

Audited Financial Statements of

School District No. 75 (Mission)

June 30, 2016

School District No. 75 (Mission)

June 30, 2016

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School District No. 75 (Mission)

MANAGEMENT REPORT

Version: 4016-3271-1288

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.

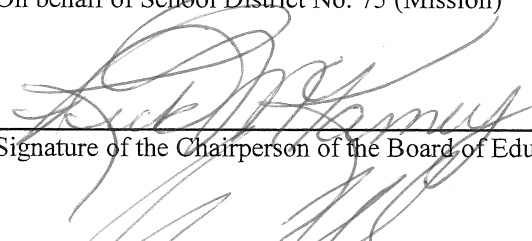
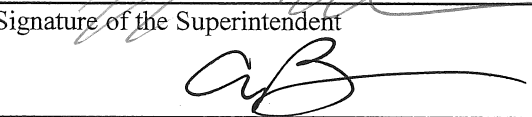

The preparation of financial statements necessarily involves the use of estimates based on management's judgment particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

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 20 2016
Signature of the Chairperson of the Board of Education	Date Signed
	SEP 20 2016
Signature of the Superintendent	Date Signed
	SEP 20 2016
Signature of the Secretary Treasurer	Date Signed



KPMG LLP
32575 Simon Avenue
Abbotsford BC V2T 4W6
Canada
Telephone (604) 854-2200
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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, 2016, 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, 2016 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.

KPMG LLP

Chartered Professional Accountants

September 20, 2016

Abbotsford, Canada

School District No. 75 (Mission)

Statement 1

Statement of Financial Position

As at June 30, 2016

	2016 Actual	2015 Actual
	\$	\$
Financial Assets		
Cash and Cash Equivalents	11,113,260	8,586,763
Accounts Receivable		
Due from Province - Ministry of Education	121,151	530,440
Due from LEA/Direct Funding	74,986	64,295
Other (Note 3)	723,936	539,121
Total Financial Assets	<u>12,033,333</u>	<u>9,720,619</u>
Liabilities		
Accounts Payable and Accrued Liabilities		
Other (Note 4)	6,365,499	4,986,070
Unearned Revenue (Note 5)	1,215,851	832,130
Deferred Revenue (Note 6)	867,839	1,122,156
Deferred Capital Revenue (Note 7)	52,783,158	53,124,338
Employee Future Benefits (Note 8)	783,739	800,674
Total Liabilities	<u>62,016,086</u>	<u>60,865,368</u>
Net Financial Assets (Debt)	<u>(49,982,753)</u>	<u>(51,144,749)</u>
Non-Financial Assets		
Tangible Capital Assets (Note 11)	79,272,054	79,224,955
Prepaid Expenses	126,052	191,236
Total Non-Financial Assets	<u>79,398,106</u>	<u>79,416,191</u>
Accumulated Surplus (Deficit) (Note 19)	<u>29,415,353</u>	<u>28,271,442</u>

Contractual Obligations and Contingencies (Note 16)

Approved by the Board

Signature of the Chairperson of the Board of Education

SEP 20 2016

Date Signed

Signature of the Superintendent

SEP 20 2016

Date Signed

SEP 20 2016

Signature of the Secretary Treasurer

Date Signed

School District No. 75 (Mission)

Statement 2

Statement of Operations
Year Ended June 30, 2016

	2016 Budget (Note 15)	2016 Actual	2015 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	56,428,180	56,355,208	53,163,141
Other	222,719	234,835	201,664
Tuition	1,630,000	1,811,351	1,351,266
Other Revenue	2,191,547	2,207,437	2,055,206
Rentals and Leases	135,000	207,212	138,288
Investment Income	100,000	107,368	100,221
Amortization of Deferred Capital Revenue	2,700,395	2,696,028	2,675,239
Total Revenue	<u>63,407,841</u>	<u>63,619,439</u>	<u>59,685,025</u>
Expenses			
Instruction	50,077,202	49,492,871	46,106,358
District Administration	2,327,134	2,181,772	2,221,986
Operations and Maintenance	9,862,186	9,702,473	9,118,088
Transportation and Housing	1,002,505	1,098,412	1,087,452
Debt Services			19,064
Total Expense	<u>63,269,027</u>	<u>62,475,528</u>	<u>58,552,948</u>
Surplus (Deficit) for the year	<u>138,814</u>	<u>1,143,911</u>	<u>1,132,077</u>
Accumulated Surplus (Deficit) from Operations, beginning of year		28,271,442	27,139,365
Accumulated Surplus (Deficit) from Operations, end of year		<u>29,415,353</u>	<u>28,271,442</u>

School District No. 75 (Mission)

Statement of Changes in Net Financial Assets (Debt)
Year Ended June 30, 2016

	2016 Budget (Note 15)	2016 Actual	2015 Actual
	\$	\$	\$
Surplus (Deficit) for the year	138,814	1,143,911	1,132,077
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(4,011,477)	(3,520,486)	(2,929,348)
Amortization of Tangible Capital Assets	3,587,044	3,473,387	3,576,901
Total Effect of change in Tangible Capital Assets	(424,433)	(47,099)	647,553
Acquisition of Prepaid Expenses	(200,000)	(126,052)	(191,236)
Use of Prepaid Expenses	191,236	191,236	142,546
Total Effect of change in Other Non-Financial Assets	(8,764)	65,184	(48,690)
(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)	(294,383)	1,161,996	1,730,940
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Financial Assets (Debt)		1,161,996	1,730,940
Net Financial Assets (Debt), beginning of year		(51,144,749)	(52,875,689)
Net Financial Assets (Debt), end of year		(49,982,753)	(51,144,749)

