus (Deficit) from Operations, beginning of year		11,148,807	12,082,265
Accumulated Surplus (Deficit) from Operations, end of year		10,349,775	11,148,807

School District No. 87 (Stikine)

Statement 4

Statement of Changes in Net Debt

Year Ended June 30, 2026

	2026 Budget	2026 Actual	2025 Actual
	\$	\$	\$
Surplus (Deficit) for the year	<u>(784,898)</u>	<u>(799,032)</u>	<u>(933,458)</u>
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(75,000)	(2,584,206)	(561,135)
Amortization of Tangible Capital Assets	(403,566)	802,816	782,984
Total Effect of change in Tangible Capital Assets	<u>(478,566)</u>	<u>(1,781,390)</u>	<u>221,849</u>
Use of Prepaid Expenses		71,229	26,942
Total Effect of change in Other Non-Financial Assets	<u>-</u>	<u>71,229</u>	<u>26,942</u>
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	<u>(1,263,464)</u>	<u>(2,509,193)</u>	<u>(684,667)</u>
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Debt		<u>(2,509,193)</u>	<u>(684,667)</u>
Net Debt, beginning of year		<u>(2,324,875)</u>	<u>(1,640,208)</u>
Net Debt, end of year		<u><u>(4,834,068)</u></u>	<u><u>(2,324,875)</u></u>

School District No. 87 (Stikine)

Statement 5

Statement of Cash Flows

Year Ended June 30, 2026

	2026 Actual	2025 Actual
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	(799,032)	(933,458)
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	777,592	(804,277)
Prepaid Expenses	71,229	26,942
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	410,980	(155,598)
Unearned Revenue	-	(1,000)
Deferred Revenue	175,978	592,110
Employee Future Benefits	2,174	1,729
Amortization of Tangible Capital Assets	802,816	782,984
Amortization of Deferred Capital Revenue	(508,271)	(485,852)
Total Operating Transactions	933,466	(976,420)
Capital Transactions		
Tangible Capital Assets Purchased	(2,584,206)	(561,135)
Total Capital Transactions	(2,584,206)	(561,135)
Financing Transactions		
Capital Revenue Received	1,328,380	357,586
Total Financing Transactions	1,328,380	357,586
Net Increase (Decrease) in Cash and Cash Equivalents	(322,360)	(1,179,969)
Cash and Cash Equivalents, beginning of year	9,418,397	10,598,366
Cash and Cash Equivalents, end of year	9,096,037	9,418,397
Cash and Cash Equivalents, end of year, is made up of:		
Cash Equivalents	9,096,037	9,418,397
	9,096,037	9,418,397

**SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026**

NOTE 1 AUTHORITY AND PURPOSE

The School District, established on January 1, 1966 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. 87 (Stikine)", and operates as "School District No. 87 (Stikine)." 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. 87 (Stikine) 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 – decrease in annual surplus by \$266,533

June 30, 2025 – increase in accumulated surplus and decrease in deferred contributions by \$8,593,328

**SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026**

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

a) Basis of Accounting *(cont'd)*

Year-ended June 30, 2026 – increase in annual surplus by \$1,574,435

June 30, 2026 – increase in accumulated surplus and decrease in deferred contributions by \$10,167,763

b) Cash and Cash Equivalents

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

c) Accounts Receivable

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

d) Unearned Revenue

Unearned revenue includes rental fees received for tenancy in future periods. Revenue will be recognized in that future period for which rented space is 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

**SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026**

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

f) Employee Future Benefits *(cont'd)*

under employee future benefit plans. Benefits include vested sick leave, accumulating non-vested sick leave, early retirement, retirement/severance, vacation, overtime and death benefits. The benefits cost is actuarially determined using the projected unit credit method pro-rated on service and using management's best estimate of expected salary escalation, termination rates, retirement rates and mortality. The discount rate used to measure obligations is based on the cost of borrowing. The cumulative unrecognized actuarial gains and losses are amortized over the expected average remaining service lifetime of active employees covered under the plan.

