

Audited Financial Statements of

School District No. 75 (Mission)

June 30, 2014

School District No. 75 (Mission)

June 30, 2014

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School District No. 75 (Mission)

MANAGEMENT REPORT

Version: 1776-1030-8048

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 75 (Mission) 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.

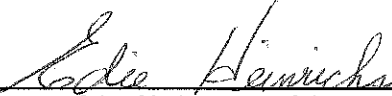
The preparation of financial statements necessarily involves the use of estimates based on management's judgment particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

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. 75 (Mission) (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 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. 75 (Mission) and meet when required. The accompanying Independent Auditor's 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. 75 (Mission)



Signature of the Chairperson of the Board of Education

SEP 16 2014

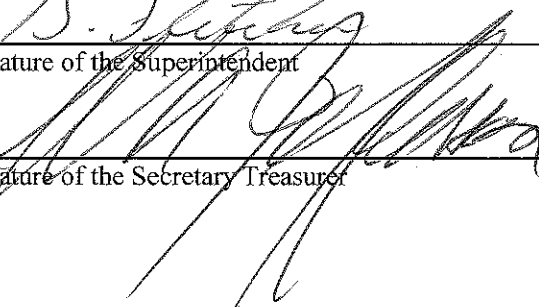
Date Signed



Signature of the Superintendent

SEP 16 2014

Date Signed



Signature of the Secretary Treasurer

SEP 16 2014

Date Signed

School District No. 75 (Mission)

Statement 1

Statement of Financial Position

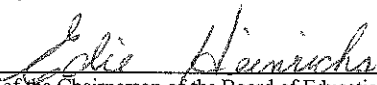
As at June 30, 2014

	2014 Actual	2013 Actual (Recast - Note 22)
	\$	\$
Financial Assets		
Cash and Cash Equivalents	8,533,340	5,876,712
Accounts Receivable		
Due from Province - Ministry of Education	63,887	274,672
Due from Province - Other	3,378	58,966
Due from LEA/Direct Funding	41,405	
Other (Note 3)	704,938	778,288
Total Financial Assets	9,346,948	6,988,638
Liabilities		
Accounts Payable and Accrued Liabilities		
Due to Province - Ministry of Education (Note 4)	1,409,012	3,527
Other (Note 4)	1,126,513	1,687,396
Unearned Revenue (Note 5)	632,465	529,010
Deferred Revenue (Note 6)	942,318	861,898
Deferred Capital Revenue (Note 7)	53,337,372	53,946,459
Employee Future Benefits (Note 8)	777,365	665,936
Debt (Note 9)	197,086	513,475
Capital Lease Obligations (Note 10)	401,503	624,703
Other Liabilities (Note 4)	2,200,002	2,550,226
Total Liabilities	62,222,637	62,382,640
Net Financial Assets (Debt)	(52,875,689)	(55,394,002)
Non-Financial Assets		
Tangible Capital Assets (Note 11)	79,872,508	81,614,697
Prepaid Expenses	142,546	293,885
Total Non-Financial Assets	80,015,054	81,908,582
Accumulated Surplus (Deficit)	27,139,365	26,514,580

Contractual Obligations and Contingencies (Note 15,17)

Approved by the Board

SEP 16 2014

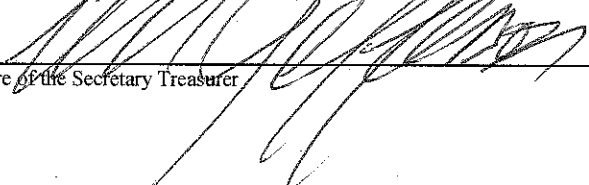

Signature of the Chairperson of the Board of Education

Date Signed


Signature of the Superintendent

SEP 16 2014

Date Signed


Signature of the Secretary Treasurer

SEP 16 2014

Date Signed

School District No. 75 (Mission)

Statement 2

Statement of Operations
Year Ended June 30, 2014

	2014 Budget (Note 16)	2014 Actual	2013 Actual (Recast - Note 22)
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	53,727,347	51,788,064	54,384,313
Other	225,000	239,678	202,859
Tuition	1,018,000	1,253,858	1,160,516
Other Revenue	1,944,100	2,366,503	1,804,930
Rentals and Leases	110,000	125,135	117,087
Investment Income	20,180	75,156	38,782
Amortization of Deferred Capital Revenue	2,549,920	2,649,049	2,645,085
Total Revenue	59,594,547	58,497,443	60,353,572
Expenses			
Instruction	47,085,948	45,459,153	46,049,473
District Administration	2,368,560	2,239,032	2,308,607
Operations and Maintenance	9,360,579	8,995,321	9,104,986
Transportation and Housing	958,641	1,151,678	1,106,346
Debt Services	31,927	27,474	54,722
Total Expense	59,805,655	57,872,658	58,624,134
Surplus (Deficit) for the year	(211,108)	624,785	1,729,438
Accumulated Surplus (Deficit) from Operations, beginning of year		26,514,580	24,785,142
Accumulated Surplus (Deficit) from Operations, end of year		27,139,365	26,514,580

School District No. 75 (Mission)

Statement 4

Statement of Changes in Net Financial Assets (Debt)

Year Ended June 30, 2014

	2014 Budget (Note 16)	2014 Actual	2013 Actual (Recast - Note 22)
	\$	\$	\$
Surplus (Deficit) for the year	(211,108)	624,785	1,729,438
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(743,369)	(1,988,551)	(1,195,582)
Amortization of Tangible Capital Assets	3,626,014	3,730,740	3,765,013
Total Effect of change in Tangible Capital Assets	2,882,645	1,742,189	2,569,431
Acquisition of Prepaid Expenses		(142,546)	(293,885)
Use of Prepaid Expenses		293,885	559,044
Total Effect of change in Other Non-Financial Assets	-	151,339	265,159
(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)	<u>2,671,537</u>	2,518,313	4,564,028
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Financial Assets (Debt)		2,518,313	4,564,028
Net Financial Assets (Debt), beginning of year		(55,394,002)	(59,958,030)
Net Financial Assets (Debt), end of year		<u>(52,875,689)</u>	<u>(55,394,002)</u>

School District No. 75 (Mission)

