

Audited Financial Statements of

School District No. 75 (Mission)

June 30, 2013, June 30, 2012 and July 1, 2011

School District No. 75 (Mission)

June 30, 2013, June 30, 2012 and July 1, 2011

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MANAGEMENT REPORT

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 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 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.

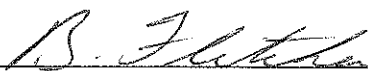
The Board of Education of School District No. 75 (Mission) (called the "Board") is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Board. The Board reviews internal financial statements on a monthly basis and external audited financial statements yearly.

On behalf of School District No. 75 (Mission)



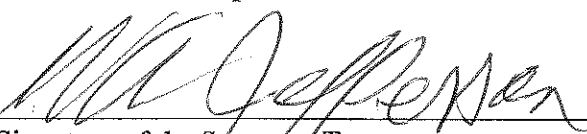
Signature of the Chairperson of the Board of
Education

Date Signed



Signature of the Superintendent

Date Signed



Signature of the Secretary Treasurer

Date Signed

School District No. 75 (Mission)

Statement 1


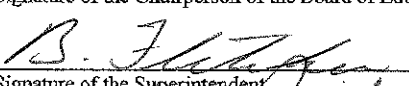
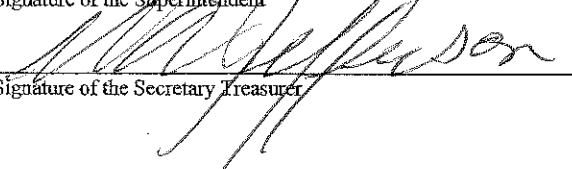
Statement of Financial Position

As at June 30, 2013, June 30, 2012 and July 1, 2011

	June 30, 2013	June 30, 2012	July 1, 2011
	\$	\$	\$
Financial Assets			
Cash and Cash Equivalents	5,876,712	4,016,495	2,233,212
Accounts Receivable			
Due from Province - Ministry of Education	274,672	87,749	40,102
Due from Province - Other	58,966	2,105	
Due from LEA/Direct Funding			97,455
Other (Note 4)	778,288	946,193	1,019,167
Total Financial Assets	6,988,638	5,052,542	3,389,936
Liabilities			
Accounts Payable and Accrued Liabilities			
Due to Province - Ministry of Education	3,527		
Other (Note 5)	1,687,396	1,583,210	2,311,067
Unearned Revenue (Note 6)	529,010	456,127	394,415
Deferred Revenue (Note 7)	861,898	811,997	820,778
Deferred Capital Revenue (Note 8)	53,946,459	55,630,931	57,623,341
Employee Future Benefits (Note 9)	639,601	795,899	800,741
Debt (Note 10)	513,475	814,489	1,101,412
Capital Lease Obligations (Note 11)	624,703	1,007,186	882,728
Other Liabilities (Note 5)	3,550,236	3,885,410	2,300,902
Total Liabilities	62,356,305	64,985,249	66,235,384
Net Financial Assets (Debt)	(55,367,667)	(59,932,707)	(62,845,448)
Non-Financial Assets			
Tangible Capital Assets (Note 12)	81,614,697	84,184,128	87,133,880
Prepaid Expenses	293,885	559,044	745,347
Total Non-Financial Assets	81,908,582	84,743,172	87,879,227
Accumulated Surplus (Deficit) (Note 21)	26,540,915	24,810,465	25,033,779

Contractual Obligations and Contingencies (Note 16 & 18)

Approved by the Board

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

School District No. 75 (Mission)

Statement 2

Statement of Operations

Years Ending June 30, 2013 and June 30, 2012

	2013 Budget (Note 17)	2013 Actual	2012 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	54,123,270	54,384,313	54,313,754
Other	223,800	202,859	228,025
Tuition	1,000,000	1,160,516	1,059,012
Other Revenue	2,763,200	1,804,930	2,171,241
Rentals and Leases	110,000	117,087	139,237
Investment Income	5,000	38,782	8,900
Amortization of Deferred Capital Revenue	2,629,100	2,645,085	2,702,981
Total Revenue	60,854,370	60,353,572	60,623,150
Expenses			
Instruction	48,354,830	46,049,473	47,508,352
District Administration	1,795,940	2,308,607	2,520,568
Operations and Maintenance	9,282,394	9,103,974	9,555,007
Transportation and Housing	1,217,126	1,106,346	1,178,077
Debt Services	55,700	54,722	84,460
Total Expense	60,705,990	58,623,122	60,846,464
Surplus (Deficit) for the year	148,380	1,730,450	(223,314)
Accumulated Surplus (Deficit) from Operations, beginning of year		24,810,465	25,033,779
Accumulated Surplus (Deficit) from Operations, end of year		26,540,915	24,810,465

School District No. 75 (Mission)

Statement of Remeasurement Gains and Losses

Year Ended June 30, 2013

Statement 3

	2013 Actual \$
Accumulated Remeasurement Gains (Losses) at beginning of year	
Net Remeasurement Gains (Losses) for the year	-
Accumulated Remeasurement Gains (Losses) at end of year	-

School District No. 75 (Mission)

Statement 4

Statement of Changes in Net Financial Assets (Debt)

Years Ending June 30, 2013 and June 30, 2012

	2013 Budget (Note 17)	2013 Actual	2012 Actual
	\$	\$	\$
Surplus (Deficit) for the year	148,380	1,730,450	(223,314)
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(878,280)	(1,195,582)	(983,536)
Amortization of Tangible Capital Assets	3,749,800	3,765,013	3,933,288
Total Effect of change in Tangible Capital Assets	2,871,520	2,569,431	2,949,752
Acquisition of Prepaid Expenses	(746,400)	(293,885)	(559,044)
Use of Prepaid Expenses	745,500	559,044	745,347
Total Effect of change in Other Non-Financial Assets	(900)	265,159	186,303
(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)	3,019,000	4,565,040	2,912,741
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Financial Assets (Debt)		4,565,040	2,912,741
Net Financial Assets (Debt), beginning of year		(59,932,707)	(62,845,448)
Net Financial Assets (Debt), end of year		(55,367,667)	(59,932,707)