School District No. 75 (Mission)

Statement of Cash Flows
Year Ended June 30, 2016

	2016 Actual	2015 Actual
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	1,143,911	1,132,077
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	213,783	(320,248)
Prepaid Expenses	65,184	(48,690)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	1,379,429	(948,458)
Unearned Revenue	383,721	199,665
Deferred Revenue	(254,317)	179,838
Employee Future Benefits	(16,935)	23,309
Amortization of Tangible Capital Assets	3,473,387	3,576,901
Amortization of Deferred Capital Revenue	(2,696,028)	(2,675,239)
Total Operating Transactions	<u>3,692,135</u>	<u>1,119,155</u>
Capital Transactions		
Tangible Capital Assets Purchased	(2,936,451)	(2,929,348)
Tangible Capital Assets -WIP Purchased	(584,035)	
Total Capital Transactions	<u>(3,520,486)</u>	<u>(2,929,348)</u>
Financing Transactions		
Loan Payments		(197,086)
Capital Revenue Received	2,354,848	2,462,205
Capital Lease Payments		(401,503)
Total Financing Transactions	<u>2,354,848</u>	<u>1,863,616</u>
Net Increase (Decrease) in Cash and Cash Equivalents	2,526,497	53,423
Cash and Cash Equivalents, beginning of year	8,586,763	8,533,340
Cash and Cash Equivalents, end of year	<u>11,113,260</u>	<u>8,586,763</u>
Cash and Cash Equivalents, end of year, is made up of:		
Cash	<u>11,113,260</u>	<u>8,586,763</u>
	<u>11,113,260</u>	<u>8,586,763</u>

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.

2. Summary of significant accounting policies

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

a) Basis of Accounting

The financial statements have been prepared in accordance with Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia, supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board. The Budget Transparency and Accountability Act requires that the financial statements be prepared in accordance with the set of standards and guidelines that comprise generally accepted accounting principles for senior governments in Canada, or if the Treasury Board makes a regulation, the set of standards and guidelines that comprise generally accepted accounting principles for senior governments in Canada as modified by the alternate standard or guideline or part thereof adopted in the regulation.

Regulation 198/2011 requires that restricted contributions received or receivable for acquiring or developing a depreciable tangible capital asset, or contributions in the form of a depreciable tangible capital asset, are to be deferred and recognized in revenue at the same rate that amortization of the related tangible capital asset is recorded.

For British Columbia tax-payer supported organizations, these contributions include government transfers and externally restricted contributions.

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

- Government transfers, which do not contain a stipulation that creates a liability, be recognized as revenue by the recipient when approved by the transferor and the eligibility criteria have been met in accordance with public sector accounting standard PS3410; and
- 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.

2. Summary of significant accounting policies (continued)

b) Cash and cash equivalents

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

c) Accounts receivable

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

d) Unearned revenue

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

e) Deferred revenue and deferred capital revenue

Deferred revenue includes contributions received with stipulations that meet the description of restricted contributions in the Restricted Contributions Regulation 198/2011 issued by Treasury Board. When restrictions are met, deferred revenue is recognized as revenue in the fiscal year in a manner consistent with the circumstances and evidence used to support the initial recognition of the contributions received as a liability as detailed in Note 2 (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 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, 2016 and projected to March 31, 2019. The next valuation will be performed at March 31, 2019 for use at June 30, 2019.

2. Summary of significant accounting policies (continued)

f) Employee future benefits (continued)

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 included in the Statement of Operations.

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.

2. Summary of significant accounting policies (continued)

i) Tangible capital assets - criteria (continued)

- Work-in-progress is recorded as an acquisition to the applicable asset class at substantial completion.
- Tangible capital assets are written down to residual value when conditions indicate they no longer contribute to the ability of the School District to provide services or when the value of future economic benefits associated with the sites and buildings are less than their net book value. The write-downs are accounted for as expenses in the statement of operations.
- Buildings that are demolished or destroyed are written-off.
- Works of art, historic assets and other intangible assets are not recorded as assets in these financial statements.
- The cost, less residual value, of tangible capital assets (excluding sites), is amortized on a straight-line basis over the estimated useful life of the asset. It is management's responsibility to determine the appropriate useful lives for tangible capital assets. These useful lives are reviewed on a regular basis or if significant events initiate the need to revise. Estimated useful life is as follows:

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

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 during 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 13 – Interfund transfers and Note 19 – Accumulated surplus).

2. 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.

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.

2. Summary of significant accounting policies (continued)

n) Expenses - allocation of costs (continued)

- 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.

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 2 a) requires management to make estimates and assumptions that impact reported amounts of assets and liabilities at the date of the financial statements and revenues and expenses during the reporting periods. Significant areas requiring the use of management estimates relate to the potential impairment of assets, liabilities for contaminated sites, rates for amortization and estimated employee future benefits. Actual results could differ from those estimates.