Statement 5

Statement of Cash Flows
Year Ended June 30, 2014

	2014 Actual	2013 Actual (Recast - Note 22)
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	624,785	1,729,438
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	298,318	(75,879)
Prepaid Expenses	151,339	265,159
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	844,602	107,713
Unearned Revenue	103,455	72,883
Deferred Revenue	80,420	49,901
Employee Future Benefits	111,429	(155,286)
Other Liabilities	(151,233)	(335,173)
Amortization of Tangible Capital Assets	3,730,740	3,765,013
Amortization of Deferred Capital Revenue	(2,649,049)	(2,645,085)
Bylaw Capital Used to Reduce LCR deficit	(22,713)	(106,148)
Total Operating Transactions	<u>3,122,093</u>	<u>2,672,536</u>
Capital Transactions		
Tangible Capital Assets Purchased	(1,574,905)	(867,631)
Tangible Capital Assets -WIP Purchased	(413,646)	(327,951)
Refunded to PAC's		(17,162)
Total Capital Transactions	<u>(1,988,551)</u>	<u>(1,212,744)</u>
Financing Transactions		
Loan Payments	(316,389)	(301,013)
Capital Revenue Received	2,062,675	1,083,923
Capital Lease Repayments	(223,200)	(382,485)
Total Financing Transactions	<u>1,523,086</u>	<u>400,425</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>2,656,628</u>	<u>1,860,217</u>
Cash and Cash Equivalents, beginning of year	<u>5,876,712</u>	<u>4,016,495</u>
Cash and Cash Equivalents, end of year	<u>8,533,340</u>	<u>5,876,712</u>
Cash and Cash Equivalents, end of year, is made up of:		
Cash	<u>8,533,340</u>	<u>5,876,712</u>
	<u>8,533,340</u>	<u>5,876,712</u>

**SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2014 and JUNE 30, 2013**

NOTE 1 AUTHORITY AND PURPOSE

The School District, established on April 12, 1946 operates under authority of the *School Act* of British Columbia as a corporation under the name of "The Board of Education of School District No. 75 (Mission)", and operates as "School District No. 75 (Mission)." A board of education ("Board") elected for a three-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. School District No. 75 (Mission) is exempt from federal and provincial corporate income taxes.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the School District are prepared by management in accordance with the basis of accounting described below. Significant accounting policies of the School District are as follows:

a) Basis of Accounting

The 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 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 tax-payer supported organizations, these contributions include government transfers and externally restricted contributions.

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

**SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2014 and JUNE 30, 2013**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a) Basis of Accounting (Continued)

- 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 deposits in the bank that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value.

c) Accounts Receivable

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

d) Unearned Revenue

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

e) Deferred Revenue and Deferred Capital Revenue

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

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

SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2014 and JUNE 30, 2013

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f) Employee Future Benefits

The School District provides certain post-employment benefits including vested and non-vested benefits for certain employees pursuant to certain contracts and union agreements.

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

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

The most recent valuation of the obligation was performed at March 31, 2013 and projected to June 30, 2016. The next valuation will be performed at March 31, 2016 for use at June 30, 2016. For the purposes of determining the financial position of the plans and the employee future benefit costs, a measurement date of June 30 was implemented for the year ended June 30, 2014. Please refer to Note 8 and Note 22 for detail about the recast of prior period comparative figures as a result of this change.

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

Liabilities are recognized for statutory, contractual or legal obligations associated with the retirement of tangible capital assets when those obligations result from the acquisition, construction, development or normal operation of the assets. The obligations are measured initially at fair value, determined using present value methodology, and the resulting costs capitalized into the carrying amount of the related tangible capital asset. In subsequent periods, the liability is adjusted for accretion and any changes in the amount or timing of the underlying future cash flows. The capitalized asset retirement cost is amortized on the same basis as the related asset and accretion expense is included in the Statement of Operations.

**SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2014 and JUNE 30, 2013**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.
- 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) Capital Leases

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

**SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2014 and JUNE 30, 2013**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i) Capital Leases (Continued)

payments is the lower of the School District's rate for incremental borrowing or the interest rate implicit in the lease.

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

j) Prepaid Expenses

Various instructional supplies, subscriptions, technology contracts, employee benefit payments and contracted services are included as a prepaid expense and stated at acquisition cost and are charged to expense over the period 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.

l) 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 revenue 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.

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

SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2014 and JUNE 30, 2013

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

l) Revenue Recognition (Continued)

consistent with the requirements of Canadian public sector accounting standards which require that government transfers be recognized as revenue when approved by the transferor and eligibility criteria have been met unless the transfer contains a stipulation that meets the criteria for liability recognition in which case the transfer is recognized as revenue over the period that the liability is extinguished.

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

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

m) Expenses

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

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 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.
- Employee benefits and allowances are allocated to the same programs, and in the same proportions, as the individual's salary.
- Supplies and services are allocated based on actual program identification.

n) Financial Instruments

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

Financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, debt, capital lease obligations and other liabilities.

**SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2014 and JUNE 30, 2013**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

n) Financial Instruments (Continued)

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

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of re-measurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of re-measurement gains and losses and recognized in the statement of operations. Interest and dividends attributable to financial instruments are reported in the statement of operations.

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

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

	<u>June 30, 2014</u>	<u>June 30, 2013</u>
Due from Federal Government	\$ 46,894	\$ 114,456
Benefit plan surpluses	559,606	276,696
Other	98,438	387,136
	<u>\$ 704,938</u>	<u>\$ 778,288</u>

**SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2014 and JUNE 30, 2013**

NOTE 4 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES - OTHER

	June 30, 2014	June 30, 2013
Trade payables	\$ 1,126,513	\$ 1,687,396
Salaries and benefits payable	\$ 2,731,811	\$ 2,577,907
Accrued vacation pay	496,915	391,897
Other	170,277	580,432
Total Other Liabilities	3,399,003	3,550,236

Included in Accounts Payable and Accrued Liabilities – Due to Province – Ministry of Education is \$1,409,012 related to operating grants repayable to the Province for savings in salaries and benefits due to job action, strike and lockouts in May and June 2014.