School District No. 75 (Mission)

Statement 5

Statement of Cash Flows

Years Ending June 30, 2013 and June 30, 2012

	2013 Actual	2012 Actual
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	1,730,450	(223,314)
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(75,879)	120,677
Prepaid Expenses	265,159	186,303
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	107,713	(727,857)
Unearned Revenue	72,883	61,712
Deferred Revenue	49,901	(8,780)
Employee Future Benefits	(156,298)	(4,842)
Other Liabilities	(335,173)	1,584,507
Amortization of Tangible Capital Assets	3,765,013	3,933,288
Amortization of Deferred Capital Revenue	(2,645,085)	(2,702,981)
Bylaw Capital Used to Reduce LCR deficit	(106,148)	(233,315)
Total Operating Transactions	2,672,536	1,985,398
Capital Transactions		
Tangible Capital Assets Purchased	(867,631)	(765,221)
Tangible Capital Assets -WIP Purchased	(327,951)	
Refunded to PAC's	(17,162)	(52,000)
Total Capital Transactions	(1,212,744)	(817,221)
Financing Transactions		
Loan Payments	(301,013)	(286,923)
Capital Revenue Received	1,083,923	995,886
Capital Lease Repayments	(382,485)	(460,433)
Capital Lease 10/11 Assets		366,576
Total Financing Transactions	400,425	615,106
Net Increase (Decrease) in Cash and Cash Equivalents	1,860,217	1,783,283
Cash and Cash Equivalents, beginning of year	4,016,495	2,233,212
Cash and Cash Equivalents, end of year	5,876,712	4,016,495
Cash and Cash Equivalents, end of year, is made up of:		
Cash	5,876,712	4,016,495
	5,876,712	4,016,495

SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2013 and JUNE 30, 2012

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 ADOPTION OF NEW ACCOUNTING FRAMEWORK

Commencing with the 2012/13 fiscal year, the School District has adopted accounting standards 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 as described in Note 3 (a). Previously, the School District's financial statements were prepared in accordance with Part V of Canadian generally accepted accounting principles ("Part V Canadian GAAP").

Except for certain transitional elections disclosed below and the adoption of PS3450, Financial Instruments, effective July 1, 2012, the School District has consistently applied the same accounting policies in its statement of financial position as at July 1, 2011, the date of transition to the framework, and throughout as if these policies had always been in effect.

These financial statements are the first financial statements for which the School District has applied these standards.

The School District has elected to use the following exemptions available as of July 1, 2011, the date of transition to the new accounting framework:

- Retirement and post-employment benefits:
 - a. The School District has elected to delay the application of *Sections PS 3250 , Retirement benefits*, and *3255, Post-employment benefits, compensated absences and termination benefits*, relative to the discount rate used until June 30, 2013 (to coincide with the March 31, 2013 valuation);
 - b. The School District has elected to recognize all cumulative actuarial gains and losses at July 1, 2011 directly in accumulated surplus (deficit); and
- Tangible capital asset impairment:
 - a. The School District has elected to apply the impairment provisions of *Section PS 3150, Tangible capital assets*, on a prospective basis from the date of transition.

SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2013 and JUNE 30, 2012

NOTE 2 ADOPTION OF NEW ACCOUNTING FRAMEWORK (Continued)

Key adjustments on the School District's financial statements resulting from the adoption of these accounting standards are as follows:

- Previously, the School District was not required to record an accrued benefit obligation related to sick leave benefits as the benefits do not vest. PSA standards require that a liability and an expense be recognized for post-employment benefits and compensated absences that vest or accumulate in the period in which employees render services to the School District in return for the benefits. An adjustment was made to recognize a liability and an expense related to accumulated sick leave entitlements. The adjustment to the liability for employee future benefits at July 1, 2011 was (\$227,125). A decrease of expense of \$34,927 was also recognized in the 2012 fiscal year related to the accrual for accumulated sick leave entitlements, determined by an actuarial valuation.
- The School District recognized all previous cumulative actuarial gains and losses relating to employee future benefits of \$318,445 at July 1, 2011 resulting in a decrease to the Employee Future Benefits liability and an increase in accumulated surplus. An additional expense of \$54,826 was recognized in the 2012 fiscal year as a result of removing the amortization of those cumulative actuarial gains and losses.
- The net impact on the liability for employee future benefits at July 1, 2011 and June 30, 2012 of the adjustments detailed above is:

	Previously stated July 1, 2011	Adjustment July 1, 2011	Restated July 1, 2011
Employee Future Benefits	\$ 892,061	\$ (91,320)	\$ 800,741

	Previously stated June 30, 2012	Adjustment June 30, 2012	Restated June 30, 2012
Employee Future Benefits	\$ 867,320	\$ (71,421)	\$ 795,899

SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2013 and JUNE 30, 2012

NOTE 2 ADOPTION OF NEW ACCOUNTING FRAMEWORK (Continued)

The impact of the conversion to new accounting standards on the accumulated surplus at July 1, 2011 and the comparative annual deficit is presented below. These accounting changes have been applied retrospectively with restatement of prior periods.

Accumulated surplus Part V Canadian GAAP, July 1, 2011	\$ 24,942,459
Adjustments to accumulated surplus	
Add non-vested benefits to Employee Future Benefits	(227,125)
Recognize cumulative unamortized actuarial gain/loss on Employee Future Benefits	318,445
Accumulated surplus new accounting framework, July 1, 2011	<u>25,033,779</u>
 Annual deficit Part V Canadian GAAP for the year ended June 30, 2012	 (203,415)
Adjustments to annual deficit for the year	
Employee Future Benefits amortization expense/revenue	19,899
 Annual deficit new accounting framework for the year ended June 30, 2012	 <u>(223,314)</u>
Accumulated surplus new accounting framework, June 30, 2012	<u><u>\$ 24,810,465</u></u>

NOTE 3 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 257/2010 requires all tax-payer supported organizations in the Schools, Universities, Colleges and Hospitals sectors to adopt Canadian public sector accounting standards without any PS4200 elections effective their first fiscal year commencing after January 1, 2012.

SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2013 and JUNE 30, 2012

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a) Basis of Accounting (Continued)

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 requirements of Canadian public sector accounting standards which requires that

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

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

b) Cash and Cash Equivalents

Cash and cash equivalents include cash on deposit with Envision Financial and Scotiabank 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.

SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2013 and JUNE 30, 2012

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 3 (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.

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 except as per the election described in note 2.

The cumulative unrecognized actuarial gains and losses are amortized over the expected average remaining service lifetime (EARS�) 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 March 31 was adopted for all periods subsequent to July 1, 2004.

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

SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2013 and JUNE 30, 2012

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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.
- 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

SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2013 and JUNE 30, 2012

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 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.

SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2013 and JUNE 30, 2012

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1) Revenue Recognition

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

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

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

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

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

SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2013 and JUNE 30, 2012

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m) Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year is expensed. Interest expense includes interest paid on capital leases.

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 and other liabilities.

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

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

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.

SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2013 and JUNE 30, 2012

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

o) Measurement Uncertainty

Preparation of financial statements in accordance with the basis of accounting described in note 3 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.

p) Adoption of New Accounting Policy

On July 1, 2012, the School District adopted PS3450, *Financial Instruments*. Recognition, derecognition and measurement policies followed in the financial statements for periods prior to July 1, 2012 are not reversed and, therefore, the financial statements of prior periods, including comparative information, have not been restated.

As at June 30, 2013 and for the year then ended, financial instruments are accounted for prospectively in accordance with public sector accounting standards as described in note 3 (n).

As at July 1, 2011, June 30, 2012 and for the year ended June 30, 2012, financial instruments were accounted for in accordance with Part V of the CICA Handbook. There were no changes in the recognition and measurement of financial instruments upon conversion to public sector accounting standards.

NOTE 4 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	June 30, 2013	June 30, 2012	July 1, 2011
Due from Federal Government	\$ 114,456	\$ 148,636	\$ 123,319
Benefit plan surpluses	276,696	427,598	525,287
Other	387,136	369,959	370,561
	<u>\$ 778,288</u>	<u>\$ 946,193</u>	<u>\$ 1,019,167</u>

SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2013 and JUNE 30, 2012

NOTE 5 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES - OTHER

	June 30, 2013	June 30, 2012	July 1, 2011
Trade payables	\$ 1,687,396	\$ 1,583,210	\$ 2,311,067
Salaries and benefits payable	\$ 2,577,907	\$ 2,570,652	\$ 1,945,059
Accrued vacation pay	391,897	372,814	355,843
Other	580,432	941,944	-
Total Other Liabilities	3,550,236	3,885,410	2,300,902
Balance, end of year	\$ 5,237,632	\$ 5,468,620	\$ 4,611,969

NOTE 6 UNEARNED REVENUE

	June 30, 2013	June 30, 2012	July 1, 2011
Balance, beginning of year	\$ 456,127	\$ 394,415	\$ 477,652
Changes for the year:			
Increase:			
Tuition fees	475,055	397,967	355,165
Rental/Lease of facilities			
Transportation fees	53,955	58,160	39,250
	529,010	456,127	394,415
Decrease:			
Tuition fees	397,967	355,165	456,127
Rental/Lease of facilities			
Transportation fees	58,160	39,250	21,525
	456,127	394,415	477,652
Net changes for the year	72,883	61,712	(83,237)
Balance, end of year	\$ 529,010	\$ 456,127	\$ 394,415

SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2013 and JUNE 30, 2012

NOTE 7 DEFERRED REVENUE

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

	June 30, 2013	June 30, 2012
Balance, beginning of year	\$ 811,997	\$ 820,778
Changes for the year:		
Increase:		
Provincial grants - MOE	1,513,880	817,421
Provincial grants - Other	82,000	61,930
Other revenue	1,500,339	1,587,154
	3,096,219	2,466,505
Decrease:		
Allocated to revenue	(3,046,318)	(2,475,286)
Net changes for the year	49,901	(8,781)
Balance, end of year	\$ 861,898	\$ 811,997

NOTE 8 DEFERRED CAPITAL REVENUE

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

	June 30, 2013	June 30, 2012
Deferred capital revenue subject to amortization		
Balance, beginning of year	\$ 55,353,356	\$ 57,358,745
Increases:		
Capital additions	573,827	697,592
Decreases:		
Amortization	2,645,085	2,702,981
Net change for the year	(2,071,258)	(2,005,389)
Balance, end of year	\$ 53,282,098	\$ 55,353,356
Deferred capital revenue not subject to amortization		
Work in Progress	327,951	-
Total Deferred capital revenue, end of year	\$ 53,610,049	\$ 55,353,356

SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2013 and JUNE 30, 2012

NOTE 8 DEFERRED CAPITAL REVENUE (Continued)

Unspent Deferred capital revenue

Balance, beginning of year	\$ 277,575	\$ 264,596
Increases:		
Provincial Grants – Ministry of Education	966,753	878,420
Other	117,170	117,466
Decreases:		
Transfer to deferred capital revenue subject to amortization	573,827	697,592
Transfer to deferred capital revenue – work in progress	327,951	-
Transfer to local capital reserve	106,148	233,315
Refunded to PACs	17,162	52,000
Net change for the year	58,835	12,979
Balance, end of year	\$ 336,410	\$ 277,575
Total Deferred capital revenue, end of year	\$ 53,946,459	\$ 55,630,961

SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2013 and JUNE 30, 2012

NOTE 9 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.