School District No. 75 (Mission)
Notes to the Financial Statements
June 30, 2016

3. Accounts receivable – other

	2016	2015
Due from Federal Government	\$ 60,135	\$ 65,995
Benefit plans surplus	472,791	384,003
Other	191,010	89,123
Total accounts receivable - other	\$ 723,936	\$ 539,121

4. Accounts payable and accrued liabilities – other

	2016	2015
Trade payables	\$ 1,899,467	\$ 1,080,674
Salaries and benefits payable	3,910,401	3,246,824
Accrued vacation pay	555,631	553,807
Other	-	104,765
Total accounts payable and accrued liabilities – other	\$ 6,365,499	\$ 4,986,070

5. Unearned revenue

	2016	2015
Balance, beginning of year	\$ 832,130	\$ 632,465
Changes for the year:		
Increase:		
Tuition fees	1,136,068	778,762
Transportation fees	79,783	53,368
	1,215,851	832,130
Decrease:		
Tuition fees recognized as revenue	778,762	585,693
Transportation fees recognized as revenue	53,368	46,772
	832,130	632,465
Net change for the year	383,721	199,665
Balance, end of year	\$ 1,215,851	\$ 832,130

Unearned revenue comprised of:

	2016	2015
Tuition Fees	1,136,068	778,762
Transportation Fees	79,783	53,368
	\$ 1,215,851	\$ 832,130

School District No. 75 (Mission)
Notes to the Financial Statements
June 30, 2016

6. Deferred revenue

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

	2016	2015
Balance, beginning of year	\$ 1,122,156	\$ 942,318
Changes for the year:		
Increase:		
Provincial grants – Ministry of Education	2,023,456	2,000,717
Provincial grants - Other	50,000	307
Other revenue	1,728,078	1,630,317
	<u>3,801,534</u>	<u>3,631,341</u>
Decrease:		
Allocated to revenue	(4,055,851)	(3,451,503)
Net change for the year	<u>(254,317)</u>	<u>179,838</u>
Balance, end of year	<u>\$ 867,839</u>	<u>\$ 1,122,156</u>

	2016	2015
Deferred revenue comprised of:		
Provincial grants – Ministry of Education	\$ 108,042	\$ 396,901
Provincial grants – other	50,000	21,794
School generated funds	587,586	589,357
Other revenue	122,211	114,104
	<u>\$ 867,839</u>	<u>\$ 1,122,156</u>

School District No. 75 (Mission)
Notes to the Financial Statements
June 30, 2016

7. Deferred capital revenue

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

	2016	2015
Deferred capital revenue subject to amortization		
Balance, beginning of year	\$ 52,495,097	\$ 52,505,512
Increases:		
Capital additions	1,831,340	2,664,824
Decreases:		
Amortization	(2,696,028)	(2,675,239)
Net change for the year	(864,688)	(10,415)
Balance, end of year	\$ 51,630,409	\$ 52,495,097
Deferred capital revenue not subject to amortization		
Work in progress	584,035	-
Total deferred capital revenue, end of year	\$ 52,214,444	\$ 52,495,097
	2016	2015
Unspent deferred capital revenue		
Balance, beginning of year	\$ 629,241	\$ 571,248
Increases:		
Provincial grants – Ministry of Education	2,217,393	2,377,786
Other	137,455	84,419
Decreases:		
Transfer to deferred capital revenue subject to amortization	(1,831,340)	(2,404,212)
Transfer to deferred capital revenue - work in progress	(584,035)	-
Net change for the year	(60,527)	57,993
Balance, end of year	\$ 568,714	\$ 629,241
Total deferred capital revenue, end of year	\$ 52,783,158	\$ 53,124,338

School District No. 75 (Mission)
Notes to the Financial Statements
June 30, 2016

8. Employee future benefits

Benefits include vested sick leave, accumulating non-vested sick leave, early retirement, retirement/severance, vacation, overtime and death benefits. Funding is provided when the benefits are paid and accordingly, there are no plan assets. Although no plan assets are uniquely identified, the School District has provided for the payment of these benefits.

Assumptions

Discount Rate - April 1	2.25%	3.25%
Discount Rate - March 31	2.50%	2.25%
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	9.1	8.8

2016

2015

Reconciliation of Accrued Benefit Obligation

Accrued Benefit Obligation – April 1	\$ 1,048,537	\$ 1,018,110
Service Cost	82,327	73,314
Interest Cost	24,130	33,194
Benefit Payments	(144,473)	(93,370)
Increase (Decrease) in obligation due to Plan Amendment	(61,581)	0
Actuarial (Gain) Loss	135,330	17,289

Accrued Benefit Obligation – March 31

\$ 1,084,270 \$ 1,048,537

Reconciliation of Funded Status at End of Fiscal Year

Accrued Benefit Obligation - March 31	\$ 1,084,270	\$ 1,048,537
Market Value of Plan Assets - March 31	0	0
Funded Status - Surplus (Deficit)	(1,084,270)	(1,048,537)
Employer Contributions After Measurement Date	34,403	26,749
Benefits Expense After Measurement Date	(27,230)	(26,614)
Unamortized Net Actuarial (Gain) Loss	293,358	247,728

Accrued Benefit Asset (Liability) - June 30

\$ (783,739) \$ (800,674)

Reconciliation of Change in Accrued Benefit Liability

Accrued Benefit Liability (Asset) - July 1	\$ 800,674	\$ 777,365
Net Expense for Fiscal Year	135,192	143,428
Employer Contributions	(152,127)	(120,119)

Accrued Benefit Liability (Asset) - June 30

\$ 783,739 \$ 800,674

Components of Net Benefit Expense

Service Cost	\$ 82,163	\$ 75,567
Interest Cost	24,910	30,928
Immediate Recognition of Plan Amendment	(61,581)	0
Amortization of Net Actuarial (Gain)/Loss	89,700	36,934

Net Benefit Expense (Income)

\$ 135,192 \$ 143,428

School District No. 75 (Mission)
Notes to the Financial Statements
June 30, 2016

9. Debt

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, 2016, the School District had \$ nil borrowings (2015: \$ nil) under this line of credit.

