

Audited Financial Statements of

School District No. 75 (Mission)

June 30, 2015

School District No. 75 (Mission)

June 30, 2015

Table of Contents

Management Report	1
Independent Auditors' Report	2-3
Statement of Financial Position - Statement 1	4
Statement of Operations - Statement 2	5
Statement of Changes in Net Financial Assets (Debt) - Statement 4	6
Statement of Cash Flows - Statement 5	7
Notes to the Financial Statements	8-25
Schedule of Changes in Accumulated Surplus (Deficit) by Fund - Schedule 1	26
Schedule of Operating Operations - Schedule 2	27
Schedule 2A - Schedule of Operating Revenue by Source	28
Schedule 2B - Schedule of Operating Expense by Object	29
Schedule 2C - Operating Expense by Function, Program and Object	30
Schedule of Special Purpose Operations - Schedule 3	32
Schedule 3A - Changes in Special Purpose Funds and Expense by Object	33
Schedule of Capital Operations - Schedule 4	35
Schedule 4A - Tangible Capital Assets	36
Schedule 4B - Tangible Capital Assets - Work in Progress	37
Schedule 4C - Deferred Capital Revenue	38
Schedule 4D - Changes in Unspent Deferred Capital Revenue	39

School District No. 75 (Mission)

MANAGEMENT REPORT

Version: 4105-3360-1377

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.

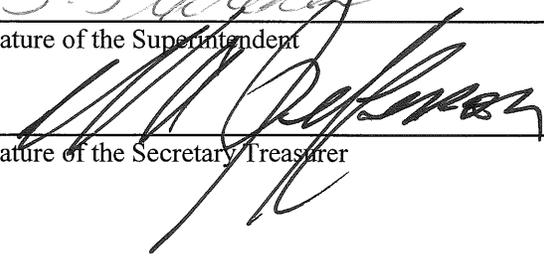
The preparation of financial statements necessarily involves the use of estimates based on management's judgment particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

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 Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the School District's financial statements.

On behalf of School District No. 75 (Mission)

	SEP 15 2015
Signature of the Chairperson of the Board of Education	Date Signed
	SEP 15 2015
Signature of the Superintendent	Date Signed
	SEP 15 2015
Signature of the Secretary/Treasurer	Date Signed



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INDEPENDENT AUDITORS' REPORT

To the Board of Education, and
To the Minister of Education, Province of British Columbia

We have audited the accompanying financial statements of School District No. 75 (Mission), which comprise the statement of financial position as at June 30, 2015, the statement of operations, changes in net financial assets (debt) and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements of School District No. 75 (Mission) as at and for the year ended June 30, 2015 are prepared, in all material respects, in accordance with the financial reporting provisions of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 3 to the financial statements, which describes the basis of accounting and the significant differences between such basis of accounting and Canadian public sector accounting standards.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The current year's supplementary information included in Schedules 1 through 4D is presented for purposes of additional analysis and is not a required part of the financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.



Chartered Professional Accountants

September 15, 2015

Abbotsford, British Columbia

School District No. 75 (Mission)

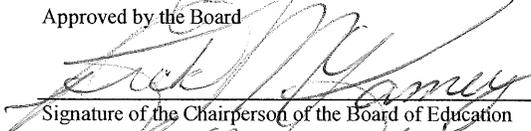
Statement 1

Statement of Financial Position
As at June 30, 2015

	2015 Actual	2014 Actual
	\$	\$
Financial Assets		
Cash and Cash Equivalents	8,586,763	8,533,340
Accounts Receivable		
Due from Province - Ministry of Education	530,440	63,887
Due from Province - Other		3,378
Due from LEA/Direct Funding	64,295	41,405
Other (Note 4)	539,121	704,938
Total Financial Assets	<u>9,720,619</u>	<u>9,346,948</u>
Liabilities		
Accounts Payable and Accrued Liabilities		
Due to Province - Ministry of Education		1,409,012
Other (Note 5)	1,080,674	1,126,513
Unearned Revenue (Note 6)	832,130	632,465
Deferred Revenue (Note 7)	1,122,156	942,318
Deferred Capital Revenue (Note 8)	53,124,338	53,337,372
Employee Future Benefits (Note 9)	800,674	777,365
Debt (Note 10)		197,086
Capital Lease Obligations (Note 11)		401,503
Other Liabilities (Note 5)	3,905,396	3,399,003
Total Liabilities	<u>60,865,368</u>	<u>62,222,637</u>
Net Financial Assets (Debt)	<u>(51,144,749)</u>	<u>(52,875,689)</u>
Non-Financial Assets		
Tangible Capital Assets (Note 12)	79,224,955	79,872,508
Prepaid Expenses	191,236	142,546
Total Non-Financial Assets	<u>79,416,191</u>	<u>80,015,054</u>
Accumulated Surplus (Deficit) (Note 21)	<u>28,271,442</u>	<u>27,139,365</u>

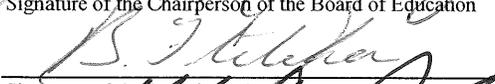
Contractual Obligations and Contingencies (Note 16,18)

Approved by the Board


Signature of the Chairperson of the Board of Education

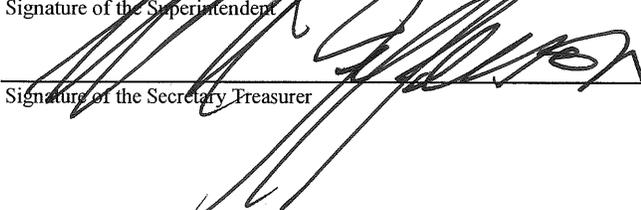
SEP 15 2015

Date Signed


Signature of the Superintendent

SEP 15 2015

Date Signed


Signature of the Secretary Treasurer

SEP 15 2015

Date Signed

School District No. 75 (Mission)

