

Consolidated Audited Financial Statements of

School District No. 40 (New Westminster)

June 30, 2016

School District No. 40 (New Westminster)

June 30, 2016

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School District No. 40 (New Westminster)

MANAGEMENT REPORT

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Management's Responsibility for the Consolidated Financial Statements.

The accompanying consolidated financial statements of School District No. 40 (New Westminster) 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 consolidated financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the consolidated 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. 40 (New Westminster) (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 consolidated financial statements on a monthly basis and externally audited consolidated 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 consolidated financial statements. The external auditors have full and free access to financial management of School District No. 40 (New Westminster) 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. 40 (New Westminster)

Signature of the _____ Members of the Board of Education	Date Signed
Signature of the _____ Superintendent	Date Signed
Signature of the Secretary Treasurer	Date Signed

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INDEPENDENT AUDITORS' REPORT

To the Board of Education of School District No. 40 (New Westminster)
To the Minister of Education, Province of British Columbia

We have audited the accompanying financial statements of School District No. 40 (New Westminster), which comprise the statements of financial position as at June 30, 2016, the statement of operations, change in net 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 accounting requirements of 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, 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 audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audits 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 in our audits is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the financial statements of School District No. 40 (New Westminster) as at and for the year ended June 30, 2016 are prepared, in all material respects, in accordance with the accounting requirements of 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.

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 2 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.

Chartered Professional Accountants

DATE

Burnaby, Canada

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School District No. 40 (New Westminster)

Statement 1

Consolidated Statement of Financial Position

As at June 30, 2016

	2016 Actual	2015 Actual
	\$	\$
Financial Assets		
Cash and Cash Equivalents	22,214,212	20,247,937
Accounts Receivable		
Due from Province - Ministry of Education (Note 3)	44,773	156,664
Other	450,286	441,427
Total Financial Assets	<u>22,709,271</u>	<u>20,846,028</u>
Liabilities		
Accounts Payable and Accrued Liabilities		
Other (Note 4)	5,572,477	5,717,717
Unearned Revenue (Note 5)	4,389,112	4,758,252
Deferred Revenue (Note 6)	2,007,797	1,374,220
Deferred Capital Revenue (Note 7)	70,563,404	62,883,743
Employee Future Benefits (Note 8)	3,070,171	3,091,685
Total Liabilities	<u>85,602,961</u>	<u>77,825,617</u>
Net Financial Assets (Debt)	<u>(62,893,690)</u>	<u>(56,979,589)</u>
Non-Financial Assets		
Tangible Capital Assets (Note 9)	84,699,820	76,724,963
Prepaid Expenses	156,268	207,757
Total Non-Financial Assets	<u>84,856,088</u>	<u>76,932,720</u>
Accumulated Surplus (Deficit) (Note 16)	<u>21,962,398</u>	<u>19,953,131</u>

Contractual Obligations and Contingencies (Note 13)

Approved by the Board

Signature of the Chairperson of the Board of Education _____ Date Signed _____

Signature of the Superintendent _____ Date Signed _____

Signature of the Secretary Treasurer _____ Date Signed _____

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School District No. 40 (New Westminster)

Statement 2

Consolidated Statement of Operations
Year Ended June 30, 2016

	2016 Budget (Note 12)	2016 Actual	2015 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	61,472,694	62,224,847	58,695,749
Other		95,400	74,510
Tuition	5,637,021	5,709,907	4,626,520
Other Revenue	1,766,800	2,267,236	1,699,291
Rentals and Leases	145,000	224,601	171,210
Investment Income	152,000	192,258	167,422
Amortization of Deferred Capital Revenue	1,236,481	1,607,317	1,378,778
Total Revenue	70,409,996	72,321,566	66,813,480
Expenses (Note 15)			
Instruction	58,579,981	59,302,272	53,940,658
District Administration	2,972,688	2,280,791	2,298,263
Operations and Maintenance	8,208,856	8,511,211	6,709,856
Transportation and Housing	234,732	218,025	184,341
Related Entity			142,904
Total Expense	69,996,257	70,312,299	63,276,022
Surplus (Deficit) for the year	413,739	2,009,267	3,537,458
Accumulated Surplus (Deficit) from Operations, beginning of year		19,953,131	16,415,673
Accumulated Surplus (Deficit) from Operations, end of year		21,962,398	19,953,131