	June 30, 2013	June 30, 2012
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	876,786	640,044
Non-vested Benefit Obligation - July 1, 2011		227,125
Service Cost	63,677	59,561
Interest Cost	37,614	41,292
Benefit Payments	(251,905)	(151,298)
Increase (Decrease) in obligation due to Plan Amendment	5,881	0
Actuarial (Gain) Loss	339,679	60,062
Accrued Benefit Obligation – March 31	1,071,732	876,786
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation - March 31	1,071,732	876,786
Market Value of Plan Assets - March 31	0	0
Funded Status - Surplus (Deficit)	(1,071,732)	(876,786)
Employer Contributions After Measurement Date	39,715	20,825
Unamortized Net Actuarial (Gain) Loss	392,416	60,062
Accrued Benefit Asset (Liability) - June 30	(639,601)	(795,899)
Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability (Asset) - July 1	795,899	892,061
Recognize Non-Vested Benefits - July 1, 2011		227,125
Recognize Unamortized (Gains) Losses - July 1, 2011		(318,445)
Accrued Benefit Liability (Asset) - July 1 (restated)	795,899	800,741
Net Expense for Fiscal Year	114,497	100,853
Employer Contributions	(270,795)	(105,695)
Accrued Benefit Liability (Asset) - June 30	639,601	795,899
Components of Net Benefit Expense		
Service Cost	63,677	59,561
Interest Cost	37,614	41,292
Immediate Recognition of Plan Amendment	5,881	0
Amortization of Net Actuarial (Gain)/Loss	7,325	0
Net Benefit Expense (Income)	114,497	100,853
Assumptions		
Discount Rate - April 1	4.25%	4.75%
Discount Rate - March 31	3.00%	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	8.8	8.2

SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2013 and JUNE 30, 2012

NOTE 10 DEBT

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

	June 30, 2013	June 30, 2012	July 1, 2011
Approved September, 2003; rate 4.99% ten years	\$ 276,929	\$ 486,394	\$ 685,686
Approved August, 2005; rate 4.78%; ten years	236,546	328,095	415,726
	<u>\$ 513,475</u>	<u>\$ 814,489</u>	<u>\$ 1,101,412</u>

Anticipated annual principal repayments over the next three years are as follows:

2014	\$ 316,561
2015	157,888
2016	39,026
	<u>\$ 513,475</u>

NOTE 11 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 3.67%.

Repayments are due as follows:

	June 30, 2013
2014	\$ 237,330
2015	212,837
2016	148,422
2017	56,151
Total minimum lease payments	654,740
Less amounts representing interest	<u>(30,037)</u>
Present value of net minimum capital lease payments	<u>\$ 624,703</u>

Total interest on leases for the year was \$21,152 (2012: \$36,800).

SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2013 and JUNE 30, 2012

NOTE 12 TANGIBLE CAPITAL ASSETS

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

June 30, 2012

Cost:	Balance at July 1, 2011	Additions	Disposals	Balance at June 30, 2012
Sites	\$ 10,512,959	\$ -	\$ -	\$ 10,512,959
Buildings	124,631,065	698,862		125,329,927
Furniture & Equipment	1,837,240	92,714	(270,055)	1,659,899
Vehicles	2,877,070	68,282	(608,036)	2,337,316
Computer Software	783,518	6,682	(597,574)	192,626
Computer Hardware	1,909,519	116,996	(81,781)	1,944,734
Total	\$142,551,371	\$ 983,536	\$ (1,557,446)	\$141,977,461

Accumulated Amortization:	Balance at July 1, 2011	Additions	Disposals	Balance at June 30, 2012
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	51,771,327	2,902,831	-	54,674,158
Furniture & Equipment	676,136	188,360	(270,055)	594,441
Vehicles	1,671,909	291,121	(608,036)	1,354,994
Computer Software	497,874	157,372	(597,574)	57,672
Computer Hardware	800,245	393,604	(81,781)	1,112,068
Total	\$ 55,417,491	\$ 3,933,288	\$ (1,557,446)	\$ 57,793,333

SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2013 and JUNE 30, 2012

NOTE 12 TANGIBLE CAPITAL ASSETS (Continued)

Net Book Value:

	Net Book Value June 30, 2013	Net Book Value June 30, 2012	Net Book Value July 1, 2011
Sites	\$ 10,512,959	\$ 10,512,959	\$ 10,512,959
Buildings	68,255,535	70,655,769	72,859,738
Buildings -- work in progress	327,95	-	-
Furniture & Equipment	1,009,711	1,065,458	1,161,104
Vehicles	770,307	982,322	1,205,161
Computer Software	115,906	134,954	285,644
Computer Hardware	622,328	832,666	1,109,274
Total	\$ 81,614,697	\$ 84,184,128	\$ 87,133,880

NOTE 13 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 46,000 active members from school districts, and approximately 31,000 retired members from school districts. The Municipal Pension Plan has about 178,000 active members, of which approximately 23,000 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, 2009 indicated a \$1,024 million funding deficit for basic pension benefits. The next valuation will be as at December 31, 2012 with results available in 2013. Defined contribution plan accounting is applied to the plan as the plan exposes the participating entities to actuarial risks associated with the current and former employees of other entities, with the result that there is no consistent and reliable basis for allocating the obligation, plan assets and cost to individual entities participating in the plan.

The Mission School district paid \$4,729,734 (2012: \$4,830,804) for employer contributions to these plans in the year ended June 30, 2013.

SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2013 and JUNE 30, 2012

NOTE 14 INTERFUND TRANSFERS

Interfund transfers between the operating, special purpose and capital funds for the year ended June 30, 2013, were as follows:

• Assets purchased by Operating for Capital	\$257,947
• Assets purchased by Special Purpose fund for Capital	\$ 35,857
• Payment of Local Capital Deficit by Operating	\$505,278
• Capital Lease payment by Operating	\$403,635
• Capital Loan payment by Operating	\$334,583

NOTE 15 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 16 CONTRACTUAL OBLIGATIONS

The School District has entered into a multiple-year contract 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.