NOTE 5 UNEARNED REVENUE

	June 30, 2014	June 30, 2013
Balance, beginning of year	\$ 529,010	\$ 456,127
Changes for the year:		
Increase:		
Tuition fees received	585,693	475,055
Transportation fees	46,772	53,955
	632,465	529,010
Decrease:		
Tuition fees recognized as revenue	475,055	397,967
Transportation fees recognized as revenue	53,955	58,160
	529,010	456,127
Net changes for the year	103,455	72,883
Balance, end of year	\$ 632,465	\$ 529,010

SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2014 and JUNE 30, 2013

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.

	June 30, 2014	June 30, 2013
Balance, beginning of year	\$ 861,898	\$ 811,997
Changes for the year:		
Increase:		
Provincial grants - MOE	1,409,232	1,513,880
Provincial grants - Other	73,401	82,000
Other revenue	1,955,278	1,500,339
	3,437,911	3,096,219
Decrease:		
Allocated to revenue	(3,357,491)	(3,046,318)
Net changes for the year	80,420	49,901
Balance, end of year	\$ 942,318	\$ 861,898

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.

	June 30, 2014	June 30, 2013
Deferred capital revenue subject to amortization		
Balance, beginning of year	\$ 53,282,098	\$ 55,353,356
Increases:		
Capital additions	1,872,463	573,827
Decreases:		
Amortization	(2,649,049)	(2,645,085)
Net change for the year	(776,586)	(2,071,258)
Balance, end of year	\$ 52,505,512	\$ 53,282,098
Deferred capital revenue not subject to amortization		
Work in Progress	260,612	327,951
Total Deferred capital revenue, end of year	\$ 52,766,124	\$ 53,610,049

**SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2014 and JUNE 30, 2013**

NOTE 7 DEFERRED CAPITAL REVENUE (Continued)

Unspent deferred capital revenue

Balance, beginning of year	\$ 336,410	\$ 277,575
Increases:		
Provincial Grants – Ministry of Education	1,879,144	966,753
Other	183,531	117,170
Decreases:		
Transfer to deferred capital revenue subject to amortization	1,544,512	573,827
Transfer to deferred capital revenue – work in progress	260,612	327,951
Transfer to local capital reserve	22,713	106,148
Refunded to PACs	-	17,162
Net change for the year	234,838	58,835
Balance, end of year	\$ 571,248	\$ 336,410
 Total deferred capital revenue, end of year	 \$ 53,337,372	 \$ 53,946,459

**SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2014 and JUNE 30, 2013**

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. Please refer to Note 22 for additional information regarding the recast comparative figures presented for June 30, 2013.

	June 30, 2014	June 30, 2013 (Recast)
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	1,071,732	876,786
Service Cost	73,145	63,677
Interest Cost	32,196	37,614
Benefit Payments	(79,843)	(251,905)
Increase (Decrease) in obligation due to Plan Amendment	0	5,881
Actuarial (Gain) Loss	(79,120)	339,679
Accrued Benefit Obligation – March 31	<u>1,018,110</u>	<u>1,071,732</u>
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation - March 31	1,018,110	1,071,732
Market Value of Plan Assets - March 31	0	0
Funded Status - Deficit	(1,018,110)	(1,071,732)
Employer Contributions After Measurement Date	0	39,715
Benefits Expense After Measurement Date	(26,627)	(26,335)
Unamortized Net Actuarial Loss	267,372	392,416
Accrued Benefit Liability - June 30	<u>(777,365)</u>	<u>(665,936)</u>
Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability - July 1	665,936	795,899
Recognize Benefit Expense April 1 - June 30, 2012	(1,018,110)	25,323
Accrued Benefit Liability - July 1 (recast)	665,936	821,222
Net Expense for Fiscal Year	151,557	115,509
Employer Contributions	(40,128)	(270,795)
Accrued Benefit Liability - June 30	<u>777,365</u>	<u>665,936</u>
Components of Net Benefit Expense		
Service Cost	73,187	66,044
Interest Cost	32,445	36,260
Immediate Recognition of Plan Amendment	0	5,881
Amortization of Net Actuarial (Gain)/Loss	45,925	7,325
Net Benefit Expense (Income)	<u>151,557</u>	<u>115,510</u>
Assumptions		
Discount Rate - April 1	3.00%	4.25%
Discount Rate - March 31	3.25%	3.00%
Long Term Salary Growth - April 1	2.50% + seniority	2.50% + seniority
Long Term Salary Growth - March 31	2.50% + seniority	2.50% + seniority
EARSL - March 31	8.8	8.8

**SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2014 and JUNE 30, 2013**

NOTE 9 DEBT

The following loans approved under *Section 144* of the *School Act* are outstanding:

	June 30, 2014	June 30, 2013
Approved October 2007; rate 4.99%; ten years	\$ 57,276	\$ 276,929
Approved August 2005; rate 4.78%; ten years	139,810	236,546
	\$ 197,086	\$ 513,475

Required annual principal repayments over the next two years are as follows:

2015	\$ 158,379
2016	38,707
	\$ 197,086

The School District has an approved line of credit of \$1.0 million with interest at the bank's prime rate minus .25%. As of June 30, 2014, the School District had nil borrowings (2013: \$ nil) under this facility.

NOTE 10 CAPITAL LEASE OBLIGATIONS

The School District has capital leases for vehicles, equipment, computer hardware and software. The leases expire over several years with the last one being in 2017. The average interest rate is approximately 2.72%.

Repayments are due as follows:

	June 30, 2014
2015	211,315
2016	146,899
2017	55,897
Total minimum lease payments	414,111
Less amounts representing interest	(12,608)
Present value of net minimum capital lease payments	\$ 401,503

Total interest on leases for the year was \$9,522 (2013: \$21,152). Available borrowing under this revolving term lease line facility is \$1.8 million.

SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2014 and JUNE 30, 2013

NOTE 11 TANGIBLE CAPITAL ASSETS

June 30, 2014

Cost:	Balance at July 1, 2013	Additions	Disposals	Balance at June 30, 2014
Sites	\$ 10,512,959	\$ -	\$ -	\$ 10,512,959
Buildings	125,838,557	1,692,254		127,530,811
Furniture & Equipment	1,699,585	128,791	(161,959)	1,666,417
Vehicles	2,033,456	81,811	(376,169)	1,739,098
Computer Software	214,267	-	-	214,267
Computer Hardware	1,883,679	-	(580,172)	1,303,507
Work in progress	327,951	413,646	(327,951)	413,646
Total	\$ 142,510,454	\$ 2,316,502	\$ (1,446,251)	\$ 143,380,705

Accumulated Amortization:	Balance at July 1, 2013	Additions	Disposals	Balance at June 30, 2014
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	57,583,022	2,927,315	-	60,510,337
Furniture & Equipment	689,874	176,399	(161,959)	704,314
Vehicles	1,263,149	207,437	(376,169)	1,094,417
Computer Software	98,361	42,853	-	141,214
Computer Hardware	1,261,351	376,736	(580,172)	1,057,915
Total	\$ 60,895,757	\$ 3,730,740	\$ (1,118,300)	\$ 63,508,197

June 30, 2013

Cost:	Balance at July 1, 2012	Additions	Disposals	Balance at June 30, 2013
Sites	\$ 10,512,959	\$ -	\$ -	\$ 10,512,959
Buildings	125,329,927	508,630	-	125,838,557
Furniture & Equipment	1,659,899	116,045	(76,359)	1,699,585
Vehicles	2,337,316	22,860	(326,720)	2,033,456
Computer Software	192,626	21,641	-	214,267
Computer Hardware	1,944,734	198,455	(259,510)	1,883,679
Work in progress		327,951	-	327,951
Total	\$ 141,977,461	\$ 1,195,582	\$ (662,589)	\$ 142,510,454

Accumulated Amortization:	Balance at July 1, 2012	Additions	Disposals	Balance at June 30, 2013
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	54,674,158	2,908,864	-	57,583,022
Furniture & Equipment	594,441	171,792	(76,359)	689,874
Vehicles	1,354,994	234,875	(326,720)	1,263,149
Computer Software	57,672	40,689	-	98,361
Computer Hardware	1,112,068	408,793	(259,510)	1,261,351
Total	\$ 57,793,333	\$ 3,765,013	\$ (662,589)	\$ 60,895,757

**SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2014 and JUNE 30, 2013**

NOTE 11 TANGIBLE CAPITAL ASSETS (Continued)

Net Book Value:

	Net Book Value June 30, 2014	Net Book Value June 30, 2013
Sites	\$ 10,512,959	\$ 10,512,959
Buildings	67,020,474	68,255,535
Buildings – work in progress	260,612	327,951
Furniture & Equipment	962,103	1,009,711
Vehicles	644,681	770,307
Computer Software	73,053	115,906
Computer Software – work in progress	153,034	-
Computer Hardware	245,592	622,328
Total	\$ 79,872,508	\$ 81,614,697

NOTE 12 EMPLOYEE PENSION PLANS

The School District and its employees contribute to the Teachers' Pension Plan and Municipal Pension Plan, jointly trustee pension Plans. The board of trustees for these plans represents plan members and employers and is responsible for the management of the pension plan including investment of the assets and administration of benefits. The pension plans are multi-employer contributory pension plans. Basic pension benefits provided are based on a formula. The Teachers' Pension Plan has about 45,000 active members from school districts, and approximately 32,000 retired members from school districts. The Municipal Pension Plan has about 179,000 active members, of which approximately 24,000 are from school districts.

Every three years, an actuarial valuation is performed to assess the financial position of the plans and the adequacy of plan funding. The most recent actuarial valuation of the Teachers' Pension Plan as at December 31, 2011 indicated an \$855 million funding deficit for basic pension benefits. The next valuation will be as at December 31, 2014 with results available in 2015. The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2012 indicated a \$1,370 million funding deficit for basic pension benefits. The next valuation will be as at December 31, 2015 with results available in 2016. Employers participating in the Plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the Plan records accrued liabilities and accrued assets for the Plan in aggregate with the result that there is no consistent and reliable basis for allocating the obligation, plan assets and cost to individual employers participating in the Plan.

The Mission School district paid \$4,876,511 (2013: \$4,729,734) for employer contributions to these plans in the year ended June 30, 2014.

SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2014 and JUNE 30, 2013

NOTE 13 INTERFUND TRANSFERS

Interfund transfers between the operating, special purpose and capital funds for the year ended June 30, 2014, were as follows:

• Assets purchased by Operating for Capital	\$183,427
• Capital Lease payment by Operating	\$232,723
• Capital Loan payment by Operating	\$334,341

NOTE 14 RELATED PARTY TRANSACTIONS

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

NOTE 15 CONTRACTUAL OBLIGATIONS

The School District has entered into a contract for delivery of service and the construction of tangible capital assets. This contractual obligation will become a liability in the future when the terms of the contracts are met. Disclosure relates to the unperformed portion of the contract.

- Canadian Engineered Products & Sales Ltd. in the amount of \$178,900, to be completed in 2015.

NOTE 16 BUDGET FIGURES

Budget figures included in the financial statements were approved by the Board through the adoption of an annual budget on June 18, 2013.

NOTE 17 CONTINGENCIES

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.

Included in Accounts Payable and Accrued Liabilities – Other is \$418,165 related to an Employee Support Grant payable to support staff union members which represents lost wages during job action contingent upon ratification of the collective agreement at the local level by November 30, 2014.

**SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2014 and JUNE 30, 2013**

NOTE 18 ASSET RETIREMENT OBLIGATION

Legal liabilities may exist for the removal or disposal of asbestos in schools that will undergo major renovations or demolitions. The fair value of the liability for asbestos removal or disposal will be recognized in the period in which it is incurred if a reasonable estimate of fair value can be made. As of June 30, 2014, the liability is not reasonably determinable.

NOTE 19 EXPENSE BY OBJECT

	June 30, 2014	June 30, 2013 (Recast – Note 22)
Salaries and benefits	\$ 47,752,610	\$ 49,063,004
Services and supplies	6,361,834	5,741,395
Interest	27,474	54,722
Amortization	3,730,740	3,765,013
Other		
	<u>\$ 57,872,658</u>	<u>\$ 58,624,134</u>

Please refer to Note 22 for additional information regarding the recast comparative figures presented for June 30, 2013.