Statement 2

Statement of Operations
Year Ended June 30, 2015

	2015 Budget (Note 17)	2015 Actual	2014 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	52,995,479	53,163,141	51,788,064
Other	158,870	201,664	239,678
Tuition	1,061,225	1,351,266	1,253,858
Other Revenue	1,930,851	2,055,206	2,366,503
Rentals and Leases	140,000	138,288	125,135
Investment Income	60,000	100,221	75,156
Amortization of Deferred Capital Revenue	2,657,300	2,675,239	2,649,049
Total Revenue	59,003,725	59,685,025	58,497,443
Expenses			
Instruction	46,660,166	46,106,358	45,459,153
District Administration	2,201,921	2,221,986	2,239,032
Operations and Maintenance	9,440,282	9,118,088	8,995,321
Transportation and Housing	1,001,093	1,087,452	1,151,678
Debt Services	13,477	19,064	27,474
Total Expense	59,316,939	58,552,948	57,872,658
Surplus (Deficit) for the year	(313,214)	1,132,077	624,785
Accumulated Surplus (Deficit) from Operations, beginning of year		27,139,365	26,514,580
Accumulated Surplus (Deficit) from Operations, end of year		28,271,442	27,139,365

School District No. 75 (Mission)

Statement 4

Statement of Changes in Net Financial Assets (Debt)
Year Ended June 30, 2015

	2015 Budget (Note 17)	2015 Actual	2014 Actual
	\$	\$	\$
Surplus (Deficit) for the year	<u>(313,214)</u>	<u>1,132,077</u>	<u>624,785</u>
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(978,100)	(2,929,348)	(1,988,551)
Amortization of Tangible Capital Assets	3,586,700	3,576,901	3,730,740
Total Effect of change in Tangible Capital Assets	<u>2,608,600</u>	<u>647,553</u>	<u>1,742,189</u>
Acquisition of Prepaid Expenses	(426,500)	(191,236)	(142,546)
Use of Prepaid Expenses	652,200	142,546	293,885
Total Effect of change in Other Non-Financial Assets	<u>225,700</u>	<u>(48,690)</u>	<u>151,339</u>
(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)	<u>2,521,086</u>	<u>1,730,940</u>	<u>2,518,313</u>
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Financial Assets (Debt)		<u>1,730,940</u>	<u>2,518,313</u>
Net Financial Assets (Debt), beginning of year		<u>(52,875,689)</u>	<u>(55,394,002)</u>
Net Financial Assets (Debt), end of year		<u>(51,144,749)</u>	<u>(52,875,689)</u>

School District No. 75 (Mission)

Statement 5

Statement of Cash Flows
Year Ended June 30, 2015

	2015 Actual	2014 Actual
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	1,132,077	624,785
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(320,248)	298,318
Prepaid Expenses	(48,690)	151,339
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	(1,454,851)	844,602
Unearned Revenue	199,665	103,455
Deferred Revenue	179,838	80,420
Employee Future Benefits	23,309	111,429
Other Liabilities	506,393	(151,233)
Amortization of Tangible Capital Assets	3,576,901	3,730,740
Amortization of Deferred Capital Revenue	(2,675,239)	(2,649,049)
Bylaw Capital Used To Reduce LCR Deficit		(22,713)
Total Operating Transactions	<u>1,119,155</u>	<u>3,122,093</u>
Capital Transactions		
Tangible Capital Assets Purchased	(2,929,348)	(1,574,905)
Tangible Capital Assets -WIP Purchased		(413,646)
Total Capital Transactions	<u>(2,929,348)</u>	<u>(1,988,551)</u>
Financing Transactions		
Loan Payments	(197,086)	(316,389)
Capital Revenue Received	2,462,205	2,062,675
Capital Lease Payments	(401,503)	(223,200)
Total Financing Transactions	<u>1,863,616</u>	<u>1,523,086</u>
Net Increase (Decrease) in Cash and Cash Equivalents	53,423	2,656,628
Cash and Cash Equivalents, beginning of year	8,533,340	5,876,712
Cash and Cash Equivalents, end of year	<u>8,586,763</u>	<u>8,533,340</u>
Cash and Cash Equivalents, end of year, is made up of:		
Cash	<u>8,586,763</u>	<u>8,533,340</u>
	<u>8,586,763</u>	<u>8,533,340</u>

**SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2015 and JUNE 30, 2014**

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 four-year term governs the School District. The School District provides educational programs to students enrolled in schools in the District, and is principally funded by the Province of British Columbia through the Ministry of Education. School District No. 75 (Mission) is exempt from federal and provincial corporate income taxes.

NOTE 2 ADOPTION OF NEW ACCOUNTING POLICY

On July 1, 2014, the District adopted PS 3260 Liability for Contaminated Sites. The standard was applied on a retroactive basis to July 1, 2013 and did not result in any adjustments to financial liabilities, tangible capital assets or accumulated surplus of the District.

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 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:

SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2015 and JUNE 30, 2014

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a) Basis of Accounting (Continued)

- 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 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 3 (m).

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

**SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2015 and JUNE 30, 2014**

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e) Deferred Revenue and Deferred Capital Revenue (Continued)

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.

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.

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, 2015 and JUNE 30, 2014**

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h) Liability for Contaminated Sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when a site is not in productive use and all of the following criteria are met:

- an environmental standard exists;
- contamination exceeds the environmental standard;
- the School district:
 - is directly responsible; or
 - accepts responsibility;
- it is expected that future economic benefits will be given up; and
- a reasonable estimate of the amount can be made.