School District No. 40 (New Westminster)
 Consolidated Statement of Changes in Net Financial Assets (Debt)
 Year Ended June 30, 2016

Statement 4

	2016 Budget (Note 12)	2016 Actual	2015 Actual
	\$	\$	\$
Surplus (Deficit) for the year	413,739	2,009,267	3,537,458
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets (Note 9)	(200,000)	(9,809,804)	(13,662,801)
Amortization of Tangible Capital Assets (Note 9)	1,434,442	1,834,947	1,435,820
Total Effect of change in Tangible Capital Assets	<u>1,234,442</u>	<u>(7,974,857)</u>	<u>(12,226,981)</u>
Acquisition of Prepaid Expenses		(156,268)	(207,757)
Use of Prepaid Expenses		207,757	818,555
Total Effect of change in Other Non-Financial Assets	<u>-</u>	<u>51,489</u>	<u>610,798</u>
(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)	<u>1,648,181</u>	<u>(5,914,101)</u>	<u>(8,078,725)</u>
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Financial Assets (Debt)		<u>(5,914,101)</u>	<u>(8,078,725)</u>
Net Financial Assets (Debt), beginning of year		<u>(56,979,589)</u>	<u>(48,900,864)</u>
Net Financial Assets (Debt), end of year		<u><u>(62,893,690)</u></u>	<u><u>(56,979,589)</u></u>

School District No. 40 (New Westminster)

Statement 5

Consolidated Statement of Cash Flows
Year Ended June 30, 2016

	2016 Actual	2015 Actual
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	2,009,267	3,537,458
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	103,032	3,178,002
Prepaid Expenses	51,489	610,798
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	(145,240)	(2,083,164)
Unearned Revenue	(369,140)	1,057,063
Deferred Revenue	633,577	324,623
Employee Future Benefits	(21,514)	200,179
Amortization of Tangible Capital Assets	1,834,947	1,435,820
Amortization of Deferred Capital Revenue	(1,607,317)	(1,378,778)
Total Operating Transactions	<u>2,489,101</u>	<u>6,882,001</u>
Capital Transactions		
Tangible Capital Assets Purchased (Note 9)	(2,093,121)	(1,292,851)
Tangible Capital Assets -WIP Purchased (Note 9)	(7,716,683)	(12,369,950)
Total Capital Transactions	<u>(9,809,804)</u>	<u>(13,662,801)</u>
Financing Transactions		
Capital Revenue Received	9,286,978	13,483,338
Total Financing Transactions	<u>9,286,978</u>	<u>13,483,338</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>1,966,275</u>	<u>6,702,538</u>
Cash and Cash Equivalents, beginning of year	<u>20,247,937</u>	<u>13,545,399</u>
Cash and Cash Equivalents, end of year	<u>22,214,212</u>	<u>20,247,937</u>
Cash and Cash Equivalents, end of year, is made up of:		
Cash	<u>22,214,212</u>	<u>20,247,937</u>
	<u>22,214,212</u>	<u>20,247,937</u>

SCHOOL DISTRICT NO. 40 (NEW WESTMINSTER)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

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.40 (New Westminster)", and operates as "School District No.40 (New Westminster)". 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. The School District is a registered charity under the Income Tax Act and is exempt from federal and provincial corporate income taxes.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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*. This section requires that the financial statements be prepared in accordance with Canadian public sector accounting standards except in regard to the accounting for government transfers as set out in Notes 2(f) and 2(m).

In November 2011, Treasury Board provided a directive through Restricted Contributions Regulation 198/2011 providing direction for the reporting of restricted contributions whether they are received or receivable by the School District before or after this regulation was in effect.