10. Capital lease obligations

The School District has an approved revolving term lease of \$750,000. As of June 30, 2016, the School District had \$ nil borrowings (2015: \$ nil) under this lease.

11. Tangible capital assets

	2016	2015
Net book value:		
Sites	\$ 10,512,959	\$ 10,512,959
Buildings	66,194,169	66,985,505
Buildings – work in progress	584,035	-
Furniture & equipment	1,191,083	836,939
Vehicles	357,976	470,771
Computer software	233,899	321,541
Computer hardware	197,933	97,240
Total net book value, tangible capital assets	\$ 79,272,054	\$ 79,224,955

	Balance at July 1, 2015	Additions	Disposals	Balance at June 30, 2016
Cost:				
Sites	\$ 10,512,959	\$ -	\$ -	\$ 10,512,959
Buildings	130,473,542	2,242,114	-	132,715,656
Furniture & equipment	1,694,101	551,109	(80,285)	2,164,925
Vehicles	1,399,285	28,564	(293,070)	1,134,777
Computer software	531,187	-	(179,831)	351,357
Computer hardware	515,718	114,664	(166,697)	463,686
Work in progress	-	584,035	-	584,035
Total cost	145,126,792	3,520,486	(719,883)	147,927,395
Accumulated amortization:				
Sites	-	-	-	-
Buildings	63,488,037	3,033,450	-	66,521,487
Furniture & equipment	857,162	196,965	(80,285)	973,842
Vehicles	928,514	141,357	(293,070)	776,801
Computer software	209,646	87,643	(179,831)	117,458
Computer hardware	418,478	13,972	(166,697)	265,753
Total amortization	65,901,837	3,473,387	(719,883)	68,655,341
Total net book value	\$ 79,224,955	\$ 47,099	\$ -	\$ 79,272,054

School District No. 75 (Mission)
Notes to the Financial Statements
June 30, 2016

11. Tangible capital assets (continued)

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 cost	143,380,705	3,342,994	(1,596,907)	145,126,792
Accumulated amortization:				
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 amortization	63,508,197	3,576,901	(1,183,261)	65,901,837
Total net book value	\$ 79,872,508	\$ (\$233,907)	\$ (\$413,646)	\$ 79,224,955

12. Employee pension plans

The School District and its employees contribute to the Teachers' Pension Plan and Municipal Pension Plan (jointly trustee pension plans). The boards of trustees for these plans, representing plan members and employers, are responsible for managing the pension plans, including investing assets and administering benefits. The plans are multi-employer defined benefit pension plans. Basic pension benefits provided are based on a formula. As at December 31, 2014 the Teachers' Pension Plan has about 45,000 active members and approximately 35,000 retired members. As at December 31, 2014, the Municipal Pension Plan has about 185,000 active members, including approximately 24,000 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 amortization of any funding deficit.

The most recent actuarial valuation of the Teachers' Pension Plan as at December 31, 2014, indicated a \$449 million surplus for basic pension benefits on a going concern basis.

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2012, indicated a \$1,370 million funding deficit for basic pension benefits on a going concern basis.

12. Employee pension plans (continued)

The next valuation for the Teachers' Pension Plan will be as at December 31, 2017, with results available in 2018. The next valuation for the Municipal Pension Plan will be as at December 31, 2015, with results available by the end of 2016.

Employers participating in the plans record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). The plans record accrued liabilities and accrued assets in aggregate, and as such, there is no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plans.

The Mission School district paid \$5,378,251 for employer contributions to the plans for the year ended June 30, 2016 (2015: \$5,050,490).

13. Interfund transfers

Interfund transfers between the operating, special purpose and capital funds for the year ended June 30, 2016, were as follows:

- Assets purchased by Operating for Capital \$ 1,105,111
- Local Capital allocation from Operating to Capital \$ 797,000

14. Related party transactions

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

15. Budget figures

Budget figures included in the financial statements were approved by the Board through the adoption of an amended annual budget on February 16, 2016. The Board adopted a preliminary annual budget on June 16, 2015. The amended budget is used for comparison purposes as it is based on actual student enrolment. The following is a reconciliation of the two budgets:

School District No. 75 (Mission)
Notes to the Financial Statements
June 30, 2016

15. Budget figures (continued)

Statement 2	2016 Amended	2016 Preliminary	Budget change
Revenue			
Provincial Grants			
Ministry of Education	\$ 56,428,180	\$ 54,293,930	\$ 2,134,250
Other	222,719	202,719	20,000
Tuition	1,630,000	1,181,225	448,775
Other revenue	2,191,547	2,027,837	163,710
Rentals and leases	135,000	135,000	-
Investment income	100,000	80,000	20,000
Amortization of deferred capital revenue	2,700,395	2,622,681	77,714
Total Revenue	63,407,841	60,543,392	2,864,449
Expense			
Instruction	50,077,202	47,962,583	2,114,619
District administration	2,327,134	2,343,201	(16,067)
Operations and maintenance	9,862,186	9,367,974	494,212
Transportation and housing	1,002,505	1,068,509	(66,004)
Debt services	-	8,920	(8,920)
Total expense	63,269,027	60,751,187	2,517,840
Net revenue (expense)	138,814	(207,795)	346,609
Surplus (deficit) budgeted allocation (retirement)	618,756	-	618,756
Budgeted surplus (deficit) for the year	\$ 757,570	\$ (207,795)	\$ 965,365
Statement 4			
Surplus (deficit) for the year	\$ 138,814	\$ (207,795)	\$ 346,609
Effect of change in tangible capital assets			
Acquisition of tangible capital assets			
From operating and special purpose funds	(1,644,219)	(325,000)	(1,319,219)
From deferred capital revenue	(2,367,258)	(1,093,793)	(1,273,465)
Total acquisition of tangible capital assets	(4,011,477)	(1,418,793)	(2,592,684)
Amortization of tangible capital assets	3,587,044	3,396,990	190,054
Total effect of change in tangible capital assets	(424,433)	1,978,197	(2,402,630)
Acquisitions of prepaid expenses	(200,000)	(150,000)	(50,000)
Use of prepaid expenses	191,236	150,000	41,236
	(8,764)	-	(8,764)
(Increase) decrease in net financial assets (debt)	\$ (294,383)	\$ 1,770,402	\$ (2,064,785)

School District No. 75 (Mission)
Notes to the Financial Statements
June 30, 2016

16. Contingencies

In the normal course of business, lawsuits and claims have been brought against the School District. The School District responds to any lawsuits and claims made against the School District. Management believes that the results of any pending legal proceedings will not have a material effect on the financial position of the School District.

17. 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, 2016, the liability is not reasonably determinable.

18. Expense by object

	2016	2015
Salaries and benefits	\$ 51,808,141	\$ 48,582,338
Services and supplies	7,194,000	6,374,645
Interest	-	19,064
Amortization	3,473,387	3,576,901
Total expense by object	\$ 62,475,528	\$ 58,552,948

19. Accumulated surplus

	2016	2015
Restricted (appropriated) operating surplus for:		
Schools and departments	\$ 136,456	\$ 119,595
Aboriginal education	16,247	69,495
Employee benefit plan	282,910	282,910
Total restricted (appropriated) operating surplus	435,613	472,000
Unrestricted operating surplus	1,090,795	1,035,249
Total operating surplus available for future operations	1,526,408	1,507,249
Restricted local capital reserve available for capital projects	1,012,000	215,000
Invested in tangible capital assets	26,876,945	26,549,193
Total capital surplus	27,888,945	26,764,193
Total accumulated surplus	\$ 29,415,353	\$ 28,271,442

20. 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.

21. 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 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.

21. Risk management (continued)

d) Fair value of financial instruments:

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

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

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

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

The School District's instruments are all considered to be level 1 financial instrument 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.

22. Comparative figures

Certain comparative figures have been reclassified to conform with the financial statement presentation adopted in the current year.

School District No. 75 (Mission)

Schedule 1 (Unaudited)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund
Year Ended June 30, 2016

	Operating Fund	Special Purpose Fund	Capital Fund	2016 Actual	2015 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	1,507,249		26,764,193	28,271,442	27,139,365
Changes for the year					
Surplus (Deficit) for the year	1,921,270		(777,359)	1,143,911	1,132,077
Interfund Transfers	(1,105,111)		1,105,111	-	-
Tangible Capital Assets Purchased	(797,000)		797,000	-	-
Local Capital	19,159	-	1,124,752	1,143,911	1,132,077
Net Changes for the year					
	1,526,408	-	27,888,945	29,415,353	28,271,442

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

School District No. 75 (Mission)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2016

	2016 Budget (Note 15) \$	2016 Actual \$	2015 Actual \$
Revenues			
Provincial Grants			
Ministry of Education	54,016,210	54,042,893	51,364,171
Other	200,925	213,041	176,871
Tuition	1,630,000	1,811,351	1,351,266
Other Revenue	460,732	485,695	427,466
Rentals and Leases	135,000	207,212	138,288
Investment Income	100,000	107,368	100,221
Total Revenue	<u>56,542,867</u>	<u>56,867,560</u>	<u>53,558,283</u>
Expenses			
Instruction	46,183,375	45,707,772	42,979,550
District Administration	2,327,134	2,181,772	2,221,986
Operations and Maintenance	6,004,390	6,099,691	5,583,219
Transportation and Housing	1,002,505	957,055	913,542
Total Expense	<u>55,517,404</u>	<u>54,946,290</u>	<u>51,698,297</u>
Operating Surplus (Deficit) for the year	<u>1,025,463</u>	<u>1,921,270</u>	<u>1,859,986</u>
Budgeted Appropriation (Retirement) of Surplus (Deficit)	<u>618,756</u>		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(1,644,219)	(1,105,111)	(332,319)
Local Capital		(797,000)	(215,000)
Other			(617,653)
Total Net Transfers	<u>(1,644,219)</u>	<u>(1,902,111)</u>	<u>(1,164,972)</u>
Total Operating Surplus (Deficit), for the year	<u>-</u>	<u>19,159</u>	<u>695,014</u>
Operating Surplus (Deficit), beginning of year		1,507,249	812,235
Operating Surplus (Deficit), end of year		<u>1,526,408</u>	<u>1,507,249</u>
Operating Surplus (Deficit), end of year			
Internally Restricted		435,613	472,000
Unrestricted		1,090,795	1,035,249
Total Operating Surplus (Deficit), end of year		<u>1,526,408</u>	<u>1,507,249</u>