The liability is recognized as management's estimate of the cost of post-remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site.

i) Tangible Capital Assets

The following criteria apply:

- Tangible capital assets acquired or constructed are recorded at cost which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost also includes overhead directly attributable to construction, as well as interest costs that are directly attributable to the acquisition or construction of the asset.
- Donated tangible capital assets are recorded at their fair market value on the date of donation, except in circumstances where fair value cannot be reasonably determined, which are then recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.
- Work-in-progress is recorded as an acquisition to the applicable asset class at substantial completion.
- Tangible capital assets are written down to residual value when conditions indicate they no longer contribute to the ability of the School District to provide services or when the value of future economic benefits associated with the sites and buildings are less than their net book value. The write-downs are accounted for as expenses in the Statement of Operations.
- Buildings that are demolished or destroyed are written-off.
- Works of art, historic assets and other intangible assets are not recorded as assets in these financial statements.

SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2015 and JUNE 30, 2014

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i) Tangible Capital Assets (Continued)

- The cost, less residual value, of tangible capital assets (excluding sites), is amortized on a straight-line basis over the estimated useful life of the asset. It is management's responsibility to determine the appropriate useful lives for tangible capital assets. These useful lives are reviewed on a regular basis or if significant events initiate the need to revise. Estimated useful life is as follows:

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

j) 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.

k) 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.

l) Funds and Reserves

Certain amounts, as approved by the Board are set aside in accumulated surplus for future operating and capital purposes. Transfers to and from funds and reserves are an adjustment to the respective fund when approved (See Note 14 – Interfund Transfers and Note 21 - Internally Restricted Surplus - Operating Fund).

SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2015 and JUNE 30, 2014

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m) 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.

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

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.

SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2015 and JUNE 30, 2014

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

n) 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.

o) 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.

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. During the year presented, there are no unrealized gains or losses, and as a result, no statement of re-measurement gains and losses has been presented. 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.

**SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2015 and JUNE 30, 2014**

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

o) Financial Instruments (Continued)

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

p) 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.

NOTE 4 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	<u>June 30, 2015</u>	<u>June 30, 2014</u>
Due from Federal Government	\$ 65,995	\$ 46,894
Benefit plan surpluses	384,003	559,606
Other	89,123	98,438
	<u>\$ 539,121</u>	<u>\$ 704,938</u>

NOTE 5 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES – OTHER

	<u>June 30, 2015</u>	<u>June 30, 2014</u>
Trade payables	\$ 1,080,674	\$ 1,126,513
Salaries and benefits payable	\$ 3,246,824	\$ 2,731,811
Accrued vacation pay	553,807	496,915
Other	104,765	170,277
Total Other Liabilities	<u>3,905,396</u>	<u>3,399,003</u>

**SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2015 and JUNE 30, 2014**

NOTE 6 UNEARNED REVENUE

	June 30, 2015	June 30, 2014
Balance, beginning of year	\$ 632,465	\$ 529,010
Changes for the year:		
Increase:		
Tuition fees received	778,762	585,693
Transportation fees	53,368	46,772
	832,130	632,465
Decrease:		
Tuition fees recognized as revenue	585,693	475,055
Transportation fees recognized as revenue	46,772	53,955
	632,465	529,010
Net changes for the year	199,665	103,455
Balance, end of year	\$ 832,130	\$ 632,465

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, 2015	June 30, 2014
Balance, beginning of year	\$ 942,318	\$ 861,898
Changes for the year:		
Increase:		
Provincial grants - MOE	2,000,717	1,409,232
Provincial grants - Other	307	73,401
Other revenue	1,630,317	1,955,278
	3,631,341	3,437,911
Decrease:		
Allocated to revenue	(3,451,503)	(3,357,491)
Net changes for the year	179,838	80,420
Balance, end of year	\$ 1,122,156	\$ 942,318

**SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2015 and JUNE 30, 2014**

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, 2015	June 30, 2014
Deferred capital revenue subject to amortization		
Balance, beginning of year	\$ 52,505,512	\$ 53,282,098
Increases:		
Capital additions	2,664,824	1,872,463
Decreases:		
Amortization	(2,675,239)	(2,649,049)
Net change for the year	(10,415)	(776,586)
Balance, end of year	\$ 52,495,097	\$ 52,505,512
Deferred capital revenue not subject to amortization		
Work in Progress	-	260,612
Total Deferred capital revenue, end of year	\$ 52,495,097	\$ 52,766,124
Unspent deferred capital revenue		
Balance, beginning of year	\$ 571,248	\$ 336,410
Increases:		
Provincial Grants – Ministry of Education	2,377,786	1,879,144
Other	84,419	183,531
Decreases:		
Transfer to deferred capital revenue subject to amortization	2,404,212	1,544,512
Transfer to deferred capital revenue – work in progress	-	260,612
Transfer to local capital reserve	-	22,713
Net change for the year	57,993	234,838
Balance, end of year	\$ 629,241	\$ 571,248
Total deferred capital revenue, end of year	\$ 53,124,338	\$ 53,337,372

**SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2015 and JUNE 30, 2014**

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, 2015	June 30, 2014
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	1,018,110	1,071,732
Service Cost	73,314	73,145
Interest Cost	33,194	32,196
Benefit Payments	(93,370)	(79,843)
Actuarial (Gain) Loss	17,289	(79,120)
Accrued Benefit Obligation – March 31	<u>1,048,537</u>	<u>1,018,110</u>
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation - March 31	1,048,537	1,018,110
Market Value of Plan Assets - March 31	0	0
Funded Status - Surplus (Deficit)	(1,048,537)	(1,018,110)
Employer Contributions After Measurement Date	26,749	0
Benefits Expense After Measurement Date	(26,614)	(26,627)
Unamortized Net Actuarial (Gain) Loss	247,728	267,372
Accrued Benefit Asset (Liability) - June 30	<u>(800,674)</u>	<u>(777,365)</u>
Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability (Asset) - July 1	777,365	665,936
Net Expense for Fiscal Year	143,428	151,557
Employer Contributions	(120,119)	(40,128)
Accrued Benefit Liability (Asset) - June 30	<u>800,674</u>	<u>777,365</u>
Components of Net Benefit Expense		
Service Cost	75,567	73,187
Interest Cost	30,928	32,445
Immediate Recognition of Plan Amendment	0	0
Amortization of Net Actuarial (Gain)/Loss	36,934	45,925
Net Benefit Expense (Income)	<u>143,428</u>	<u>151,557</u>
Assumptions		
Discount Rate - April 1	3.25%	3.00%
Discount Rate - March 31	2.25%	3.25%
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	8.8

**SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2015 and JUNE 30, 2014**

NOTE 10 DEBT

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

	June 30, 2015	June 30, 2014
Approved October 2007; rate 4.99%; ten years	\$ -	\$ 57,276
Approved August 2005; rate 4.78%; ten years	-	139,810
	\$ -	\$ 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, 2015, the School District had \$ nil borrowings (2014: \$ nil) under this facility.

NOTE 11 CAPITAL LEASE OBLIGATIONS

During the year, the School District repaid capital leases for vehicles, equipment, computer hardware and software as follows:

	June 30, 2015
Balance, beginning of year	\$ 401,503
Less repayments during year	(401,503)
Balance, end of year	\$ -

Total interest on leases for the year was \$13,211 (2014: \$9,522). Available borrowing under the revolving term lease line facility is \$750,000.

NOTE 12 TANGIBLE CAPITAL ASSETS

June 30, 2015

Cost:	Balance at July 1, 2014	Additions	Disposals	Balance at June 30, 2015
Sites	\$ 10,512,959	\$ -	\$ -	\$ 10,512,959
Buildings	127,530,811	2,942,731	-	130,473,542
Furniture & Equipment	1,666,417	43,661	(15,977)	1,694,101
Vehicles	1,739,098	-	(339,813)	1,399,285
Computer Software	214,267	323,033	(6,113)	531,187
Computer Hardware	1,303,507	33,569	(821,358)	515,718
Work in progress	413,646	-	(413,646)	-
Total	\$ 143,380,705	\$ 3,342,994	\$ (1,596,907)	\$ 145,126,792

SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2015 and JUNE 30, 2014

NOTE 12 TANGIBLE CAPITAL ASSETS (Continued)

Accumulated Amortization:	Balance at July 1, 2014	Additions	Disposals	Balance at June 30, 2015
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	60,510,337	2,977,700	-	63,488,037
Furniture & Equipment	704,314	168,825	(15,977)	857,162
Vehicles	1,094,417	173,910	(339,813)	928,514
Computer Software	141,214	74,545	(6,113)	209,646
Computer Hardware	1,057,915	181,921	(821,358)	418,478
Total	\$ 63,508,197	\$ 3,576,901	\$ (1,183,261)	\$ 65,901,837

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

Net Book Value:

	Net Book Value June 30, 2015	Net Book Value June 30, 2014
Sites	\$ 10,512,959	\$ 10,512,959
Buildings	66,985,505	67,020,474
Buildings – work in progress	-	260,612
Furniture & Equipment	836,939	962,103
Vehicles	470,771	644,681
Computer Software	321,541	73,053
Computer Software – work in progress	-	153,034
Computer Hardware	97,240	245,592
Total	\$ 79,224,955	\$ 79,872,508

**SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2015 and JUNE 30, 2014**

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 managing the pension plans including investing assets and administering benefits. The pension plans are multi-employer defined benefit pension plans. Basic pension benefits provided are based on a formula. As at December 31, 2013 the Teachers' Pension Plan has about 45,000 active members and approximately 33,000 retired members. As at December 31, 2013 the Municipal Pension Plan has about 182,000 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 actuary determines an appropriate combined employer and member contribution rate to fund the plans. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plans. This rate is then adjusted to the extent there is any amortization of any funding deficit.

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 later 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, assets and cost to individual employers participating in the Plan.

The Mission School district paid \$5,050,490 (2014: \$4,876,511) for employer contributions to these plans in the year ended June 30, 2015.

NOTE 14 INTERFUND TRANSFERS

Interfund transfers between the operating, special purpose and capital funds for the year ended June 30, 2015, were as follows:

• Assets purchased by Operating for Capital	\$332,319
• Local Capital allocation from Operating to Capital	\$215,000
• Capital Lease payment by Operating	\$414,714
• Capital Loan payment by Operating	\$202,939
• Assets purchased by Special Purpose for Capital	\$192,817

**SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2015 and JUNE 30, 2014**

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 contracts for 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 contract.

- Russell Food Equipment Ltd. in the amount of \$151,031, to be completed in 2016.
- Mack Kirk Roofing and Sheet Metal in the amount of \$144,480, to be completed in 2016.

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 17, 2014.

NOTE 18 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.

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, 2015, the liability is not reasonably determinable.