As noted in Notes 2(f) and 2(m), Section 23.1 of the *Budget Transparency and Accountability Act* and its related regulations require the School District to recognize government transfers for the acquisition of capital assets into revenue on the same basis as the related amortization expense. As these transfers do not contain stipulations that create a liability, Canadian public sector accounting standards would require these grants to be fully recognized into revenue.

b) Basis of Consolidation

These consolidated financial statements reflect the assets, liabilities, revenues, and expenses of the reporting entity, which includes all controlled entities of the School District. The New Westminster School District No. 40 Business Company and Open School of British Columbia Ltd are wholly owned by the School District. All inter-organizational transactions and balances are eliminated upon consolidation. As of June 30, 2015 these companies have ceased operations and any surplus or deficit has been closed off to the School Districts Operating fund.

c) Cash and cash equivalents

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

d) Accounts Receivable

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

e) Unearned Revenue

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

SCHOOL DISTRICT NO. 40 (NEW WESTMINSTER)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f) 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.

g) 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 non-vested benefits under employee future benefit plans. Benefits include accumulating non-vested sick leave, early retirement, retirement/severance, vacation 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 (EARS_L) 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, 2016. The next valuation will be performed for use at June 30, 2019. For the purposes of determining the financial position of the plans and the employee future benefit costs, a measurement date of March 31 was adopted for all periods subsequent to July 1, 2004.

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

h) 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 Consolidated Statement of Operations.

SCHOOL DISTRICT NO. 40 (NEW WESTMINSTER)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i) 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 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.

j) 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.
- Donated tangible capital assets are recorded at their fair 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 a transfer 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.
- Work of art, historic assets and other intangible assets are not recoded as assets in these consolidated 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

k) Prepaid Expenses

Amounts for insurance and other services are included as a prepaid expense and stated at acquisition cost and are charged to expense over the periods expected to benefit from it.

SCHOOL DISTRICT NO. 40 (NEW WESTMINSTER)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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 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 is performed is deferred and recognized when the fee is earned or service performed.

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

SCHOOL DISTRICT NO. 40 (NEW WESTMINSTER)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 2 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, allocations of expenses to functions 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, portfolio investments, accounts payable, and other current 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.

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

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

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. 40 (NEW WESTMINSTER)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 3 ACCOUNTS RECEIVABLE

	2016	2015
Due from Province		
Ministry of Education (OLEP French)	\$ 44,773	\$ 44,773
Ministry of Education (Capital Deferred Revenue)	-	111,891
	\$ 44,773	\$ 156,664

NOTE 4 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2016	2015
Accounts Payable and Accrued Liabilities:		
Accounts Payable Other		
Trade payables	\$ 3,268,596	\$ 3,474,506
Employee Vacation Payable	289,355	272,041
Salaries and Benefits Payable	2,014,526	1,971,170
	\$ 5,572,477	\$ 5,717,717

NOTE 5 UNEARNED REVENUE

	2016	2015
Balance, beginning of year	\$ 4,758,252	\$ 3,701,189
Changes for the year:		
Increase:		
Tuition fees collected	4,389,112	4,758,252
	9,147,364	8,459,441
Decrease:		
Tuition fee revenue recognized	4,758,252	3,701,189
	\$ 4,389,112	\$ 4,758,252

SCHOOL DISTRICT NO. 40 (NEW WESTMINSTER)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 6 DEFERRED REVENUE

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

	2016	2015
Balance, beginning of year July 1	\$ 1,374,220	\$ 1,049,597
Increases:		
Provincial Grant - Ministry of Education	3,203,338	3,153,868
Other Revenue	1,885,449	1,648,292
Donation from Royal City Education Foundation Society	476,735	-
	5,565,522	4,802,160
Decreases:		
Allocated to Revenue	4,931,945	4,310,494
Strike Savings Recovery	-	167,043
	4,931,945	4,477,537
Net Change for the year	633,577	324,623
Balance, end of year June 30	\$ 2,007,797	\$ 1,374,220