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

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

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 School District have reviewed all tangible capital assets and determined no asset retirement obligations are present.

h) 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.

**SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026**

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

h) Tangible Capital Assets *(cont'd)*

- 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

i) Operating Leases

Operating lease payments are charged to expenses as incurred.

j) Prepaid Expenses

Prepaid expenses are software modernization and maintenance costs, software licensing fees and annual membership fees and 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 note 11 – Interfund Transfers and note 16 – Internally Restricted Surplus).

**SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026**

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

l) 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.

m) Expenditures

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

SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

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

m) Expenditures *(cont'd)*

Categories of Salaries

- Principals and Vice-Principals, and District Principals 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.

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, portfolio investments, bank overdraft, accounts payable and accrued liabilities, long term debt 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

**SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026**

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

n) Financial Instruments *(cont'd)*

in the statement of operations. Interest and dividends attributable to financial instruments are reported in the statement of operations. There are no measurement gains or losses during the periods presented; therefore, no statement of remeasurement gains or losses is included in these financial statements.

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

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

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 Stikine Teachers' Association	\$ 500	\$ 85,344
Other	628,284	459,016
	<u>\$ 628,784</u>	<u>\$ 544,360</u>

NOTE 4 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES – OTHER

	2026	2025
Trade payables	\$ 652,735	\$ 441,948
Salaries and benefits payable	555,403	320,032
Accrued vacation pay	73,644	144,164
Other	230,892	195,550
	<u>\$ 1,512,674</u>	<u>\$ 1,101,694</u>

SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 5 UNEARNED REVENUE

	2026	2025
Balance, beginning of year	\$ 500	\$ 1,500
Changes for the year:		
Increase:		
Rental/Lease of facilities	500	0
	<u>1,000</u>	<u>1,500</u>
Decrease:		
Rental/Lease of facilities	(500)	(1,000)
Net changes for the year	<u>0</u>	<u>(1,000)</u>
Balance, end of year	<u>\$ 500</u>	<u>\$ 500</u>

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.

	2026	2025
Deferred revenue, beginning of year	\$ 2,638,982	\$ 2,046,872
Increase: Restricted grants		
Provincial grants	2,034,471	1,819,114
Other	9,419	69,993
	<u>2,043,890</u>	<u>1,889,107</u>
Decrease:		
Allocated to revenue	1,867,912	1,296,997
Net changes for the year	<u>175,978</u>	<u>592,110</u>
Deferred revenue, end of year	<u>\$ 2,814,960</u>	<u>\$ 2,638,982</u>

SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 7 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.

	2026	2025
Deferred capital revenue, beginning of year	<u>\$ 8,593,328</u>	<u>\$ 8,859,861</u>
Increase:		
Capital additions	<u>2,082,706</u>	<u>219,319</u>
Decrease:		
Amortization of deferred capital revenue	508,271	485,852
Deferred capital revenue spent, end of year	10,167,763	8,593,328
Deferred capital revenue unspent, end of year	<u>155,103</u>	<u>909,429</u>
Deferred capital revenue, end of year	<u>\$ 10,322,866</u>	<u>\$ 9,502,757</u>

SCHOOL DISTRICT
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.

	2026	2025
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	\$ 9,387	\$ 10,588
Service Cost	3,353	2,360
Interest Cost	499	542
Benefit Payments	(260)	(17)
Actuarial (Gain) Loss	(799)	(4,086)
Accrued Benefit Obligation – March 31	<u>\$ 12,180</u>	<u>\$ 9,387</u>

Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation – March 31	\$ 12,180	\$ 9,387
Market Value of Plan Assets – March 31	0	0
Funded Status – Surplus (Deficit)	(12,180)	(9,387)
Employer Contributions After Measurement Date	0	0
Benefits Expense After Measurement Date	(981)	(963)
Unamortized Net Actuarial (Gain) Loss	(10,392)	(11,029)
Accrued Benefit Asset (Liability) – June 30	<u>\$ (23,553)</u>	<u>\$ (21,379)</u>

Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability – July 1	\$ 21,379	\$ 19,650
Net expense for Fiscal Year	2,434	1,746
Employer Contributions	(260)	(17)
Accrued Benefit Liability – June 30	<u>\$ 23,553</u>	<u>\$ 21,379</u>

Components of Net Benefit Expense		
Service Cost	\$ 3,324	\$ 2,608
Interest Cost	546	531
Amortization of Net Actuarial (Gain)/Loss	(1,436)	(1,393)
Net Benefit Expense (Income)	<u>\$ 2,434</u>	<u>\$ 1,746</u>

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

	2026	2025
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	12.5	12.5

SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 9 TANGIBLE CAPITAL ASSETS

Net Book Value:

	Net Book Value 2026	Net Book Value 2025
Sites	\$ 1,772,818	\$ 1,772,818
Buildings	12,083,299	10,454,324
Furniture & Equipment	601,929	585,525
Vehicles	268,300	229,280
Computer Software	163,614	0
Computer Hardware	215,044	281,667
Total	\$ 15,105,004	\$ 13,323,614

June 30, 2026

	Opening Cost	Additions	Disposals	Total 2026
Sites	\$ 1,772,818	\$ 0	\$ 0	\$ 1,772,818
Buildings	29,658,619	2,138,867	0	31,787,486
Furniture & Equipment	931,842	112,617	52,045	992,414
Vehicles	390,874	79,421	53,157	417,138
Computer Software	0	181,793	0	181,793
Computer Hardware	899,236	71,508	488,673	482,071
Total	\$ 33,653,389	\$ 2,584,206	\$ 593,875	\$ 35,643,720

	Opening Accumulated Amortization	Annual Amortization	Disposals	Total 2026
Sites	\$ 0	\$ 0	\$ 0	\$ 0
Buildings	19,204,295	509,892	0	19,714,187
Furniture & Equipment	346,317	96,213	52,045	390,485
Vehicles	161,594	40,401	53,157	148,838
Computer Software	0	18,179	0	18,179
Computer Hardware	617,569	138,131	488,673	267,027
Total	\$ 20,329,775	\$ 802,816	\$ 593,875	\$ 20,538,716

June 30, 2025

	Opening Cost	Additions	Disposals	Total 2025
Sites	\$ 1,772,818	\$ 0	\$ 0	\$ 1,772,818
Buildings	29,439,300	219,319	0	29,658,619
Furniture & Equipment	778,317	153,525	0	931,842
Vehicles	419,025	93,796	121,947	390,874
Computer Hardware	804,741	94,495	0	899,236
Total	\$ 33,214,201	\$ 561,135	\$ 121,947	\$ 33,653,389

**SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026**

NOTE 9 TANGIBLE CAPITAL ASSETS *(Continued)*

June 30, 2025

	Opening Accumulated Amortization	Annual Amortization	Disposals	Total 2025
Sites	\$ 0	\$ 0	\$ 0	\$ 0
Buildings	18,717,712	486,583	0	19,204,295
Furniture & Equipment	260,809	85,508	0	346,317
Vehicles	243,046	40,495	121,947	161,594
Computer Hardware	447,171	170,398	0	617,569
Total	\$ 19,668,738	\$ 782,984	\$ 121,947	\$ 20,329,775

- The School District manages and controls various works of art and non-operational historical cultural assets including artifacts, paintings and sculptures located at the School Board Office and in School display areas. These assets are not recorded as tangible capital assets and are not amortized.
- Interest capitalized for capital projects during 2026 was \$21,384 (2025: \$21,379).

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 \$477,744 for employer contributions to the plans for the year ended June 30, 2026 (2025: \$440,375).

**SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026**

NOTE 10 EMPLOYEE PENSION PLANS *(Continued)*

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

- Transfer to the Capital Fund from the Operating Fund for capital asset purchases of \$19,961.
- Transfer to the Capital Fund from the Local Capital Fund for capital asset purchases of \$481,539.

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 CONTRACTUAL OBLIGATIONS

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.

Contractual obligations	2027	2028	2029	Thereafter
Bus Provision Contract #1 (Tahltan)	58,688			
Bus Provision Contract #2 (Dease Lake)	93,984			
Bus Provision Contract #3 (Watson Lake)	106,800			
Bus Provision Contract #4 (Lower Post)	61,211			
	<u>\$ 320,683</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 14 BUDGET FIGURES

Budget figures included in the financial statements were approved by the Board through the adoption of an amended annual budget on February 26, 2026. The board adopted an annual budget on June 26, 2025. The amended budget is used for comparison purposes, as these are based on actual student enrolments. Reconciliation to the original approved budget is presented below:

	Annual Budget	Amendments	Amended Annual Budget
Revenue:			
Ministry of Education Provincial Grants	\$ 7,927,978	\$ 680,419	\$ 8,608,397
Other Provincial Ministry Grants	80,000	(28,084)	51,916
Federal Grants	12,100	68,456	80,556
Other Revenue	1,245,080	140,252	1,385,332
Rentals and Leases	207,200	9,000	216,200
Investment Income	285,000	15,725	300,725
Amortization of Deferred Capital Revenue	512,641	(5,642)	506,999
Total Revenue	<u>\$ 10,269,999</u>	<u>\$ 880,126</u>	<u>\$ 11,150,125</u>
Expenses:			
Instruction	\$ 7,413,407	\$ (830,486)	\$ 6,582,921
District Administration	1,317,347	153,267	1,470,614
Operations and Maintenance	2,490,322	506,230	2,996,552
Transportation and Housing	887,301	(2,365)	884,936
Total Expenses	<u>\$ 12,108,377</u>	<u>\$ (173,354)</u>	<u>\$ 11,935,023</u>
Net Revenue (Expense)	<u>\$ (1,838,378)</u>	<u>\$ 1,053,480</u>	<u>\$ (784,898)</u>
Budgeted Allocation of Surplus	1,971,315	(542,201)	1,429,114
Budgeted Annual Surplus, for the year	<u>\$ 132,937</u>	<u>\$ 511,279</u>	<u>\$ 644,216</u>
Budgeted Surplus, for the year comprised of:			
Operating Fund Surplus	\$ -	\$ -	\$ -
Special Purpose Fund Surplus	-	-	-
Capital Fund	132,937	511,279	644,216
Budgeted Annual Surplus, for the year	<u>\$ 132,937</u>	<u>\$ 511,279</u>	<u>\$ 644,216</u>

NOTE 15 EXPENSE BY OBJECT

	2026	2025
Salaries and benefits	\$ 6,768,728	\$ 5,931,681
Services and supplies	3,193,584	3,681,846
Amortization	802,816	782,984
	<u>\$ 10,765,128</u>	<u>\$ 10,396,511</u>

**SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026**

NOTE 16 INTERNALLY RESTRICTED SURPLUS – OPERATING FUND

Internally Restricted (appropriated) by Board for:		
2026-2027 Annual Budget Forecasted Deficit	\$	172,887
Indigenous Education Council		<u>188,710</u>
Subtotal Internally Restricted		<u>361,597</u>
 Unrestricted Operating Surplus (Deficit) - Contingency		 1,416,804
Total Available for Future Operations	\$	<u>1,778,401</u>

NOTE 17 ECONOMIC DEPENDENCE

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

NOTE 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 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
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026**

NOTE 18 RISK MANAGEMENT *(Continued)*

b) Market risk:

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

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

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The School District is exposed to interest rate risk through its cash and cash equivalents and 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. 87 (Stikine)