NOTE 20 INTERNALLY RESTRICTED SURPLUS (DEFICIT) – OPERATING FUND

	June 30, 2014	June 30, 2013 (Recast – Note 22)
Invested in tangible capital assets	\$ 26,327,130	\$ 26,685,804
Local capital deficit	-	(22,713)
Operating surplus	812,235	(148,511)
	<u>\$ 27,139,365</u>	<u>\$26,514,580</u>

The operating surplus is further restricted as follows:

Internally Restricted (appropriated) by Board for:

School and Department surpluses	\$ 54,499	96,893
Aboriginal Target shortfall	84,756	286,124
Employee Benefit Plan surplus	282,910	-
Subtotal Internally Restricted	422,165	383,017
Unrestricted Operating Surplus (Deficit)	390,070	(531,528)
Total Available for Future Operations	<u>\$ 812,235</u>	<u>(148,511)</u>

Please refer to Note 22 for additional information regarding the recast comparative figures presented for June 30, 2013.

SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2014 and JUNE 30, 2013

NOTE 21 ECONOMIC DEPENDENCE

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

NOTE 22 PRIOR PERIOD RECAST

Certain 2013 comparative figures have been recast to record additional post employment benefit obligations. Salaries and benefits expenses were increased from \$49,061,992 to \$49,063,004 and Accrued Employee Benefit Obligations from \$639,601 to \$665,936, resulting in a change to Accumulated Surplus from \$26,540,915 to \$26,514,580 at June 30, 2013 and a change to Accumulated Surplus from \$24,810,465 to \$24,785,142 at July 1, 2012.

NOTE 23 RISK MANAGEMENT

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

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

a) Credit risk:

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

The School District is exposed to credit risk in the event of non-performance by a borrower. This risk is mitigated as most amounts receivable are due from the Province and 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 and the School District invests solely in term deposits at this time.

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 would be

SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2014 and JUNE 30, 2013

NOTE 23 RISK MANAGEMENT (Continued)

exposed to interest rate risk through investments. It is management's opinion that the School District is not exposed to significant interest rate risk as they have not invested due to the deficit that was previously incurred by the School District.

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.

d) Fair value of financial instruments:

Public Sector Accounting Standards define the fair value of a financial instrument as the amount at which the instrument could be exchanged in a current transaction between willing parties. The School District uses the following methods and assumptions to estimate the fair value of each class of financial instruments for which the carrying amounts are included in the Statement of Financial Position under the following captions:

- (i) Cash and cash equivalents, accounts receivable, and accounts payable and accrued liabilities – the carrying amounts approximate fair value because of the short maturity of these instruments.

The financial instruments measured at fair value held within each investment are classified according to a hierarchy which includes three levels, reflecting the reliability of the inputs involved in the fair value determination. The different levels are defined as follows:

- (i) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- (ii) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- (iii) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The School District's instruments are all considered to be level 1 financial instruments for which the fair value is determined based on the quoted prices in active markets. Changes in financial instruments valuation methods or in the availability of market observable inputs may result in a transfer between levels. During the year there were no significant transfers of securities between different levels.

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

School District No. 75 (Mission)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund
Year Ended June 30, 2014

Schedule I (Unaudited)

	Operating Fund	Special Purpose Fund	Capital Fund	2014 Actual	2013 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	(148,511)		26,663,091	26,514,580	24,810,465
Prior Period Adjustments					(25,323)
Accumulated Surplus (Deficit), beginning of year, as restated	<u>(148,511)</u>	-	<u>26,663,091</u>	<u>26,514,580</u>	<u>24,785,142</u>
Changes for the year					
Surplus (Deficit) for the year	1,711,237		(1,086,452)	624,785	1,729,438
Interfund Transfers	(30,392)		30,393	-	-
Tangible Capital Assets Purchased	(153,014)		153,034	-	-
Tangible Capital Assets - Work in Progress	(567,034)		567,064	-	-
Other	960,716		(335,961)	624,785	1,729,438
Net Changes for the year	<u>812,217</u>	-	<u>26,327,130</u>	<u>27,139,365</u>	<u>26,514,580</u>

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

School District No. 75 (Mission)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2014

	2014 Budget (Note 16)	2014 Actual	2013 Actual (Recast - Note 22)
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	52,124,861	50,412,702	52,727,061
Other	155,000	176,314	153,397
Tuition	1,018,000	1,253,858	1,160,516
Other Revenue	344,100	425,025	359,178
Rentals and Leases	110,000	125,135	117,087
Investment Income	20,180	75,156	38,782
Total Revenue	53,772,141	52,468,190	54,556,021
Expenses			
Instruction	44,127,843	42,152,806	43,280,287
District Administration	2,368,560	2,239,032	2,308,607
Operations and Maintenance	5,420,184	5,420,874	5,333,573
Transportation and Housing	958,641	944,241	871,471
Total Expense	52,875,228	50,756,953	51,793,938
Operating Surplus (Deficit) for the year	896,913	1,711,237	2,762,083
Budgeted Appropriation (Retirement) of Surplus (Deficit)	(325,000)		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased		(30,393)	(257,947)
Tangible Capital Assets - Work in Progress		(153,034)	-
Local Capital			(505,278)
Other	(571,913)	(567,064)	(738,218)
Total Net Transfers	(571,913)	(750,491)	(1,501,443)
Total Operating Surplus (Deficit), for the year	-	960,746	1,260,640
Operating Surplus (Deficit), beginning of year		(148,511)	(1,383,828)
Prior Period Adjustments			
April - June 2012 EFB Expense Restatement			(25,323)
Operating Surplus (Deficit), beginning of year, as restated		(148,511)	(1,409,151)
Operating Surplus (Deficit), end of year		812,235	(148,511)
Operating Surplus (Deficit), end of year			
Internally Restricted (Note 20)		422,165	383,017
Unrestricted		390,070	(531,528)
Total Operating Surplus (Deficit), end of year		812,235	(148,511)

School District No. 75 (Mission)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2014