School District No. 75 (Mission)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2016

	2016 Budget (Note 15)	2016 Actual	2015 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education			
Operating Grant, Ministry of Education	53,381,041	53,349,901	51,177,986
AANDC/LEA Recovery	(154,732)	(152,352)	(119,405)
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		1,141	38,070
Economic Stability Dividend		43,783	
Carbon Tax Refund	50,000	50,000	56,418
FSA	14,000	13,769	13,769
Curriculum Implementation		10,750	
Total Provincial Grants - Ministry of Education	54,016,210	54,042,893	51,364,171
Provincial Grants - Other	200,925	213,041	176,871
Tuition			
Continuing Education	230,000	181,408	237,086
Offshore Tuition Fees	1,400,000	1,629,943	1,114,180
Total Tuition	1,630,000	1,811,351	1,351,266
Other Revenues			
LEA/Direct Funding from First Nations	154,732	152,352	119,405
Miscellaneous			
Transportation Fees	116,000	135,448	104,217
Pay For Service - Riverside	40,000	22,487	80,305
Clarke Theatre Support	110,000	110,000	35,000
Other Revenues	40,000	65,408	88,539
Total Other Revenue	460,732	485,695	427,466
Rentals and Leases	135,000	207,212	138,288
Investment Income	100,000	107,368	100,221
Total Operating Revenue	56,542,867	56,867,560	53,558,283

School District No. 75 (Mission)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object
Year Ended June 30, 2016

	2016 Budget (Note 15)	2016 Actual	2015 Actual
	\$	\$	\$
Salaries			
Teachers	22,655,500	22,613,474	21,246,582
Principals and Vice Principals	3,194,200	3,154,847	3,039,941
Educational Assistants	4,781,700	4,779,775	4,476,491
Support Staff	5,844,490	5,932,094	5,203,059
Other Professionals	1,723,713	1,630,949	1,664,879
Substitutes	2,064,531	1,820,406	2,014,490
Total Salaries	40,264,134	39,931,545	37,645,442
Employee Benefits	10,377,901	10,024,628	9,622,788
Total Salaries and Benefits	50,642,035	49,956,173	47,268,230
Services and Supplies			
Services	1,628,568	1,577,608	1,389,286
Student Transportation	17,350	30,780	43,969
Professional Development and Travel	389,400	414,907	384,724
Rentals and Leases	3,350		4,036
Dues and Fees	86,150	101,359	80,149
Insurance	159,000	125,979	213,906
Supplies	1,702,601	1,769,813	1,482,625
Utilities	888,950	969,671	831,372
Total Services and Supplies	4,875,369	4,990,117	4,430,067
Total Operating Expense	55,517,404	54,946,290	51,698,297

School District No. 75 (Mission)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object
Year Ended June 30, 2016

	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	17,897,838	759,150	38,225	331,395		1,490,111	20,516,719
1.03 Career Programs	626,599		12,970	285,383		2,957	927,909
1.07 Library Services	876,538						876,538
1.08 Counselling	781,743						781,743
1.10 Special Education	2,131,755	119,986	4,014,629	371,488		121,579	6,759,437
1.30 English Language Learning	188,404		149,956				338,360
1.31 Aboriginal Education	110,597	111,361	563,995	33,904		17,457	837,314
1.41 School Administration		2,164,350		1,132,327	96,398	58,300	3,451,375
1.60 Summer School							-
1.62 Offshore Students				52,875	134,661		187,536
1.64 Other				14,200	139,907		154,107
Total Function 1	22,613,474	3,154,847	4,779,775	2,221,572	370,966	1,690,404	34,831,038
4 District Administration							
4.11 Educational Administration					414,609		414,609
4.40 School District Governance					86,213		86,213
4.41 Business Administration				281,177	589,803	910	871,890
Total Function 4	-	-	-	281,177	1,090,625	910	1,372,712
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				44,353	97,000	6,070	147,423
5.50 Maintenance Operations				2,658,394		102,207	2,760,601
5.52 Maintenance of Grounds				181,897			181,897
5.56 Utilities							-
Total Function 5	-	-	-	2,884,644	97,000	108,277	3,089,921
7 Transportation and Housing							
7.41 Transportation and Housing Administration				19,606	72,358		91,964
7.70 Student Transportation				525,095		20,815	545,910
Total Function 7	-	-	-	544,701	72,358	20,815	637,874
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	22,613,474	3,154,847	4,779,775	5,932,094	1,630,949	1,820,406	39,931,545

School District No. 75 (Mission)

Operating Expense by Function, Program and Object

Year Ended June 30, 2016

Schedule 2C (Unaudited)