Golden Globe Construction Ltd in the amount of \$685,565 to be completed in 2014.

NOTE 17 BUDGET FIGURES

Budget figures included in the financial statements were approved by the Board through the adoption of an annual budget on June 26, 2012.

NOTE 18 CONTINGENCIES

The School District has been served a writ of summons in a class action lawsuit involving twenty five other school districts throughout the province seeking recovery of tuition fees paid for summer school courses in prior fiscal periods. Neither the outcome of this action nor any potential financial consequences are known at this time.

NOTE 19 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, 2013, the liability is not reasonably determinable.

SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2013 and JUNE 30, 2012

NOTE 20 EXPENSE BY OBJECT

	June 30, 2013	June 30, 2012
Salaries and benefits	\$ 49,061,992	\$ 50,804,910
Services and supplies	5,741,395	6,003,927
Interest	54,722	84,460
Amortization	3,765,013	3,933,288
Other		19,879
	<u>\$ 58,623,122</u>	<u>\$ 60,846,464</u>

NOTE 21 INTERNALLY RESTRICTED SURPLUS (DEFICIT) – OPERATING FUND

	June 30, 2013	June 30, 2012
Invested in tangible capital assets	\$ 26,685,804	\$ 26,828,432
Local capital deficit	(22,713)	(634,139)
Operating deficit	(122,176)	(1,383,828)
	<u>\$ 26,540,915</u>	<u>\$ 24,810,465</u>

The operating deficit is further restricted as follows:

Internally Restricted (appropriated) by Board for:		
School and Department surpluses	\$ 96,893	
Aboriginal Target shortfall	286,124	
Subtotal Internally Restricted	<u>383,017</u>	
Unrestricted Operating Surplus (Deficit)	(505,193)	\$ (1,383,828)
Total Available for Future Operations	<u>\$ (122,176)</u>	<u>\$ (1,383,828)</u>

NOTE 22 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.

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

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
Years Ending June 30, 2013 and June 30, 2012

Schedule 1 (Unaudited)

	Operating Fund	Special Purpose Fund	Capital Fund	2013 Actual	2012 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year					
Change in Accounting Policies/Prior Period Adjustments	(1,383,828)		26,194,293	24,810,465	24,942,459
Add non-vested benefits to Employee Future Benefits					(227,125)
Recognize unamortized gain (loss) on Employee Future Benefits		-			318,445
Accumulated Surplus (Deficit), beginning of year, as restated	(1,383,828)	-	26,194,293	24,810,465	25,033,779
Changes for the year					
Surplus (Deficit) for the year	2,763,095	35,857	(1,068,502)	1,730,450	(223,314)
Interfund Transfers					
Tangible Capital Assets Purchased	(257,947)	(35,857)	293,804	-	-
Local Capital	(505,278)		505,278	-	-
Other	(738,218)		738,218	-	-
Net Changes for the year	1,261,652	-	468,798	1,730,450	(223,314)
Accumulated Surplus (Deficit), end of year - Statement 2	(122,176)	-	26,663,091	26,540,915	24,810,465

School District No. 75 (Mission)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Years Ending June 30, 2013 and June 30, 2012

	2013 Budget	2013 Actual	2012 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	52,553,400	52,727,061	53,111,766
Other	155,000	153,397	154,581
Tuition	1,000,000	1,160,516	1,059,012
Other Revenue	344,100	359,178	590,963
Rentals and Leases	110,000	117,087	139,237
Investment Income	5,000	38,782	8,900
Total Revenue	54,167,500	54,556,021	55,064,459
Expenses			
Instruction	44,502,840	43,280,287	45,223,716
District Administration	1,795,940	2,308,607	2,520,568
Operations and Maintenance	5,755,080	5,332,561	5,841,766
Transportation and Housing	954,640	871,471	886,956
Total Expense	53,008,500	51,792,926	54,473,006
Operating Surplus (Deficit) for the year	1,159,000	2,763,095	591,453
Budgeted Appropriation (Retirement) of Surplus (Deficit)	(325,000)		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased		(257,947)	(67,629)
Local Capital	(101,000)	(505,278)	(194,181)
Other	(733,000)	(738,218)	(831,816)
Total Net Transfers	(834,000)	(1,501,443)	(1,093,626)
Total Operating Surplus (Deficit), for the year	-	1,261,652	(502,173)
Operating Surplus (Deficit), beginning of year		(1,383,828)	(972,975)
Change in Accounting Policies/Prior Period Adjustments			
Add non-vested benefits to Employee Future Benefits			(227,125)
Recognize unamortized gain (loss) on Employee Future Benefits			318,445
Reclassify Deferred Contributions			-
Operating Surplus (Deficit), beginning of year, as restated		(1,383,828)	(881,655)
Operating Surplus (Deficit), end of year		(122,176)	(1,383,828)
Operating Surplus (Deficit), end of year			
Internally Restricted		383,017	
Unrestricted		(505,193)	(1,383,828)
Unfunded Accrued Employee Future Benefits		-	
Total Operating Surplus (Deficit), end of year		(122,176)	(1,383,828)

School District No. 75 (Mission)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Years Ending June 30, 2013 and June 30, 2012

	2013 Budget	2013 Actual	2012 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education			
Operating Grant, Ministry of Education	51,830,000	51,980,813	52,368,162
AANDC/LEA Recovery	(138,100)	(100,982)	(138,074)
Other Ministry of Education Grants			
Pay Equity	730,000	725,901	725,901
Carbon Tax Refund	37,500	57,581	48,167
Education Guarantee	80,000	49,979	93,031
FSA	14,000	13,769	13,769
Other			810
Total Provincial Grants - Ministry of Education	52,553,400	52,727,061	53,111,766
Provincial Grants - Other	155,000	153,397	154,581
Tuition			
Continuing Education	200,000	222,641	173,990
Offshore Tuition Fees	800,000	937,875	885,022
Total Tuition	1,000,000	1,160,516	1,059,012
Other Revenues			
LEA/Direct Funding from First Nations	138,100	100,982	145,869
Miscellaneous			
Transportation Fees	120,000	130,241	120,950
Pay for Service - Riverside	35,000	28,520	51,071
Clarke Theatre Support	36,000	32,898	35,000
Energy Savings Projects			50,924
Other Revenues	15,000	66,537	187,149
Total Other Revenue	344,100	359,178	590,963
Rentals and Leases	110,000	117,087	139,237
Investment Income	5,000	38,782	8,900
Total Operating Revenue	54,167,500	54,556,021	55,064,459