	2014 Budget (Note 16)	2014 Actual	2013 Actual (Recast - Note 22)
	\$	\$	\$
Provincial Grants - Ministry of Education			
Operating Grant, Ministry of Education	51,405,560	49,633,979	51,980,813
A.ANDC/LEA Recovery	(138,100)	(64,651)	(100,982)
Other Ministry of Education Grants			
Pay Equity	725,901	725,901	725,901
Carbon Tax Refund	37,500	61,204	57,581
Education Guarantee	80,000	42,500	49,979
FSA	14,000	13,769	13,769
Total Provincial Grants - Ministry of Education	<u>52,124,861</u>	<u>50,412,702</u>	<u>52,727,061</u>
Provincial Grants - Other	<u>155,000</u>	<u>176,314</u>	<u>153,397</u>
Tuition			
Continuing Education	208,000	223,689	222,641
Offshore Tuition Fees	810,000	1,030,169	937,875
Total Tuition	<u>1,018,000</u>	<u>1,253,858</u>	<u>1,160,516</u>
Other Revenues			
LEA/Direct Funding from First Nations	138,100	64,651	100,982
Miscellaneous			
Transportation Fees	120,000	127,282	130,241
Pay for Service - Riverside	35,000	34,223	28,520
Clarke Theatre Support	36,000	70,000	32,898
Other Revenues	15,000	128,869	66,537
Total Other Revenue	<u>344,100</u>	<u>425,025</u>	<u>359,178</u>
Rentals and Leases	<u>110,000</u>	<u>125,135</u>	<u>117,087</u>
Investment Income	<u>20,180</u>	<u>75,156</u>	<u>38,782</u>
Total Operating Revenue	<u>52,612,041</u>	<u>51,477,075</u>	<u>53,084,903</u>

School District No. 75 (Mission)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object
Year Ended June 30, 2014

	2014 Budget (Note 16)	2014 Actual	2013 Actual (Recast - Note 22)
	\$	\$	\$
Salaries			
Teachers	22,713,534	21,123,125	23,357,658
Principals and Vice Principals	2,788,184	2,848,419	2,613,102
Educational Assistants	4,265,744	4,550,616	3,967,388
Support Staff	5,271,680	5,084,995	5,035,435
Other Professionals	1,701,700	1,874,847	1,673,423
Substitutes	1,894,622	1,750,797	1,748,920
Total Salaries	38,635,464	37,232,799	38,395,926
Employee Benefits	9,691,067	9,272,546	9,362,014
Total Salaries and Benefits	48,326,531	46,505,345	47,757,940
Services and Supplies			
Services	1,445,139	1,333,864	1,373,403
Student Transportation	6,200	14,138	22,449
Professional Development and Travel	401,050	298,065	296,431
Rentals and Leases	4,000	3,369	4,307
Dues and Fees	63,500	71,850	66,575
Insurance	191,000	179,414	181,574
Supplies	1,583,804	1,471,616	1,178,194
Utilities	854,004	879,292	913,065
Total Services and Supplies	4,548,697	4,251,608	4,035,998
Total Operating Expense	52,875,228	50,756,953	51,793,938

School District No. 75 (Mission)

Operating Expense by Function, Program and Object
Year Ended June 30, 2014

Schedule 2C (Unaudited)

	Teachers Salaries	Principals and Vice Principals Salaries	Educational Assistants Salaries	Support Staff Salaries	Other Professionals Salaries	Substitutes Salaries	Total Salaries
	\$	\$	\$	\$	\$	\$	\$
I Instruction							
1.02 Regular Instruction	16,591,686	452,935	323,377	32,233		1,297,114	18,697,340
1.03 Career Programs	701,433			174,714		4,132	880,279
1.07 Library Services	915,748						915,748
1.08 Counselling	653,307	13,079					663,386
1.10 Special Education	2,026,519		3,610,116	289,338		237,366	6,163,339
1.30 English Language Learning	152,698		44,571				197,269
1.31 Aboriginal Education	41,740	71,064	570,724	34,413	172,644	22,590	740,531
1.41 School Administration		2,314,341		1,105,242		59,465	3,651,692
1.60 Summer School	39,994		1,832	2,723			44,550
1.62 Off Shore Students				47,306	128,136		175,442
1.64 Other				14,976	120,047		135,023
Total Function 1	21,123,125	2,843,419	4,550,616	1,700,945	420,827	1,620,667	32,264,599
4 District Administration							
4.11 Educational Administration					459,481		459,481
4.40 School District Governance					86,213		86,213
4.41 Business Administration				270,897	762,381	4,535	1,037,813
Total Function 4				270,897	1,308,075	4,535	1,583,507
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				44,850	76,006	8,227	129,083
5.50 Maintenance Operations				2,382,233		99,551	2,481,784
5.52 Maintenance of Grounds				182,106			182,106
5.56 Utilities							
Total Function 5				2,609,189	76,006	107,778	2,792,973
7 Transportation and Housing							
7.41 Transportation and Housing Administration				3,223	69,939		73,162
7.70 Student Transportation				500,741		17,817	518,558
Total Function 7				503,964	69,939	17,817	591,720
9 Debt Services							
Total Function 9							
Total Functions 1 - 9	21,123,125	2,843,419	4,550,616	5,084,995	1,874,847	1,750,797	37,232,799

School District No. 75 (Mission)

Operating Expense by Function, Program and Object

Year Ended June 30, 2014

Schedule 2C (Unaudited)