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2016 Actual	2016 Budget	2015 Actual
	\$	\$	\$	\$	\$	(Note 15)	\$
1 Instruction							
1.02 Regular Instruction	20,516,719	5,110,763	25,627,482	850,395	26,477,877	27,270,120	24,968,143
1.03 Career Programs	927,909	223,783	1,151,692	175,559	1,327,251	1,337,210	1,268,922
1.07 Library Services	876,538	211,823	1,088,361	19,730	1,108,091	1,070,950	1,137,403
1.08 Counseling	781,743	174,709	956,452	881	957,333	766,710	698,704
1.10 Special Education	6,759,437	1,841,895	8,601,332	115,415	8,716,747	8,803,980	8,054,434
1.30 English Language Learning	338,360	88,027	426,387	8,566	434,953	290,940	213,618
1.31 Aboriginal Education	837,314	206,423	1,043,737	231,126	1,274,863	1,224,875	1,165,983
1.41 School Administration	3,451,375	839,696	4,291,071	278,300	4,569,371	4,591,880	4,735,901
1.60 Summer School	-	-	-	-	-	-	10,924
1.62 Offshore Students	187,536	47,020	234,556	415,726	650,282	642,380	556,414
1.64 Other	154,107	23,994	178,101	12,903	191,004	184,330	169,104
Total Function 1	34,831,038	8,768,133	43,599,171	2,108,601	45,707,772	46,183,375	42,979,550
4 District Administration							
4.11 Educational Administration	414,609	123,716	538,325	63,347	601,672	660,310	692,754
4.40 School District Governance	86,213	27,225	113,438	74,079	187,517	167,704	182,776
4.41 Business Administration	871,890	194,760	1,066,650	325,933	1,392,583	1,499,120	1,346,456
Total Function 4	1,372,712	345,701	1,718,413	463,359	2,181,772	2,327,134	2,221,986
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	147,423	34,357	181,780	107,264	289,044	248,500	238,712
5.50 Maintenance Operations	2,760,601	672,315	3,432,916	1,036,929	4,469,845	4,556,940	4,176,475
5.52 Maintenance of Grounds	181,897	43,678	225,575	145,556	371,131	310,000	336,660
5.56 Utilities	-	-	-	969,671	969,671	888,950	831,372
Total Function 5	3,089,921	750,350	3,840,271	2,259,420	6,099,691	6,004,390	5,583,219
7 Transportation and Housing							
7.41 Transportation and Housing Administration	91,964	25,190	117,154	3,866	121,020	130,230	93,407
7.70 Student Transportation	545,910	135,254	681,164	154,871	836,035	872,275	820,135
Total Function 7	637,874	160,444	798,318	158,737	957,055	1,002,505	913,542
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	39,931,545	10,024,628	49,956,173	4,990,117	54,946,290	55,517,404	51,698,297

School District No. 75 (Mission)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2016

	2016 Budget (Note 15) \$	2016 Actual \$	2015 Actual \$
Revenues			
Provincial Grants			
Ministry of Education	2,411,970	2,312,315	1,798,970
Other	21,794	21,794	24,793
Other Revenue	1,730,815	1,721,742	1,627,740
Total Revenue	<u>4,164,579</u>	<u>4,055,851</u>	<u>3,451,503</u>
Expenses			
Instruction	3,893,827	3,785,099	3,126,808
Operations and Maintenance	270,752	270,752	131,878
Total Expense	<u>4,164,579</u>	<u>4,055,851</u>	<u>3,258,686</u>
Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>-</u>	<u>192,817</u>
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased			(192,817)
Total Net Transfers	<u>-</u>	<u>-</u>	<u>(192,817)</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, 2016

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									
Add: Restricted Grants									
Provincial Grants - Ministry of Education	270,752	1,078,976	3,016		160,000		31,850	97,953	380,909
Provincial Grants - Other				52,641					
Other	270,752	1,078,976	3,016	52,641	160,000		31,850	97,953	380,909
Less: Allocated to Revenue	270,752	1,302,298	25,437	41,000	1,672,349	160,000	42,020	130,899	380,909
Deferred Revenue, end of year	-	-	21,330	102,211	587,586	-	33,335	4,744	-
Revenues	270,752	1,302,298	25,437	41,000	1,672,349	160,000	42,020	130,899	380,909
Provincial Grants - Ministry of Education	270,752	1,302,298	25,437	41,000	1,672,349	160,000	42,020	130,899	380,909
Provincial Grants - Other									
Other Revenue									
Expenses									
Salaries									
Teachers		862,301							
Principals and Vice Principals									
Educational Assistants		171,500							
Support Staff	55,555					93,847			250,392
Substitutes									
Employee Benefits	55,555	1,033,801				93,847			43,888
Services and Supplies	215,197	268,497				29,273			9,430
	270,752	1,302,298	25,437	41,000	1,672,349	36,880	42,020	77,581	63,232
			25,437	41,000	1,672,349	160,000	42,020	130,899	380,909
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 75 (Mission)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2016

	Service Delivery Transformation	BEST	District Literacy	SWIS	CORE	Riverside Electrical	TOTAL
	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	36,352	20,000	12,281	21,794	3,534		1,122,156
Add: Restricted Grants							
Provincial Grants - Ministry of Education							2,023,456
Provincial Grants - Other					4,859	50,000	50,000
Other					4,859	50,000	1,728,078
Less: Allocated to Revenue				21,794	8,393		3,801,534
Deferred Revenue, end of year	36,352	20,000	12,281	-	-	50,000	867,839
Revenues							
Provincial Grants - Ministry of Education				21,794			2,312,315
Provincial Grants - Other					8,393		21,794
Other Revenue				21,794	8,393		1,721,742
Expenses							
Salaries							
Teachers							862,301
Principals and Vice Principals							38,373
Educational Assistants							421,892
Support Staff							149,402
Substitutes							5,515
Employee Benefits							1,477,483
Services and Supplies				21,794	8,393		374,485
Net Revenue (Expense) before Interfund Transfers	-	-	-	21,794	8,393	-	2,203,883
Interfund Transfers	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-