NOTE 7 DEFERRED CAPITAL REVENUE

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

	2016	2015
Deferred Capital Revenue		
Balance, beginning of year July 1	\$ 62,883,743	\$ 50,779,183
Increases:		
Provincial Grant - Ministry of Education	8,404,259	13,373,156
Other Revenue	861,955	92,408
Investment Income	20,764	17,774
	9,286,978	13,483,338
Decreases:		
Amortization	1,607,317	1,378,778
	1,607,317	1,378,778
Net Change for the year	7,679,661	12,104,560
Balance, end of year June 30	\$ 70,563,404	\$ 62,883,743

SCHOOL DISTRICT NO. 40 (NEW WESTMINSTER)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 8 EMPLOYEE FUTURE BENEFITS

Benefits include accumulating non-vested sick leave, early retirement, retirement/severance, vacation and death benefits. Funding is provided when the benefits are paid and accordingly, there are no plan assets.

	2016	2015
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	\$ 3,307,636	\$ 2,848,743
Service Cost	271,814	230,695
Interest Cost	78,527	97,153
Benefit Payments	(190,095)	(189,085)
Actuarial (Gain) Loss	(574,613)	320,130
	\$ 2,893,269	\$ 3,307,636
Accrued Benefit Obligation – March 31		
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation – March 31	\$ 2,893,269	\$ 3,307,636
Market Value of Plan Assets – March 31	-	-
Funded Status – (Deficit)	(2,893,269)	(3,307,636)
Employer Contribution After Measurement Date	216,956	23,626
Employer Expense After Measurement Date	(76,087)	(87,585)
Unamortized Net Actuarial (Gain) Loss	(317,771)	279,910
	\$ (3,070,171)	\$ (3,091,685)
Accrued Benefit Asset (Liability) – June 30		
Accrued Benefit Liability -July 1		
Accrued Benefit Liability - July 1	3,091,685	2,891,506
Net expense for Fiscal Year	361,911	329,637
Employer Payments	(383,425)	(129,458)
	\$ 3,070,171	\$ 3,091,685
Accrued Benefit Liability – June 30		
Components of Net Benefit Expense		
Service Cost	\$ 261,189	\$ 240,975
Interest Cost	77,654	92,497
Amortization of Net Actuarial Gain	23,068	(3,835)
	\$ 361,911	\$ 329,637
Net Benefit Expense		
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
EARSLS – March 31	11.3	11.9

SCHOOL DISTRICT NO. 40 (NEW WESTMINSTER)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 9 TANGIBLE CAPITAL ASSETS

Net Book Value:

	Net Book Value 2016	Net Book Value 2015
Sites	\$ 13,308,712	\$ 13,308,712
Buildings	47,735,140	46,083,656
Buildings – work in progress	22,266,476	16,719,278
Furniture & Equipment	493,752	194,895
Vehicles	78,440	95,217
Computer Software	17,212	37,886
Computer Hardware	800,088	285,319
Total	\$ 84,699,820	\$ 76,724,963

June 30, 2016

Cost:	Opening balance	Additions	Disposals	Transfers (WIP)	Ending balance
Sites	\$ 13,308,712	\$ -	\$ -	\$ -	\$ 13,308,712
Buildings	76,896,773	1,168,136	-	2,169,485	80,234,394
Buildings–work in progress	16,719,278	7,716,683	-	(2,169,485)	22,266,476
Furniture & Equipment	283,892	327,246	-	-	611,138
Vehicles	167,771	-	-	-	167,771
Computer Software	103,370	-	(57,663)	-	45,707
Computer Hardware	414,851	597,739	(107,019)	-	905,571
	\$ 107,894,647	\$ 9,809,804	\$ (164,682)	\$ -	\$ 117,539,769

Accumulated Amortization:	Opening balance	Additions	Disposals	Transfers (WIP)	Ending balance
Buildings	\$ 30,813,117	\$ 1,686,137	\$ -	\$ -	\$ 32,499,254
Furniture & Equipment	88,997	28,389	-	-	117,386
Vehicles	72,554	16,777	-	-	89,331
Computer Software	65,484	20,674	(57,663)	-	28,495
Computer Hardware	129,532	82,970	(107,019)	-	105,483
	\$ 31,169,684	\$ 1,834,947	\$ (164,682)	\$ -	\$ 32,839,949