School District No. 75 (Mission)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Years Ending June 30, 2013 and June 30, 2012

	2013 Budget	2013 Actual	2012 Actual
	\$	\$	\$
Salaries			
Teachers	23,856,950	23,357,658	23,906,262
Principals and Vice Principals	2,777,600	2,613,102	3,450,225
Educational Assistants	3,743,800	3,967,388	4,010,429
Support Staff	5,090,560	5,035,435	5,014,525
Other Professionals	1,305,290	1,673,423	2,123,152
Substitutes	2,385,350	1,748,920	1,928,106
Total Salaries	39,159,550	38,395,926	40,432,699
Employee Benefits	9,245,130	9,361,002	9,779,466
Total Salaries and Benefits	48,404,680	47,756,928	50,212,165
Services and Supplies			
Services	1,493,740	1,373,403	1,402,562
Student Transportation	-	22,449	21,006
Professional Development and Travel	425,080	296,431	413,444
Rentals and Leases		4,307	2,748
Dues and Fees	65,700	66,575	65,681
Insurance	187,000	181,574	200,985
Supplies	1,527,400	1,178,194	1,315,791
Utilities	904,900	913,065	838,624
Total Services and Supplies	4,603,820	4,035,998	4,260,841
Total Operating Expense	53,008,500	51,792,926	54,473,006

School District No. 75 (Mission)

Operating Expense by Function, Program and Object

Year Ended June 30, 2013

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	18,783,658	325,519	36,229	275,906		1,359,034	20,780,346
1.03 Career Programs	722,386			140,919		1,588	864,893
1.07 Library Services	971,126						971,126
1.08 Counselling	640,469	7,096					647,565
1.10 Special Education	2,008,210	60,314	3,381,339	43,789		226,482	5,720,134
1.30 English Language Learning	166,257		53,685				219,942
1.31 Aboriginal Education	17,698	38,400	491,578	39,698	121,312	1,759	589,133
1.41 School Administration		2,163,400	4,557	1,086,649		56,527	3,427,888
1.60 Summer School	47,854			2,169			54,580
1.62 Off Shore Students				90,950	73,280		164,230
1.64 Other				15,600			15,600
Total Function 1	23,357,658	2,594,729	3,967,388	1,695,680	194,592	1,645,390	33,455,437
4 District Administration							
4.11 Educational Administration				2,608	432,933		435,541
4.40 School District Governance					86,213		86,213
4.41 Business Administration				297,349	753,395	10,973	1,061,717
Total Function 4	-	-	-	299,957	1,272,541	10,973	1,583,471
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration		18,373		59,314	67,368	2,525	147,580
5.50 Maintenance Operations				2,327,751	68,179	60,678	2,456,608
5.52 Maintenance of Grounds				182,331			182,331
5.56 Utilities							
Total Function 5	-	18,373	-	2,569,396	135,547	63,203	2,786,519
7 Transportation and Housing							
7.41 Transportation and Housing Administration				23,803	70,743		94,546
7.70 Student Transportation				446,599		29,354	475,953
Total Function 7	-	-	-	470,402	70,743	29,354	570,499
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	23,357,658	2,613,102	3,967,388	5,035,435	1,673,423	1,748,920	38,395,926

School District No. 75 (Mission)

Operating Expense by Function, Program and Object
Year Ended June 30, 2013

Schedule 2C (Unaudited)

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2013 Actual	2013 Budget	2012 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	20,780,346	5,033,414	25,813,760	602,097	26,475,857	27,528,890	27,720,622
1.03 Career Programs	864,893	205,715	1,070,608	180,138	1,250,746	1,254,100	1,233,032
1.07 Library Services	971,126	221,193	1,192,319	19,245	1,211,564	1,183,200	1,220,826
1.08 Counseling	647,565	149,476	797,041	3,797	800,838	850,980	955,903
1.10 Special Education	5,720,134	1,520,067	7,240,201	90,358	7,330,559	7,325,290	7,597,171
1.30 English Language Learning	219,942	58,538	278,480	2,670	281,150	347,290	282,753
1.31 Aboriginal Education	589,133	144,178	733,311	114,379	847,690	1,092,680	1,017,887
1.41 School Administration	3,427,888	824,527	4,252,415	259,436	4,511,851	4,441,290	4,655,267
1.60 Summer School	54,580	9,185	63,765		63,765	51,970	64,188
1.62 Off Shore Students	164,230	42,401	206,631	280,016	486,647	427,150	456,529
1.64 Other	15,600	840	16,440	3,180	19,620		19,538
Total Function 1	33,455,437	8,209,534	41,664,971	1,615,316	43,280,287	44,502,840	45,223,716
4 District Administration							
4.11 Educational Administration	435,541	93,372	528,913	38,091	567,004	252,600	690,723
4.40 School District Governance	86,213	17,283	103,496	89,153	192,649	162,300	233,062
4.41 Business Administration	1,061,717	185,293	1,247,010	301,944	1,548,954	1,381,040	1,596,783
Total Function 4	1,583,471	295,948	1,879,419	429,188	2,308,607	1,795,940	2,520,568
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	147,580	36,708	184,288	37,433	221,721	313,730	727,040
5.50 Maintenance Operations	2,456,608	636,182	3,092,790	905,299	3,998,089	4,288,350	4,003,155
5.52 Maintenance of Grounds	182,331	41,936	224,267	76,649	300,916	248,100	272,947
5.56 Utilities	-	-	-	811,835	811,835	904,900	838,624
Total Function 5	2,786,519	714,826	3,501,345	1,831,216	5,332,561	5,755,080	5,841,766
7 Transportation and Housing							
7.41 Transportation and Housing Administration	94,546	23,761	118,307	9,239	127,546	135,260	121,596
7.70 Student Transportation	475,953	116,933	592,886	151,039	743,925	819,380	765,360
Total Function 7	570,499	140,694	711,193	160,278	871,471	954,640	886,956
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	38,395,926	9,361,002	47,756,928	4,035,998	51,792,926	53,008,500	54,473,006