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2014 Actual	2014 Budget	2013 Actual
	\$	\$	\$	\$	\$	\$	\$
						(Note 16)	(Recast - Note 22)
1 Instruction							
1.02 Regular Instruction	18,697,340	4,606,995	23,304,335	666,982	23,971,317	26,074,707	26,475,857
1.03 Career Programs	880,279	209,342	1,089,621	189,421	1,279,042	1,425,666	1,250,746
1.07 Library Services	915,748	225,242	1,140,990	20,050	1,161,040	1,257,286	1,211,564
1.08 Counselling	663,386	139,558	802,944	6,789	809,733	786,565	800,838
1.10 Special Education	6,163,339	1,672,097	7,835,436	92,910	7,928,346	7,857,117	7,330,559
1.30 English Language Learning	197,269	54,220	251,489	963	252,452	175,424	281,150
1.31 Aboriginal Education	740,531	174,626	915,157	329,052	1,244,209	1,076,702	847,690
1.41 School Administration	3,651,692	916,974	4,568,666	237,440	4,806,106	4,528,900	4,511,851
1.60 Summer School	44,550	7,464	52,014		52,014	69,608	63,765
1.62 Off Shore Students	175,442	42,840	218,282	260,315	478,597	720,844	486,647
1.64 Other	135,023	20,718	155,741	14,209	169,950	155,024	19,620
Total Function 1	32,264,599	8,070,076	40,334,675	1,818,131	42,152,806	44,127,843	43,280,287
4 District Administration							
4.11 Educational Administration	459,481	120,179	579,660		579,660	680,299	567,004
4.40 School District Governance	86,213	18,152	104,365	52,267	156,632	214,863	192,649
4.41 Business Administration	1,037,813	189,222	1,227,035	275,705	1,502,740	1,473,398	1,548,954
Total Function 4	1,583,507	327,553	1,911,060	327,972	2,239,032	2,368,560	2,308,607
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	129,083	29,951	159,034	40,376	199,410	192,848	221,721
5.50 Maintenance Operations	2,481,784	648,394	3,130,178	916,460	4,046,638	4,036,933	3,999,101
5.52 Maintenance of Grounds	182,106	48,967	231,073	64,461	295,534	336,399	300,916
5.56 Utilities	-	-	-	879,292	879,292	854,004	811,835
Total Function 5	2,792,973	727,312	3,520,285	1,900,589	5,420,874	5,420,184	5,333,573
7 Transportation and Housing							
7.41 Transportation and Housing Administration	73,162	17,607	90,769	5,978	96,747	131,852	127,546
7.70 Student Transportation	518,558	129,998	648,556	198,938	847,494	826,789	743,925
Total Function 7	591,720	147,605	739,325	204,916	944,241	958,641	871,471
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	37,232,799	9,272,546	46,505,345	4,251,608	50,756,953	52,875,228	51,793,938

School District No. 75 (Mission)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2014

	2014 Budget (Note 16)	2014 Actual	2013 Actual (Recast - Note 22)
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	1,602,486	1,352,649	1,551,104
Other	70,000	63,364	49,462
Other Revenue	1,600,000	1,941,478	1,445,752
Total Revenue	3,272,486	3,357,491	3,046,318
Expenses			
Instruction	2,958,105	3,306,347	2,769,186
Operations and Maintenance	314,381	51,144	241,275
Total Expense	3,272,486	3,357,491	3,010,461
Special Purpose Surplus (Deficit) for the year	-	-	35,857
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased			(35,857)
Total Net Transfers	-	-	(35,857)
Total Special Purpose Surplus (Deficit) for the year	-	-	-
Special purpose surplus (deficit), beginning of year			
Special Purpose Surplus (Deficit), end of year		-	-

School District No. 75 (Mission)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2014

	Annual Facility Grant \$	Learning Improvement Fund \$	Special Education Equipment \$	School Generated Funds \$	Strong Start \$	Ready, Set, Learn \$	OLEP \$	Community- LINK \$	BEST \$
Deferred Revenue, beginning of year									20,000
Add: Restricted Grants									
Provincial Grants - Ministry of Education	105,087	660,844	9,065	160,000	160,000	31,850	99,019	375,656	
Provincial Grants - Other				1,952,623	175,697	18,575	64,154	409,943	
Other						2,450			
Less: Allocated to Revenue Recovered	51,144	631,005	2,131	1,940,827	175,697	18,575	64,154	409,943	
Strike Savings Recovery		29,839							
Deferred Revenue, end of year	53,943	-	38,855	675,548	6,203	32,706	49,375	1,791	20,000
Revenues									
Provincial Grants - Ministry of Education	51,144	631,005	2,131	175,697	175,697	18,575	64,154	409,943	
Provincial Grants - Other				1,940,827	175,697	18,575	64,154	409,943	
Other Revenue	51,144	631,005	2,131	1,940,827	175,697	18,575	64,154	409,943	
Expenses									
Salaries									
Teachers		426,940							
Educational Assistants		85,573			107,217		30,898	272,236	
Support Staff	28,307								
Other Professionals									
Substitutes							1,173		
Employee Benefits	28,307	512,513			107,217		32,071	272,236	
Services and Supplies	22,837	118,492			35,784		7,649	73,170	
	51,144	631,005	2,131	1,940,827	32,696	18,575	24,434	64,537	
			2,131	1,940,827	175,697	18,575	64,154	409,943	
Net Revenue (Expense) before Interfund Transfers									
Interfund Transfers									
Net Revenue (Expense)									

School District No. 75 (Mission)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2014

	Business Education Partnership	District Literacy	SWIS	Friends of The Environment	TOTAL
Deferred Revenue, beginning of year	\$ 5,336	\$ 10,177	\$ 36,243	\$ -	\$ 861,898
Add: Restricted Grants					
Provincial Grants - Ministry of Education			73,401		1,441,521
Provincial Grants - Other				(0)	73,401
Other				(0)	1,955,278
Less: Allocated to Revenue			73,401	(0)	3,470,200
Recovered			63,364	(0)	3,357,491
Strike Savings Recovery					2,450
Deferred Revenue, end of year	5,336	10,177	46,280	-	29,839
Revenues					947,318
Provincial Grants - Ministry of Education			63,364		1,352,649
Provincial Grants - Other				(0)	63,364
Other Revenue			63,364	(0)	1,941,478
Expenses					3,357,491
Salaries					
Teachers					457,838
Educational Assistants					465,026
Support Staff					28,307
Other Professionals			46,238		46,238
Substitutes					1,173
Employee Benefits			46,238		998,582
Services and Supplies			13,588		248,683
			3,538	(0)	2,110,226
			63,364	(0)	3,357,491
Net Revenue (Expense) before Interfund Transfers					
Interfund Transfers					
Net Revenue (Expense)					

School District No. 75 (Mission)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2014