NOTE 20 EXPENSE BY OBJECT

	June 30, 2015	June 30, 2014
Salaries and benefits	\$ 48,582,338	\$ 47,752,610
Services and supplies	6,374,645	6,361,834
Interest	19,064	27,474
Amortization	3,576,901	3,730,740
	<u>\$ 58,552,948</u>	<u>\$ 57,872,658</u>

**SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2015 and JUNE 30, 2014**

NOTE 21 INTERNALLY RESTRICTED SURPLUS – OPERATING FUND

	June 30, 2015	June 30, 2014
Invested in tangible capital assets	\$ 26,549,193	\$ 26,327,130
Local capital	215,000	-
Operating surplus	1,507,249	812,235
	\$ 28,271,442	\$ 27,139,365

The operating surplus is further restricted as follows:

Internally Restricted (appropriated) by Board for:

School and Department surpluses	\$ 119,595	\$ 54,499
Aboriginal Education surplus	69,495	84,756
Employee Benefit Plan surplus	282,910	282,910
Subtotal Internally Restricted	472,000	422,165
Unrestricted Operating Surplus	1,035,249	390,070
Total Available for Future Operations	\$ 1,507,249	\$ 812,235

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.

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.

**SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2015 and JUNE 30, 2014**

NOTE 23 RISK MANAGEMENT (Continued)

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 invest solely in term deposits that have a maturity date of no more than 3 years.

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.

SCHOOL DISTRICT NO 75 (MISSION)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2015 and JUNE 30, 2014

NOTE 23 RISK MANAGEMENT (Continued)

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 1 (Unaudited)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund
Year Ended June 30, 2015

	Operating Fund	Special Purpose Fund	Capital Fund	2015 Actual	2014 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	812,235		26,327,130	27,139,365	26,514,580
Changes for the year					
Surplus (Deficit) for the year	1,859,986	192,817	(920,726)	1,132,077	624,785
Interfund Transfers					
Tangible Capital Assets Purchased	(332,319)	(192,817)	525,136	-	
Local Capital	(215,000)		215,000	-	
Other	(617,653)		617,653	-	
Net Changes for the year	695,014	-	437,063	1,132,077	624,785
Accumulated Surplus (Deficit), end of year - Statement 2	1,507,249	-	26,764,193	28,271,442	27,139,365

School District No. 75 (Mission)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2015

	2015 Budget (Note 17)	2015 Actual	2014 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	51,143,434	51,364,171	50,412,702
Other	158,870	176,871	176,314
Tuition	1,061,225	1,351,266	1,253,858
Other Revenue	281,674	427,466	425,025
Rentals and Leases	140,000	138,288	125,135
Investment Income	60,000	100,221	75,156
Total Revenue	<u>52,845,203</u>	<u>53,558,283</u>	<u>52,468,190</u>
Expenses			
Instruction	43,439,696	42,979,550	42,152,806
District Administration	2,201,921	2,221,986	2,239,032
Operations and Maintenance	5,572,830	5,583,219	5,420,874
Transportation and Housing	1,001,093	913,542	944,241
Total Expense	<u>52,215,540</u>	<u>51,698,297</u>	<u>50,756,953</u>
Operating Surplus (Deficit) for the year	<u>629,663</u>	<u>1,859,986</u>	<u>1,711,237</u>
Budgeted Appropriation (Retirement) of Surplus (Deficit)	<u>(255,000)</u>		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased		(332,319)	(30,393)
Tangible Capital Assets - Work in Progress			(153,034)
Local Capital		(215,000)	
Other	(374,663)	(617,653)	(567,064)
Total Net Transfers	<u>(374,663)</u>	<u>(1,164,972)</u>	<u>(750,491)</u>
Total Operating Surplus (Deficit), for the year	<u>-</u>	<u>695,014</u>	<u>960,746</u>
Operating Surplus (Deficit), beginning of year		812,235	(148,511)
Operating Surplus (Deficit), end of year		<u>1,507,249</u>	<u>812,235</u>
Operating Surplus (Deficit), end of year			
Internally Restricted		472,000	422,165
Unrestricted		1,035,249	390,070
Total Operating Surplus (Deficit), end of year		<u>1,507,249</u>	<u>812,235</u>

School District No. 75 (Mission)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source
Year Ended June 30, 2015

	2015 Budget (Note 17)	2015 Actual	2014 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education			
Operating Grant, Ministry of Education	50,400,707	51,177,986	49,633,979
AANDC/LEA Recovery	(64,674)	(119,405)	(64,651)
Strike Savings Recovery		(1,527,540)	
Other Ministry of Education Grants			
Labour Settlement Funding		998,972	
Pay Equity	725,901	725,901	725,901
Funding for Graduated Adults	30,000	38,070	42,500
Carbon Tax Refund	37,500	56,418	61,204
FSA	14,000	13,769	13,769
Total Provincial Grants - Ministry of Education	51,143,434	51,364,171	50,412,702
Provincial Grants - Other	158,870	176,871	176,314
Tuition			
Continuing Education	136,225	237,086	223,689
Offshore Tuition Fees	925,000	1,114,180	1,030,169
Total Tuition	1,061,225	1,351,266	1,253,858
Other Revenues			
LEA/Direct Funding from First Nations	64,674	119,405	64,651
Miscellaneous			
Transportation Fees	120,000	104,217	127,282
Pay For Service - Riverside	22,000	80,305	34,223
Clarke Theatre Support	35,000	35,000	70,000
Other Revenues	40,000	88,539	128,869
Total Other Revenue	281,674	427,466	425,025
Rentals and Leases	140,000	138,288	125,135
Investment Income	60,000	100,221	75,156
Total Operating Revenue	52,845,203	53,558,283	52,468,190

School District No. 75 (Mission)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object
Year Ended June 30, 2015