School District No. 75 (Mission)**Schedule 3 (Unaudited)**

Schedule of Special Purpose Operations

Years Ending June 30, 2013 and June 30, 2012

	2013 Budget	2013 Actual	2012 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	1,569,870	1,551,104	968,673
Other	68,800	49,462	73,444
Other Revenue	2,419,100	1,445,752	1,580,278
Total Revenue	4,057,770	3,046,318	2,622,395
Expenses			
Instruction	3,851,990	2,769,186	2,284,636
Operations and Maintenance	40,000	241,275	71,074
Total Expense	3,891,990	3,010,461	2,355,710
Special Purpose Surplus (Deficit) for the year	165,780	35,857	266,685
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(36,880)	(35,857)	-
Other	(128,900)		(266,685)
Total Net Transfers	(165,780)	(35,857)	(266,685)
Total Special Purpose Surplus (Deficit) for the year	-	-	-
Special Purpose Surplus (Deficit), beginning of year			-
Special Purpose Surplus (Deficit), end of year		-	-
Special Purpose Surplus (Deficit), end of year			
Total 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, 2013

Schedule 3A (Unaudited)

Deferred Revenue, beginning of year

Add: Restricted Grants

Provincial Grants - Ministry of Education
Provincial Grants - Other
Other

Less: Allocated to Revenue

Deferred Revenue, end of year

Revenues

Provincial Grants - Ministry of Education
Provincial Grants - Other
Other Revenue

Expenses

Salaries

Teachers

Educational Assistants

Support Staff

Other Professionals

Substitutes

Employee Benefits

Services and Supplies

Net Revenue (Expense) before Interfund Transfers

Interfund Transfers

Tangible Capital Assets Purchased

Net Revenue (Expense)

Annual Facility Grant	Learning Improvement Fund	Special Education Equipment	School Generated Funds	Strong Start
\$	\$	\$	\$	\$
111,467		20,551	602,088	8,011
165,665	664,091	14,959		160,000
165,665	664,091	14,959	1,500,339	160,000
277,132	664,091	3,589	1,438,675	146,111
-	-	31,921	663,752	21,900
277,132	664,091	3,589		146,111
277,132	664,091	3,589	1,438,675	146,111
142,172				94,460
142,172	528,641	-	-	94,460
99,103	135,450	3,589	1,438,675	27,147
241,275	664,091	3,589	1,438,675	24,504
35,857	-	-	-	146,111
(35,857)				-
(35,857)	-	-	-	-
-	-	-	-	-

School District No. 75 (Mission)

Schedule 3A (Unaudited)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2013

Deferred Revenue, beginning of year

Add: Restricted Grants

Provincial Grants - Ministry of Education

Provincial Grants - Other

Other

Less: Allocated to Revenue

Deferred Revenue, end of year

Revenues

Provincial Grants - Ministry of Education

Provincial Grants - Other

Other Revenue

Expenses

Salaries

Teachers

Educational Assistants

Support Staff

Other Professionals

Substitutes

Employee Benefits

Services and Supplies

Net Revenue (Expense) before Interfund Transfers

Interfund Transfers

Tangible Capital Assets Purchased

Net Revenue (Expense)

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Ready, Set, Learn	OLEP	Community- LINK	BEST	Business Education Partnership
\$	\$	\$	\$	\$
		23,485	20,000	5,336
34,300	99,209	375,656		
34,300	99,209	375,656		
12,419	84,699	363,063		
21,881	14,510	36,078	20,000	5,336
12,419	84,699	363,063		
12,419	84,699	363,063		
	30,342	229,165		
	7,935			
-	38,277	229,165		
	7,393	56,844		
12,419	39,029	77,054		
12,419	84,699	363,063		
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-

School District No. 75 (Mission)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2013

Schedule 3A (Unaudited)

Deferred Revenue, beginning of year

Add: Restricted Grants
Provincial Grants - Ministry of Education
Provincial Grants - Other
Other

Less: Allocated to Revenue

Deferred Revenue, end of year

District Literacy	SWIS	Friends of The Environment	TOTAL
\$ 16,567	\$ 3,705	\$ 787	\$ 811,997
-	82,000	-	1,513,880
6,290	49,462	787	82,000
10,277	36,243	-	1,500,339
			3,096,219
			3,046,318
			861,898

Revenues

Provincial Grants - Ministry of Education
Provincial Grants - Other
Other Revenue

1,551,104	49,462	787	1,445,752
6,290	49,462	787	3,046,318

Expenses

Salaries
Teachers
Educational Assistants
Support Staff
Other Professionals
Substitutes

424,779	35,848	-	1,068,563
412,036	9,667	787	236,501
142,172	3,947	787	1,705,397
35,848	49,462	787	3,010,461
53,728			

Employee Benefits
Services and Supplies

6,290	49,462	787	3,010,461
6,290	49,462	787	3,010,461

Net Revenue (Expense) before Interfund Transfers

Interfund Transfers

Tangible Capital Assets Purchased

(35,857)	-	-	(35,857)
----------	---	---	----------

Net Revenue (Expense)

-	-	-	-
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School District No. 75 (Mission)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Years Ending June 30, 2013 and June 30, 2012