School District No. 75 (Mission)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2016

	2016	2016 Actual			2015
	Budget (Note 15)	Invested in Tangible Capital Assets	Local Capital	Fund Balance	Actual
	\$	\$	\$	\$	\$
Revenues					
Provincial Grants					
Amortization of Deferred Capital Revenue	2,700,395	2,696,028		2,696,028	2,675,239
Total Revenue	2,700,395	2,696,028	-	2,696,028	2,675,239
Expenses					
Amortization of Tangible Capital Assets					
Operations and Maintenance	3,587,044	3,332,030		3,332,030	3,402,991
Transportation and Housing		141,357		141,357	173,910
Debt Services					
Capital Lease Interest				-	13,211
Capital Loan Interest				-	5,853
Total Expense	3,587,044	3,473,387	-	3,473,387	3,595,965
Capital Surplus (Deficit) for the year	(886,649)	(777,359)	-	(777,359)	(920,726)
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	1,644,219	1,105,111		1,105,111	525,136
Local Capital			797,000	797,000	215,000
Capital Lease Payment				-	414,714
Capital Loan Payment				-	202,939
Total Net Transfers	1,644,219	1,105,111	797,000	1,902,111	1,357,789
Total Capital Surplus (Deficit) for the year	757,570	327,752	797,000	1,124,752	437,063
Capital Surplus (Deficit), beginning of year		26,549,193	215,000	26,764,193	26,327,130
Capital Surplus (Deficit), end of year		26,876,945	1,012,000	27,888,945	26,764,193

School District No. 75 (Mission)

Tangible Capital Assets

Year Ended June 30, 2016

Schedule 4A (Unaudited)

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	10,512,959	130,473,542	1,694,101	1,399,285	531,187	515,718	145,126,792
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		1,768,907	62,433				1,768,907
Deferred Capital Revenue - Other		473,207	488,676	28,564		114,664	62,433
Operating Fund		2,242,114	551,109	28,564	-	114,664	1,105,111
Decrease:							
Deemed Disposals			80,285	293,070	179,831	166,697	719,883
Cost, end of year			80,285	293,070	179,831	166,697	719,883
Work in Progress, end of year	10,512,959	132,715,656	2,164,925	1,134,779	351,356	463,685	147,343,360
Cost and Work in Progress, end of year	10,512,959	133,299,691	2,164,925	1,134,779	351,356	463,685	147,927,395
Accumulated Amortization, beginning of year							
Changes for the Year							
Increase: Amortization for the Year		63,488,037	857,162	928,514	209,646	418,478	65,901,837
Decrease:							
Deemed Disposals		3,033,450	196,965	141,357	87,643	13,972	3,473,387
Accumulated Amortization, end of year			80,285	293,070	179,831	166,697	719,883
			80,285	293,070	179,831	166,697	719,883
		66,521,487	973,842	776,801	117,458	265,753	68,655,341
Tangible Capital Assets - Net	10,512,959	66,778,204	1,191,083	357,978	233,898	197,932	79,272,054

School District No. 75 (Mission)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2016

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
Work in Progress, beginning of year	\$	\$	\$	\$	\$
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	584,035				584,035
	584,035	-	-	-	584,035
Net Changes for the Year	584,035	-	-	-	584,035
Work in Progress, end of year	584,035	-	-	-	584,035

School District No. 75 (Mission)

Schedule 4C (Unaudited)

Deferred Capital Revenue
Year Ended June 30, 2016

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	52,188,299		306,798	52,495,097
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	1,768,907		62,433	1,831,340
	<u>1,768,907</u>	-	<u>62,433</u>	<u>1,831,340</u>
Decrease:				
Amortization of Deferred Capital Revenue	2,646,414		49,614	2,696,028
	<u>2,646,414</u>	-	<u>49,614</u>	<u>2,696,028</u>
Net Changes for the Year	<u>(877,507)</u>	-	<u>12,819</u>	<u>(864,688)</u>
Deferred Capital Revenue, end of year	<u>51,310,792</u>	-	<u>319,617</u>	<u>51,630,409</u>
Work in Progress, beginning of year				-
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	584,035			584,035
	<u>584,035</u>	-	-	<u>584,035</u>
Net Changes for the Year	<u>584,035</u>	-	-	<u>584,035</u>
Work in Progress, end of year	<u>584,035</u>	-	-	<u>584,035</u>
Total Deferred Capital Revenue, end of year	<u>51,894,827</u>	-	<u>319,617</u>	<u>52,214,444</u>

School District No. 75 (Mission)
 Changes in Unspent Deferred Capital Revenue
 Year Ended June 30, 2016

Schedule 4D (Unaudited)

	Bylaw Capital	MEC Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	149,865			473,649	5,727	629,241
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	2,217,393			78,523	58,932	2,217,393
Other	2,217,393	-	-	78,523	58,932	2,354,848
Decrease:						
Transferred to DCR - Capital Additions	1,768,907				62,433	1,831,340
Transferred to DCR - Work in Progress	584,035					584,035
	2,352,942	-	-	-	62,433	2,415,375
Net Changes for the Year	(135,549)	-	-	78,523	(3,501)	(60,527)
Balance, end of year	14,316	-	-	552,172	2,226	568,714