	2015 Budget (Note 17)	2015 Actual	2014 Actual
	\$	\$	\$
Salaries			
Teachers	22,190,800	21,246,582	21,123,125
Principals and Vice Principals	2,856,600	3,039,941	2,848,419
Educational Assistants	4,133,500	4,476,491	4,550,616
Support Staff	5,402,000	5,203,059	5,084,995
Other Professionals	1,692,313	1,664,879	1,874,847
Substitutes	1,827,458	2,014,490	1,750,797
Total Salaries	38,102,671	37,645,442	37,232,799
Employee Benefits	9,771,937	9,622,788	9,272,546
Total Salaries and Benefits	47,874,608	47,268,230	46,505,345
Services and Supplies			
Services	1,365,997	1,389,286	1,333,864
Student Transportation	21,000	43,969	14,138
Professional Development and Travel	309,800	384,724	298,065
Rentals and Leases	4,000	4,036	3,369
Dues and Fees	75,300	80,149	71,850
Insurance	189,000	213,906	179,414
Supplies	1,430,335	1,482,625	1,471,616
Utilities	945,500	831,372	879,292
Total Services and Supplies	4,340,932	4,430,067	4,251,608
Total Operating Expense	52,215,540	51,698,297	50,756,953

School District No. 75 (Mission)
 Operating Expense by Function, Program and Object
 Year Ended June 30, 2015

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	16,720,213	664,840	314,051	32,649		1,606,231	19,337,984
1.03 Career Programs	659,015			173,477		12,935	845,427
1.07 Library Services	891,046						891,046
1.08 Counselling	570,552	3,360					573,912
1.10 Special Education	2,174,398	79,790	3,547,437	244,803		196,233	6,242,661
1.30 English Language Learning	118,740		44,637				163,377
1.31 Aboriginal Education	103,741	83,527	570,366	33,111		9,557	800,302
1.41 School Administration		2,208,424		1,194,225	114,983	75,564	3,593,196
1.60 Summer School	8,877						8,877
1.62 Off Shore Students				49,801	119,434		169,235
1.64 Other				14,080	123,125		137,205
Total Function 1	21,246,582	3,039,941	4,476,491	1,742,146	357,542	1,900,520	32,763,222
4 District Administration							
4.11 Educational Administration					484,325		484,325
4.40 School District Governance					86,518		86,518
4.41 Business Administration				278,487	585,980	4,933	869,400
Total Function 4	-	-	-	278,487	1,156,823	4,933	1,440,243
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				47,117	78,240	861	126,218
5.50 Maintenance Operations				2,463,190		89,034	2,552,224
5.52 Maintenance of Grounds				185,182			185,182
5.56 Utilities							-
Total Function 5	-	-	-	2,695,489	78,240	89,895	2,863,624
7 Transportation and Housing							
7.41 Transportation and Housing Administration					72,274		72,274
7.70 Student Transportation				486,937		19,142	506,079
Total Function 7	-	-	-	486,937	72,274	19,142	578,353
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	21,246,582	3,039,941	4,476,491	5,203,059	1,664,879	2,014,490	37,645,442

School District No. 75 (Mission)
 Operating Expense by Function, Program and Object
 Year Ended June 30, 2015

Schedule 2C (Unaudited)

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2015 Actual	2015 Budget (Note 17)	2014 Actual
	\$	\$	\$	\$	\$	\$	\$
I Instruction							
1.02 Regular Instruction	19,337,984	4,919,251	24,257,235	710,908	24,968,143	26,257,616	23,971,317
1.03 Career Programs	845,427	217,272	1,062,699	206,223	1,268,922	1,344,800	1,279,042
1.07 Library Services	891,046	224,655	1,115,701	21,702	1,137,403	1,156,780	1,161,040
1.08 Counselling	573,912	123,586	697,498	1,206	698,704	678,520	809,733
1.10 Special Education	6,242,661	1,718,303	7,960,964	93,470	8,054,434	7,528,450	7,928,346
1.30 English Language Learning	163,377	47,032	210,409	3,209	213,618	174,550	252,452
1.31 Aboriginal Education	800,302	176,404	976,706	189,277	1,165,983	1,035,880	1,244,209
1.41 School Administration	3,593,196	906,257	4,499,453	236,448	4,735,901	4,661,220	4,806,106
1.60 Summer School	8,877	2,047	10,924		10,924		52,014
1.62 Off Shore Students	169,235	45,805	215,040	341,374	556,414	436,070	478,597
1.64 Other	137,205	23,704	160,909	8,195	169,104	165,810	169,950
Total Function 1	32,763,222	8,404,316	41,167,538	1,812,012	42,979,550	43,439,696	42,152,806
4 District Administration							
4.11 Educational Administration	484,325	130,346	614,671	78,083	692,754	633,080	579,660
4.40 School District Governance	86,518	24,590	111,108	71,668	182,776	156,804	156,632
4.41 Business Administration	869,400	184,917	1,054,317	292,139	1,346,456	1,412,037	1,502,740
Total Function 4	1,440,243	339,853	1,780,096	441,890	2,221,986	2,201,921	2,239,032
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	126,218	31,537	157,755	80,957	238,712	204,730	199,410
5.50 Maintenance Operations	2,552,224	654,686	3,206,910	969,565	4,176,475	4,153,500	4,046,638
5.52 Maintenance of Grounds	185,182	48,405	233,587	103,073	336,660	269,100	295,534
5.56 Utilities	-	-	-	831,372	831,372	945,500	879,292
Total Function 5	2,863,624	734,628	3,598,252	1,984,967	5,583,219	5,572,830	5,420,874
7 Transportation and Housing							
7.41 Transportation and Housing Administration	72,274	18,561	90,835	2,572	93,407	95,080	96,747
7.70 Student Transportation	506,079	125,430	631,509	188,626	820,135	906,013	847,494
Total Function 7	578,353	143,991	722,344	191,198	913,542	1,001,093	944,241
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	37,645,442	9,622,788	47,268,230	4,430,067	51,698,297	52,215,540	50,756,953

School District No. 75 (Mission)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2015