	2013 Budget	2013 Actual Invested in Tangible Capital Assets	Local Capital	Fund Balance	2012 Actual
	\$	\$	\$	\$	\$
Revenues					
Provincial Grants					
Ministry of Education		-	106,148	106,148	233,315
Amortization of Deferred Capital Revenue	2,629,100	2,645,085		2,645,085	2,702,981
District Entered				-	-
Total Revenue	<u>2,629,100</u>	<u>2,645,085</u>	<u>106,148</u>	<u>2,751,233</u>	<u>2,936,296</u>
Expenses					
Operations and Maintenance		-		-	
Amortization of Tangible Capital Assets					
Operations and Maintenance	3,487,314	3,530,138		3,530,138	3,642,167
Transportation and Housing	262,486	234,875		234,875	291,121
Debt services					
Capital Lease Interest	22,500		21,152	21,152	36,800
Capital Loan Interest	33,200		33,570	33,570	47,660
Total Expense	<u>3,805,500</u>	<u>3,765,013</u>	<u>54,722</u>	<u>3,819,735</u>	<u>4,017,748</u>
Capital Surplus (Deficit) for the year	<u>(1,176,400)</u>	<u>(1,119,928)</u>	<u>51,426</u>	<u>(1,068,502)</u>	<u>(1,081,452)</u>
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	36,880	293,804		293,804	67,629
Local Capital	101,000		505,278	505,278	194,181
Capital Lease Payment	398,400		403,635	403,635	497,233
Capital Loan Payment	334,600		334,583	334,583	334,583
Transferred from AFG	128,900		-	-	266,685
Total Net Transfers	<u>999,780</u>	<u>293,804</u>	<u>1,243,496</u>	<u>1,537,300</u>	<u>1,360,311</u>
Other Adjustments to Fund Balances					
Principal Payment					
Capital Lease		382,483	(382,483)	-	
Capital Loan		301,013	(301,013)	-	
Total Other Adjustments to Fund Balances		<u>683,496</u>	<u>(683,496)</u>	<u>-</u>	
Total Capital Surplus (Deficit) for the year	<u>(176,620)</u>	<u>(142,628)</u>	<u>611,426</u>	<u>468,798</u>	<u>278,859</u>
Capital Surplus (Deficit), beginning of year		<u>26,828,432</u>	<u>(634,139)</u>	<u>26,194,293</u>	<u>25,915,434</u>
Capital Surplus (Deficit), end of year		<u>26,685,804</u>	<u>(22,713)</u>	<u>26,663,091</u>	<u>26,194,293</u>

School District No. 75 (Mission)

Tangible Capital Assets

Year Ended June 30, 2013

Schedule 4A (Unaudited)

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	10,512,959	125,329,927	1,659,899	2,337,316	192,626	1,944,734	141,977,461
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		472,773	42,719				515,492
Deferred Capital Revenue - Other			58,335				58,335
Operating Fund			14,991	22,860	21,641	198,455	257,947
Special Purpose Funds		35,857					35,857
	-	508,630	116,045	22,860	21,641	198,455	867,631
Decrease:							
Deemed Disposals			76,359	326,720		259,510	662,589
	-	-	76,359	326,720	-	259,510	662,589
Cost, end of year	10,512,959	125,838,557	1,699,585	2,033,456	214,267	1,883,679	142,182,503
Work in Progress, end of year		327,951					327,951
Cost and Work in Progress, end of year	10,512,959	126,166,508	1,699,585	2,033,456	214,267	1,883,679	142,510,454
Accumulated Amortization, beginning of year		54,674,158	594,441	1,354,994	57,672	1,112,068	57,793,333
Changes for the Year							
Increase: Amortization for the Year		2,908,864	171,792	234,875	40,689	408,793	3,765,013
Decrease:							
Deemed Disposals			76,359	326,720		259,510	662,589
	-	-	76,359	326,720	-	259,510	662,589
Accumulated Amortization, end of year	57,583,022	68,583,486	1,261,149	1,261,351	98,361	1,261,351	60,895,757
Tangible Capital Assets - Net	10,512,959	68,583,486	1,009,711	770,307	115,906	622,328	81,614,697

School District No. 75 (Mission)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2013

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
Work in Progress, beginning of year					-
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	327,951				327,951
	327,951	-	-	-	327,951
Net Changes for the Year	327,951	-	-	-	327,951
Work in Progress, end of year	327,951	-	-	-	327,951

School District No. 75 (Mission)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2013

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	55,086,143		267,213	55,353,356
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	515,492		58,335	573,827
Adjustment re Refund to PAC	17,162		(17,162)	-
	532,654	-	41,173	573,827
Decrease:				
Amortization of Deferred Capital Revenue	2,604,713		40,372	2,645,085
	2,604,713	-	40,372	2,645,085
Net Changes for the Year	(2,072,059)	-	801	(2,071,258)
Deferred Capital Revenue, end of year	53,014,084	-	268,014	53,282,098
Work in Progress, beginning of year				-
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	327,951			327,951
	327,951	-	-	327,951
Net Changes for the Year	327,951	-	-	327,951
Work in Progress, end of year	327,951	-	-	327,951
Total Deferred Capital Revenue, end of year	53,342,035	-	268,014	53,610,049

School District No. 75 (Mission)
Changes in Unspent Deferred Capital Revenue
Year Ended June 30, 2013

Schedule 4D (Unaudited)

	Bylaw Capital	Med Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	-	-	-	237,881	39,694	277,575
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	966,753					966,753
Other				77,924	39,246	117,170
	966,753	-	-	77,924	39,246	1,083,923
Decrease:						
Transferred to DCR - Capital Additions	515,492				58,335	573,827
Transferred to DCR - Work in Progress	327,951					327,951
Transferred to LCR	106,148					106,148
Refunded to PACs	17,162					17,162
	966,753	-	-	-	58,335	1,025,088
Net Changes for the Year	-	-	-	77,924	(19,089)	58,835
Balance, end of year	-	-	-	315,805	20,605	336,410