SCHOOL DISTRICT NO. 40 (NEW WESTMINSTER)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 9 TANGIBLE CAPITAL ASSETS (Continued)

June 30, 2015

Cost:	Opening balance	Additions	Disposals	Transfers (WIP)	Ending balance
Sites	\$ 13,308,712	\$ -	\$ -	\$ -	\$ 13,308,712
Buildings	61,142,923	1,059,169	-	14,694,681	76,896,773
Buildings - work in progress	19,044,009	12,369,950	-	(14,694,681)	16,719,278
Furniture & Equipment	273,117	10,775	-	-	283,892
Vehicles	237,234	-	(69,463)	-	167,771
Computer Software	147,515	-	(44,145)	-	103,370
Computer Hardware	274,219	222,907	(82,275)	-	414,851
	\$ 94,427,729	\$ 13,662,801	\$ (195,883)	\$ -	\$ 107,894,647

Accumulated Amortization:	Opening balance	Additions	Disposals	Transfers (WIP)	Ending balance
Buildings	\$ 29,512,679	\$ 1,300,438	\$ -	\$ -	\$ 30,813,117
Furniture & Equipment	61,685	27,312	-	-	88,997
Vehicles	118,294	23,723	(69,463)	-	72,554
Computer Software	80,126	29,503	(44,145)	-	65,484
Computer Hardware	156,963	54,844	(82,275)	-	129,532
	\$ 29,929,747	\$ 1,435,820	\$ (195,883)	\$ -	\$ 31,169,684

Buildings - work in progress for the year ended June 30, 2015 has been corrected for a transfer in the amount of \$14,544,681 relating to the completed construction of a school.

SCHOOL DISTRICT NO. 40 (NEW WESTMINSTER)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 10 EMPLOYEE PENSION PLANS

The School District and its employees contribute to the Teachers' Pension Plan and Municipal Pension Plan (jointly trustee pension plans). The board of trustees for these plans represents plan members and employers and is responsible for the management of the pension plan including investment of the assets and administration of benefits. The pension plans are multi-employer contributory pension plans. Basic pension benefits provided are based on a formula. As at December 31, 2015, the Teachers' Pension Plan has about 45,000 active members from school districts, and approximately 35,000 retired members from school districts. As of December 31, 2014, the Municipal Pension Plan has about 185,000 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. The rate is then adjusted to the extent there is amortization of an 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.

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 in 2016.

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

The School District paid \$6,372,795 (2015: \$5,668,620) for employer contributions to these plans in the year ended June 30, 2016.

NOTE 11 RELATED PARTY TRANSACTIONS

The School District is related through common control 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.

SCHOOL DISTRICT NO. 40 (NEW WESTMINSTER)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 12 BUDGET FIGURES

Budget figures included in the Financial statements were approved by the Board through the adoption of an Amended Annual Budget on February 23, 2016. The table below presents the Amended Annual Budget and the initial Annual Budget as submitted to the Ministry in June 2015.

	2016 Amended Annual Budget	Adjustments	2016 Annual Budget
Ministry Operating grant Funded FTE's			
School-Age	6,527,438	(22,563)	6,504,875
Adult	466,250	(53,250)	413,000
Total Ministry Operating Grant Funded FTE's	6,993,688	(75,813)	6,917,875
Revenues			
Provincial Grants			
Ministry of Education	\$ 61,472,694	\$ (495,478)	\$ 60,977,216
Other	-	130,000	130,000
Tuition	5,637,021	(1,881,021)	3,756,000
Other Revenues	1,766,800	30,000	1,796,800
Rentals and Leases	145,000	(95,000)	50,000
Investment Income	152,000	(100,000)	52,000
Amortization of Deferred Capital Revenue	1,236,481	-	1,236,481
Total Revenue	\$ 70,409,996	\$ (2,411,499)	\$ 67,998,497
Expenses			
Instructional	\$ 58,579,981	\$ (2,830,851)	\$ 55,749,130
District Administration	2,972,688	(152,621)	2,820,067
Operations and Maintenance	8,208,856	311,920	8,520,776
Transportation and Housing	234,732	-	234,732
Total Expense	\$ 69,996,257	\$ (2,671,552)	\$ 67,324,705
Net Revenue	\$ 413,739	\$ 260,053	\$ 673,792
Budgeted Surplus, for the year comprised of			
Operating Fund Surplus	\$ 409,700	\$ 110,053	\$ 519,753
Capital Fund Surplus	4,039	150,000	154,039
Budget Surplus, for the year	\$ 413,739	\$ 260,053	\$ 673,792