	2015 Budget (Note 17) \$	2015 Actual \$	2014 Actual \$
Revenues			
Provincial Grants			
Ministry of Education	1,852,045	1,798,970	1,352,649
Other		24,793	63,364
Other Revenue	1,649,177	1,627,740	1,941,478
Total Revenue	<u>3,501,222</u>	<u>3,451,503</u>	<u>3,357,491</u>
Expenses			
Instruction	3,220,470	3,126,808	3,306,347
Operations and Maintenance	280,752	131,878	51,144
Total Expense	<u>3,501,222</u>	<u>3,258,686</u>	<u>3,357,491</u>
Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>192,817</u>	<u>-</u>
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased		(192,817)	
Total Net Transfers	<u>-</u>	<u>(192,817)</u>	<u>-</u>
Total Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>-</u>	<u>-</u>
Special Purpose Surplus (Deficit), beginning of year			
Special Purpose Surplus (Deficit), end of year		<u>-</u>	<u>-</u>

School District No. 75 (Mission)
 Changes in Special Purpose Funds and Expense by Object
 Year Ended June 30, 2015

Schedule 3A (Unaudited)

	Annual Facility Grant	Learning Improvement Fund	Special Education Equipment	Scholarships and Bursaries	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	Community- LINK
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	53,943		38,855	-	675,548	6,203	32,706	49,375	1,791
Add: Restricted Grants									
Provincial Grants - Ministry of Education	270,752	1,014,009	15,873			160,000	31,850	96,225	375,656
Provincial Grants - Other									
Other				125,620	1,497,742				
	270,752	1,014,009	15,873	125,620	1,497,742	160,000	31,850	96,225	375,656
Less: Allocated to Revenue	324,695	790,687	10,977	35,050	1,583,933	166,203	21,051	107,910	377,447
Deferred Revenue, end of year	-	223,322	43,751	90,570	589,357	-	43,505	37,690	-
Revenues									
Provincial Grants - Ministry of Education	324,695	790,687	10,977			166,203	21,051	107,910	377,447
Provincial Grants - Other									
Other Revenue				35,050	1,583,933				
	324,695	790,687	10,977	35,050	1,583,933	166,203	21,051	107,910	377,447
Expenses									
Salaries									
Teachers		464,891						32,817	
Educational Assistants		162,242							240,434
Support Staff	18,363					98,255			
Other Professionals									
Substitutes								4,770	
	18,363	627,133	-	-	-	98,255	-	37,587	240,434
Employee Benefits		163,554				30,645		8,391	65,060
Services and Supplies	113,515		10,977	35,050	1,583,933	37,303	21,051	61,932	71,953
	131,878	790,687	10,977	35,050	1,583,933	166,203	21,051	107,910	377,447
Net Revenue (Expense) before Interfund Transfers	192,817	-	-	-	-	-	-	-	-
Interfund Transfers									
Tangible Capital Assets Purchased	(192,817)								
	(192,817)	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 75 (Mission)
 Changes in Special Purpose Funds and Expense by Object
 Year Ended June 30, 2015

Schedule 3A (Unaudited)

	Service Delivery Transformation	BEST	Business Education Partnership	District Literacy	SWIS	CORE	TOTAL
	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	-	20,000	5,336	12,281	46,280	-	942,318
Add: Restricted Grants							
Provincial Grants - Ministry of Education	36,352						2,000,717
Provincial Grants - Other					307		307
Other						6,955	1,630,317
	36,352	-	-	-	307	6,955	3,631,341
Less: Allocated to Revenue	-	-	5,336	-	24,793	3,421	3,451,503
Deferred Revenue, end of year	<u>36,352</u>	<u>20,000</u>	<u>-</u>	<u>12,281</u>	<u>21,794</u>	<u>3,534</u>	<u>1,122,156</u>
Revenues							
Provincial Grants - Ministry of Education							1,798,970
Provincial Grants - Other					24,793		24,793
Other Revenue			5,336			3,421	1,627,740
	-	-	5,336	-	24,793	3,421	3,451,503
Expenses							
Salaries							
Teachers							497,708
Educational Assistants							402,676
Support Staff							116,618
Other Professionals					21,048		21,048
Substitutes							4,770
	-	-	-	-	21,048	-	1,042,820
Employee Benefits							3,638
Services and Supplies			5,336		107	3,421	1,944,578
	-	-	5,336	-	24,793	3,421	3,258,686
Net Revenue (Expense) before Interfund Transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>192,817</u>
Interfund Transfers							
Tangible Capital Assets Purchased							(192,817)
	-	-	-	-	-	-	(192,817)
Net Revenue (Expense)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

School District No. 75 (Mission)

Schedule 4 (Unaudited)