	2014	2014 Actual			2013
	Budget (Note 16)	Invested in Tangible Capital Assets	Local Capital	Fund Balance	Actual (Recast - Note 22)
	\$	\$	\$	\$	\$
Revenues					
Provincial Grants					
Ministry of Education		22,713		22,713	106,148
Amortization of Deferred Capital Revenue	2,549,920	2,649,049		2,649,049	2,645,085
Total Revenue	<u>2,549,920</u>	<u>2,671,762</u>	-	<u>2,671,762</u>	<u>2,751,233</u>
Expenses					
Amortization of Tangible Capital Assets					
Operations and Maintenance	3,626,014	3,523,303		3,523,303	3,530,138
Transportation and Housing		207,437		207,437	234,875
Debt services					
Capital Lease Interest	13,905		9,522	9,522	21,152
Capital Loan Interest	18,022		17,952	17,952	33,570
Total Expense	<u>3,657,941</u>	<u>3,730,740</u>	<u>27,474</u>	<u>3,758,214</u>	<u>3,819,735</u>
Capital Surplus (Deficit) for the year	<u>(1,108,021)</u>	<u>(1,058,978)</u>	<u>(27,474)</u>	<u>(1,086,452)</u>	<u>(1,068,502)</u>
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased		30,393		30,393	293,804
Tangible Capital Assets - Work in Progress		153,034		153,034	
Local Capital				-	505,278
Capital Lease Payment	237,330		232,723	232,723	403,635
Capital Loan Payment	334,583		334,341	334,341	334,583
Total Net Transfers	<u>571,913</u>	<u>183,427</u>	<u>567,064</u>	<u>750,491</u>	<u>1,537,300</u>
Other Adjustments to Fund Balances					
Principal Payment					
Capital Lease		223,201	(223,201)	-	
Capital Loan		316,389	(316,389)	-	
Transfer from AFG		(22,713)	22,713	-	
Total Other Adjustments to Fund Balances		<u>516,877</u>	<u>(516,877)</u>	-	
Total Capital Surplus (Deficit) for the year	<u>(536,108)</u>	<u>(358,674)</u>	<u>22,713</u>	<u>(335,961)</u>	<u>468,798</u>
Capital Surplus (Deficit), beginning of year		<u>26,685,804</u>	<u>(22,713)</u>	<u>26,663,091</u>	<u>26,194,293</u>
Capital Surplus (Deficit), end of year		<u>26,327,130</u>	-	<u>26,327,130</u>	<u>26,663,091</u>

School District No. 75 (Mission)

Tangible Capital Assets

Year Ended June 30, 2014

Schedule 4A (Unaudited)

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	10,512,959	12,838,557	1,691,185	2,033,456	214,267	1,883,679	142,182,503
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		1,364,303	101,198	78,011			1,442,314
Deferred Capital Revenue - Other			26,193	3,800			102,198
Operating Fund							30,393
Transferred from Work in Progress		327,951					327,951
Decrease:							
Deemed Disposals		1,692,254	121,911	81,811			1,902,856
Cost, end of year							
Work in Progress, end of year	10,512,959	12,530,811	1,666,117	1,739,098	214,267	1,303,507	142,967,059
Cost and Work in Progress, end of year	10,512,959	12,944,457	1,666,117	1,739,098	214,267	1,303,507	143,380,705
Accumulated Amortization, beginning of year							
Changes for the Year							
Increase: Amortization for the Year		57,583,022	685,174	1,263,149	98,361	1,261,351	60,895,757
Decrease:							
Deemed Disposals		3,927,315	176,199	207,437	42,853	376,736	3,730,740
Accumulated Amortization, end of year							
Tangible Capital Assets - Net	10,512,959	6,434,120	962,103	644,681	73,053	245,592	79,872,508

School District No. 75 (Mission)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2014

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
Work in Progress, beginning of year	\$ 327,951	\$	\$	\$	\$ 327,951
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	260,612				260,612
Operating Fund	153,034				153,034
	413,646	-	-	-	413,646
Decrease:					
Transferred to Tangible Capital Assets	327,951				327,951
	327,951	-	-	-	327,951
Net Changes for the Year	85,695	-	-	-	85,695
Work in Progress, end of year	413,646	-	-	-	413,646

School District No. 75 (Mission)

Schedule 4C (Unaudited)

Deferred Capital Revenue
Year Ended June 30, 2014

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	53,014,084		268,014	53,282,098
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	1,442,314		102,198	1,544,512
Transferred from Work in Progress	327,951			327,951
	<u>1,770,265</u>	<u>-</u>	<u>102,198</u>	<u>1,872,463</u>
Decrease:				
Amortization of Deferred Capital Revenue	2,608,201		40,848	2,649,049
	<u>2,608,201</u>	<u>-</u>	<u>40,848</u>	<u>2,649,049</u>
Net Changes for the Year	<u>(837,936)</u>	<u>-</u>	<u>61,350</u>	<u>(776,586)</u>
Deferred Capital Revenue, end of year	<u>52,176,148</u>	<u>-</u>	<u>329,364</u>	<u>52,505,512</u>
Work in Progress, beginning of year	327,951			327,951
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	260,612			260,612
	<u>260,612</u>	<u>-</u>	<u>-</u>	<u>260,612</u>
Decrease				
Transferred to Deferred Capital Revenue	327,951			327,951
	<u>327,951</u>	<u>-</u>	<u>-</u>	<u>327,951</u>
Net Changes for the Year	<u>(67,339)</u>	<u>-</u>	<u>-</u>	<u>(67,339)</u>
Work in Progress, end of year	<u>260,612</u>	<u>-</u>	<u>-</u>	<u>260,612</u>
Total Deferred Capital Revenue, end of year	<u>52,436,760</u>	<u>-</u>	<u>329,364</u>	<u>52,766,124</u>

School District No. 75 (Mission)

Changes in Unspent Deferred Capital Revenue
Year Ended June 30, 2014

Schedule 4D (Unaudited)

	Bylaw Capital	MEd Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year				315,805	20,605	336,410
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	1,879,144					1,879,144
Other	1,879,144	-	-	76,925	106,606	183,531
Decrease:						
Transferred to DCR - Capital Additions	1,442,314				102,198	1,544,512
Transferred to DCR - Work in Progress	260,612					260,612
Transferred to LCR	22,713					22,713
	1,725,639	-	-	-	102,198	1,827,837
Net Changes for the Year	153,505	-	-	76,925	4,408	234,838
Balance, end of year	153,505	-	-	392,730	25,013	571,248