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

Schedule 1 (Unaudited)

	Operating Fund	Special Purpose Fund	Capital Fund	2026 Actual	2025 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	2,400,175		8,748,632	11,148,807	12,082,265
Changes for the year					
Surplus (Deficit) for the year	(601,813)		(197,219)	(799,032)	(933,458)
Interfund Transfers	(19,961)		19,961	-	
Tangible Capital Assets Purchased	(621,774)	-	(177,258)	(799,032)	(933,458)
Net Changes for the year	1,778,401	-	8,571,374	10,349,775	11,148,807
Accumulated Surplus (Deficit), end of year - Statement 2					

School District No. 87 (Stikine)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2026

	2026 Budget	2026 Actual	2025 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	5,435,512	5,679,358	5,642,289
Other			78,000
Federal Grants	12,100	12,100	12,100
Other Revenue	1,385,332	1,461,151	1,382,332
Rentals and Leases	216,200	226,897	215,615
Investment Income	170,000	113,081	209,163
Total Revenue	7,219,144	7,492,587	7,539,499
Expenses			
Instruction	4,945,491	4,644,823	4,691,987
District Administration	1,276,811	1,333,736	1,251,769
Operations and Maintenance	1,476,441	1,386,609	1,574,794
Transportation and Housing	874,515	729,232	797,980
Total Expense	8,573,258	8,094,400	8,316,530
Operating Surplus (Deficit) for the year	(1,354,114)	(601,813)	(777,031)
Budgeted Appropriation (Retirement) of Surplus (Deficit)	1,429,114		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(75,000)	(19,961)	(341,816)
Total Net Transfers	(75,000)	(19,961)	(341,816)
Total Operating Surplus (Deficit), for the year	-	(621,774)	(1,118,847)
Operating Surplus (Deficit), beginning of year		2,400,175	3,519,022
Operating Surplus (Deficit), end of year		1,778,401	2,400,175
Operating Surplus (Deficit), end of year			
Internally Restricted		361,597	1,971,315
Unrestricted		1,416,804	428,860
Total Operating Surplus (Deficit), end of year		1,778,401	2,400,175

School District No. 87 (Stikine)

Schedule 2A (Unaudited)

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	6,637,634	6,633,471	6,792,055
ISC/LEA Recovery	(1,382,332)	(1,340,427)	(1,382,332)
Other Ministry of Education and Child Care Grants			
Pay Equity	124,935	124,935	124,935
Student Transportation Fund	51,181	51,181	51,181
Support Staff Benefits Grant			2,558
Foundation Skills Assessment (FSA) Scorer Grant	4,094	4,094	4,094
Labour Settlement Funding		80,040	49,798
Indigenous Education Councils (IEC) Funding		126,064	
Total Provincial Grants - Ministry of Education and Child Care	5,435,512	5,679,358	5,642,289
Provincial Grants - Other			78,000
Federal Grants	12,100	12,100	12,100
Other Revenues			
Funding from First Nations	1,382,332	1,340,427	1,382,332
Miscellaneous			
Miscellaneous	3,000	120,724	
Total Other Revenue	1,385,332	1,461,151	1,382,332
Rentals and Leases	216,200	226,897	215,615
Investment Income	170,000	113,081	209,163
Total Operating Revenue	7,219,144	7,492,587	7,539,499

School District No. 87 (Stikine)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2026

	2026 Budget	2026 Actual	2025 Actual
	\$	\$	\$
Salaries			
Teachers	1,873,370	1,882,056	2,110,142
Principals and Vice Principals	980,459	876,478	618,369
Educational Assistants	171,287	175,203	136,275
Support Staff	618,410	642,137	571,218
Other Professionals	836,661	861,244	617,647
Substitutes	259,189	250,687	264,839
Total Salaries	4,739,376	4,687,805	4,318,490
Employee Benefits	1,013,435	923,950	837,929
Total Salaries and Benefits	5,752,811	5,611,755	5,156,419
Services and Supplies			
Services	829,208	893,750	1,216,753
Student Transportation	654,572	625,238	629,422
Professional Development and Travel	416,401	315,308	615,675
Dues and Fees	18,404	9,255	11,384
Insurance	39,318	27,011	23,415
Supplies	495,085	336,933	371,914
Utilities	367,459	275,150	291,548
Total Services and Supplies	2,820,447	2,482,645	3,160,111
Total Operating Expense	8,573,258	8,094,400	8,316,530