Schedule of Capital Operations
Year Ended June 30, 2015

	2015	2015 Actual			2014
	Budget (Note 17)	Invested in Tangible Capital Assets	Local Capital	Fund Balance	Actual
	\$	\$	\$	\$	\$
Revenues					
Provincial Grants					
Ministry of Education				-	22,713
Amortization of Deferred Capital Revenue	2,657,300	2,675,239		2,675,239	2,649,049
Total Revenue	<u>2,657,300</u>	<u>2,675,239</u>	-	<u>2,675,239</u>	<u>2,671,762</u>
Expenses					
Amortization of Tangible Capital Assets					
Operations and Maintenance	3,586,700	3,402,991		3,402,991	3,523,303
Transportation and Housing		173,910		173,910	207,437
Debt services					
Capital Lease Interest	4,969		13,211	13,211	9,522
Capital Loan Interest	8,508		5,853	5,853	17,952
Total Expense	<u>3,600,177</u>	<u>3,576,901</u>	<u>19,064</u>	<u>3,595,965</u>	<u>3,758,214</u>
Capital Surplus (Deficit) for the year	<u>(942,877)</u>	<u>(901,662)</u>	<u>(19,064)</u>	<u>(920,726)</u>	<u>(1,086,452)</u>
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased		525,136		525,136	30,393
Tangible Capital Assets - Work in Progress				-	153,034
Local Capital			215,000	215,000	
Capital Lease Payment	163,348		414,714	414,714	232,723
Capital Loan Payment	211,315		202,939	202,939	334,341
Total Net Transfers	<u>374,663</u>	<u>525,136</u>	<u>832,653</u>	<u>1,357,789</u>	<u>750,491</u>
Other Adjustments to Fund Balances					
Principal Payment					
Capital Lease		401,503	(401,503)	-	
Capital Loan		197,086	(197,086)	-	
Total Other Adjustments to Fund Balances		<u>598,589</u>	<u>(598,589)</u>	-	
Total Capital Surplus (Deficit) for the year	<u>(568,214)</u>	<u>222,063</u>	<u>215,000</u>	<u>437,063</u>	<u>(335,961)</u>
Capital Surplus (Deficit), beginning of year		<u>26,327,130</u>		<u>26,327,130</u>	<u>26,663,091</u>
Capital Surplus (Deficit), end of year		<u>26,549,193</u>	<u>215,000</u>	<u>26,764,193</u>	<u>26,327,130</u>

School District No. 75 (Mission)

Schedule 4A (Unaudited)

Tangible Capital Assets
Year Ended June 30, 2015

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	10,512,959	127,530,811	1,666,417	1,739,098	214,267	1,303,507	142,967,059
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		2,381,426					2,381,426
Deferred Capital Revenue - Other			22,786				22,786
Operating Fund		107,876	20,875		169,999	33,569	332,319
Special Purpose Funds		192,817					192,817
Transferred from Work in Progress		260,612			153,034		413,646
	-	2,942,731	43,661	-	323,033	33,569	3,342,994
Decrease:							
Deemed Disposals			15,977	339,813	6,113	821,358	1,183,261
	-	-	15,977	339,813	6,113	821,358	1,183,261
Cost, end of year	10,512,959	130,473,542	1,694,101	1,399,285	531,187	515,718	145,126,792
Work in Progress, end of year							-
Cost and Work in Progress, end of year	10,512,959	130,473,542	1,694,101	1,399,285	531,187	515,718	145,126,792
Accumulated Amortization, beginning of year		60,510,337	704,314	1,094,417	141,214	1,057,915	63,508,197
Changes for the Year							
Increase: Amortization for the Year		2,977,700	168,825	173,910	74,545	181,921	3,576,901
Decrease:							
Deemed Disposals			15,977	339,813	6,113	821,358	1,183,261
			-	15,977	339,813	6,113	821,358
Accumulated Amortization, end of year		63,488,037	857,162	928,514	209,646	418,478	65,901,837
Tangible Capital Assets - Net	10,512,959	66,985,505	836,939	470,771	321,541	97,240	79,224,955

School District No. 75 (Mission)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress
 Year Ended June 30, 2015

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
Work in Progress, beginning of year	413,646				413,646
Prior Period Adjustments					
WIP Reclass	(153,034)		153,034		-
Work in Progress, beginning of year, as restated	<u>260,612</u>	-	<u>153,034</u>	-	<u>413,646</u>
Changes for the Year					
Decrease:					
Transferred to Tangible Capital Assets	260,612		153,034		413,646
	<u>260,612</u>	-	<u>153,034</u>	-	<u>413,646</u>
Net Changes for the Year	<u>(260,612)</u>	-	<u>(153,034)</u>	-	<u>(413,646)</u>
Work in Progress, end of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

School District No. 75 (Mission)

Schedule 4C (Unaudited)

Deferred Capital Revenue
Year Ended June 30, 2015

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	52,176,148		329,364	52,505,512
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	2,381,426		22,786	2,404,212
Transferred from Work in Progress	260,612			260,612
	<u>2,642,038</u>	-	<u>22,786</u>	<u>2,664,824</u>
Decrease:				
Amortization of Deferred Capital Revenue	2,629,887		45,352	2,675,239
	<u>2,629,887</u>	-	<u>45,352</u>	<u>2,675,239</u>
Net Changes for the Year	<u>12,151</u>	-	<u>(22,566)</u>	<u>(10,415)</u>
Deferred Capital Revenue, end of year	<u>52,188,299</u>	-	<u>306,798</u>	<u>52,495,097</u>
Work in Progress, beginning of year	260,612			260,612
Changes for the Year				
Decrease				
Transferred to Deferred Capital Revenue	260,612			260,612
	<u>260,612</u>	-	-	<u>260,612</u>
Net Changes for the Year	<u>(260,612)</u>	-	-	<u>(260,612)</u>
Work in Progress, end of year	<u>-</u>	-	-	<u>-</u>
Total Deferred Capital Revenue, end of year	<u>52,188,299</u>	-	<u>306,798</u>	<u>52,495,097</u>

School District No. 75 (Mission)

Schedule 4D (Unaudited)

Changes in Unspent Deferred Capital Revenue
Year Ended June 30, 2015

	Bylaw Capital	MEd Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	153,505			392,730	25,013	571,248
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	2,377,786					2,377,786
Other				80,919	3,500	84,419
	<u>2,377,786</u>	-	-	80,919	3,500	<u>2,462,205</u>
Decrease:						
Transferred to DCR - Capital Additions	2,381,426				22,786	2,404,212
	<u>2,381,426</u>	-	-	-	22,786	<u>2,404,212</u>
Net Changes for the Year	<u>(3,640)</u>	-	-	80,919	(19,286)	<u>57,993</u>
Balance, end of year	<u>149,865</u>	-	-	<u>473,649</u>	<u>5,727</u>	<u>629,241</u>