School District No. 87 (Stikine)

Operating Expense by Function, Program and Object

Year Ended June 30, 2026

Schedule 2C (Unaudited)

	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	1,737,867	598,338				101,542	2,437,747
1.07 Library Services				1,972			1,972
1.08 Counselling	55,083						55,083
1.10 Special Education	29,054	70,609	110,892		22,101	24,275	256,931
1.31 Indigenous Education	60,052	27,516	64,311				151,879
1.41 School Administration		150,224		89,476		3,797	243,497
1.64 Other		29,791					29,791
Total Function 1	1,882,056	876,478	175,203	91,448	22,101	129,614	3,176,900
4 District Administration							
4.11 Educational Administration					383,636		383,636
4.40 School District Governance					100,116		100,116
4.41 Business Administration				71,755	200,563		272,318
Total Function 4	-	-	-	71,755	684,315	-	756,070
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration					126,610		126,610
5.50 Maintenance Operations				418,788		121,073	539,861
5.52 Maintenance of Grounds							-
5.56 Utilities							-
Total Function 5	-	-	-	418,788	126,610	121,073	666,471
7 Transportation and Housing							
7.41 Transportation and Housing Administration					28,218		28,218
7.70 Student Transportation				60,146			60,146
7.73 Housing				60,146	28,218		88,364
Total Function 7	-	-	-	60,146	28,218	-	88,364
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	1,882,056	876,478	175,203	642,137	861,244	250,687	4,687,805

School District No. 87 (Stikine)

Operating Expense by Function, Program and Object

Year Ended June 30, 2026

Schedule 2C (Unaudited)

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2026 Actual	2026 Budget	2025 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	2,437,747	425,763	2,863,510	588,852	3,452,362	3,517,597	3,396,366
1.07 Library Services	1,972	112	2,084	4,984	7,068	19,951	9,587
1.08 Counselling	55,083	12,088	67,171	1,404	68,575	71,040	55,575
1.10 Special Education	256,931	71,241	328,172	34,688	362,860	424,001	293,966
1.31 Indigenous Education	151,879	35,794	187,673	103,469	291,142	471,026	330,597
1.41 School Administration	243,497	74,177	317,674	95,170	412,844	441,876	405,896
1.64 Other	29,791	6,539	36,330	13,642	49,972		
Total Function 1	3,176,900	625,714	3,802,614	842,209	4,644,823	4,945,491	4,691,987
4 District Administration							
4.11 Educational Administration	383,636	61,623	445,259	123,019	568,278	477,277	255,789
4.40 School District Governance	100,116	5,419	105,535	99,447	204,982	233,636	207,190
4.41 Business Administration	272,318	57,883	330,201	230,275	560,476	565,898	788,790
Total Function 4	756,070	124,925	880,995	452,741	1,333,736	1,276,811	1,251,769
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	126,610	29,948	156,558	67,878	224,436	270,959	275,911
5.50 Maintenance Operations	539,861	125,208	665,069	186,402	851,471	892,061	998,250
5.52 Maintenance of Grounds	-	-	-	51,283	51,283	46,000	46,839
5.56 Utilities	-	-	-	259,419	259,419	267,421	253,794
Total Function 5	666,471	155,156	821,627	564,982	1,386,609	1,476,441	1,574,794
7 Transportation and Housing							
7.41 Transportation and Housing Administration	28,218	5,338	33,556		33,556	25,115	27,397
7.70 Student Transportation	-	-	-	591,483	591,483	618,923	706,316
7.73 Housing	60,146	12,817	72,963	31,230	104,193	230,477	64,267
Total Function 7	88,364	18,155	106,519	622,713	729,232	874,515	797,980
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	4,687,805	923,950	5,611,755	2,482,645	8,094,400	8,573,258	8,316,530

School District No. 87 (Stikine)

Schedule 3 (Unaudited)

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	1,834,345	1,856,977	1,228,978
Other Revenue	51,916	10,935	68,019
Total Revenue	<u>1,886,261</u>	<u>1,867,912</u>	<u>1,296,997</u>
Expenses			
Instruction	1,637,430	1,570,187	1,202,681
District Administration	193,803	220,772	
Operations and Maintenance	44,607	66,532	83,895
Transportation and Housing	10,421	10,421	10,421
Total Expense	<u>1,886,261</u>	<u>1,867,912</u>	<u>1,296,997</u>
Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>-</u>	<u>-</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. 87 (Stikine)

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
Other

Less: Allocated to Revenue

Deferred Revenue, end of year

Revenues

Provincial Grants - Ministry of Education and Child Care
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

Net Revenue (Expense)

Annual Facility Grant	Learning Improvement Fund	School Generated Funds	Ready, Set, Learn	CommunityLINK	Classroom Enhancement Fund - Overhead	Classroom Enhancement Fund - Staffing	First Nation Student Transportation	Mental Health in Schools
\$	\$	\$	\$	\$	\$	\$	\$	\$
20,017	14,116	140,660	50,573	1,544,947				241,875
60,762	23,381	9,419	9,800	606,403	7,384	475,490	10,421	57,000
60,762	23,381	9,419	9,800	606,403	7,384	475,490	10,421	57,000
66,532	23,534	10,935	7,910	583,416	7,384	475,490	10,421	116,033
14,247	13,963	139,144	52,463	1,567,934	-	-	-	182,842
66,532	23,534	10,935	7,910	583,416	7,384	475,490	10,421	116,033
41,208	19,960			72,859		394,506		76,829
10,066	3,574			135,007				
5,171				24,679				
66,532	23,534	10,935	7,910	70,488				
				241	5,908			
51,295	19,960	-	-	303,274	5,908	394,506	-	76,829
10,066	3,574	10,935	7,910	59,753	1,476	80,984	10,421	17,271
5,171		10,935	7,910	220,389				21,933
66,532	23,534	10,935	7,910	583,416	7,384	475,490	10,421	116,033
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-

School District No. 87 (Stikine)

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
Other

Less: Allocated to Revenue

Deferred Revenue, end of year

Revenues

Provincial Grants - Ministry of Education and Child Care
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

Net Revenue (Expense)

Early Childhood Education (ECE) Dual Credit Program	Feeding Futures Fund	Professional Learning Grant	National School Food Program	School Age Child Care Pilot	TOTAL
\$	\$	\$	\$	\$	\$
	375,000	247,553	4,241		2,638,982
5,000	350,000		78,830	350,000	2,034,471
5,000	350,000	-	78,830	350,000	2,043,890
-	401,077	48,112	55,176	61,892	1,867,912
5,000	323,923	199,441	27,895	288,108	2,814,960
	401,077	48,112	55,176	61,892	1,856,977
-	401,077	48,112	55,176	61,892	10,935
					1,867,912
		19,420			394,506
					169,108
					154,967
	38,171				65,887
				53,912	172,658
					6,149
-	38,171	19,420	-	53,912	963,275
	8,398	4,195		7,980	193,697
	354,508	24,497	55,176		710,940
-	401,077	48,112	55,176	61,892	1,867,912
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-

School District No. 87 (Stikine)

Schedule 4 (Unaudited)

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					
Provincial Grants					
Ministry of Education and Child Care	1,406,996			-	
Investment Income	130,725		97,326	97,326	140,705
Amortization of Deferred Capital Revenue	506,999	508,271		508,271	485,852
Total Revenue	2,044,720	508,271	97,326	605,597	626,557
Expenses					
Amortization of Tangible Capital Assets					
Operations and Maintenance	1,475,504	802,816		802,816	782,984
Total Expense	1,475,504	802,816	-	802,816	782,984
Capital Surplus (Deficit) for the year	569,216	(294,545)	97,326	(197,219)	(156,427)
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	75,000	19,961		19,961	341,816
Total Net Transfers	75,000	19,961	-	19,961	341,816
Other Adjustments to Fund Balances					
Tangible Capital Assets Purchased from Local Capital		481,539	(481,539)	-	
Total Other Adjustments to Fund Balances		481,539	(481,539)	-	
Total Capital Surplus (Deficit) for the year	644,216	206,955	(384,213)	(177,258)	185,389
Capital Surplus (Deficit), beginning of year		4,730,287	4,018,345	8,748,632	8,563,243
Capital Surplus (Deficit), end of year		4,937,242	3,634,132	8,571,374	8,748,632

School District No. 87 (Stikine)

Tangible Capital Assets
Year Ended June 30, 2026

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	1,772,818	29,658,619	931,842	390,874		899,236	33,653,389
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		2,082,706					2,082,706
Operating Fund		56,161	19,538			423	19,961
Local Capital			93,079	79,421	181,793	71,085	481,539
	-	2,138,867	112,617	79,421	181,793	71,508	2,584,206
Decrease:							
Deemed Disposals			52,045	53,157		488,673	593,875
	-	-	52,045	53,157	-	488,673	593,875
Cost, end of year	1,772,818	31,797,486	992,414	417,138	181,793	482,071	35,643,720
Work in Progress, end of year							-
Cost and Work in Progress, end of year	1,772,818	31,797,486	992,414	417,138	181,793	482,071	35,643,720
Accumulated Amortization, beginning of year							
Changes for the Year							
Amortization for the Year		19,204,295	346,317	161,594		617,569	20,329,775
		509,892	96,213	40,401	18,179	138,131	802,816
	509,892		96,213	40,401	18,179	138,131	802,816
Deemed Disposals			52,045	53,157		488,673	593,875
Written-off During Year							-
District Entered							-
	-		52,045	53,157	-	488,673	593,875
	19,714,187		390,485	148,838	18,179	267,027	20,538,716
Accumulated Amortization, end of year							
Tangible Capital Assets - Net	1,772,818	12,083,299	601,929	268,300	163,614	215,044	15,105,004

School District No. 87 (Stikine)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2026

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	8,405,029	188,299		8,593,328
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	2,082,706			2,082,706
	2,082,706	-	-	2,082,706
Decrease:				
Amortization of Deferred Capital Revenue	501,771	6,500		508,271
	501,771	6,500	-	508,271
Net Changes for the Year	1,580,935	(6,500)	-	1,574,435
Deferred Capital Revenue, end of year	9,985,964	181,799	-	10,167,763
Work in Progress, beginning of year				-
Changes for the Year				
Net Changes for the Year	-	-	-	-
Work in Progress, end of year	-	-	-	-
Total Deferred Capital Revenue, end of year	9,985,964	181,799	-	10,167,763

School District No. 87 (Stikine)

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	650,132	232,905	26,392	-	-	909,429
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education and Child Care	1,306,996	-	-	-	-	1,306,996
Investment Income	21,384	-	-	-	-	21,384
	1,328,380	-	-	-	-	1,328,380
Decrease:						
Transferred to DCR - Capital Additions	2,082,706	-	-	-	-	2,082,706
	2,082,706	-	-	-	-	2,082,706
Net Changes for the Year	(754,326)	-	-	-	-	(754,326)
Balance, end of year	(104,194)	232,905	26,392	-	-	155,103