SCHOOL DISTRICT NO. 40 (NEW WESTMINSTER)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 13 CONTRACTUAL OBLIGATIONS

The School District has entered into a number of multi-year contracts for the delivery of services. These contractual obligations will become liabilities in the future when the goods and services are received. Disclosure relates to the unperformed portion of the contracts.

	2017	2018
Photocopier Leases	140,740	140,740
Totals	\$ 140,740	\$ 140,740

NOTE 14 ASSET RETIREMENT OBLIGATIONS

Legal liabilities may exist for the removal or disposal of asbestos in schools that will undergo major renovations or demolition. The fair value of the liability for asbestos removal or disposal will be recognized in the period in which it can be reasonably estimated. As at June 30, 2016, the liability is not reasonably determinable and therefore has not been accrued.

NOTE 15 EXPENSE BY OBJECT

	2016	2015
Salaries and benefits	\$ 59,834,628	\$ 54,154,223
Services and supplies	8,642,724	7,543,075
Amortization	1,834,947	1,435,820
Related Entity	-	142,904
Totals	\$ 70,312,299	\$ 63,276,022

NOTE 16 ACCUMULATED SURPLUS

	2016	2015
Capital Surplus	\$ 18,804,614	\$ 18,096,360
Internally restricted:		
School Surplus	330,969	82,272
Playground Equipment	150,000	-
SRB upgrade Outstanding	-	31,225
Fraser River Middle School Furniture and Fixtures	200,000	-
Commitments Outstanding	611,795	19,738
Information Technology Upgrade	-	473,188
Board Internally Restrict	500,000	500,000
Total Internally Restricted	1,792,764	1,107,423
Unrestricted operating Surplus	1,365,020	749,348
Total Accumulated Surplus, end of year	\$ 21,962,398	\$ 19,953,131

NOTE 17 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 consolidated financial statements have been prepared on a going concern basis.

SCHOOL DISTRICT NO. 40 (NEW WESTMINSTER)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 18 RISK MANAGEMENT

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

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

a) Credit risk:

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

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 and cash equivalents as they are placed in recognized British Columbia institutions and the School District invests solely in placement of funds with institutions that have achieved the highest creditworthiness in the marketplace and earned a public reputation as a good credit risk.

b) Market risk:

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

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

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The School District is exposed to interest rate risk through its cash equivalents. It is management's opinion that the School District is not exposed to significant interest rate risk as they invest solely in investments that are considered liquid (e.g. 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.

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

NOTE 19 COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the current year's financial statement presentation.

School District No. 40 (New Westminster)
 Schedule of Changes in Accumulated Surplus (Deficit) by Fund
 Year Ended June 30, 2016

Schedule 1 (Unaudited)

	Operating Fund	Special Purpose Fund	Capital Fund	2016 Actual	2015 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	1,856,771		18,096,360	19,953,131	16,415,673
Changes for the year					
Surplus (Deficit) for the year	2,225,998		(216,731)	2,009,267	3,537,458
Interfund Transfers	(924,985)		924,985	-	
Tangible Capital Assets Purchased	1,301,013	-	708,254	2,009,267	3,537,458
Net Changes for the year	3,157,784	-	18,804,614	21,962,398	19,953,131

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

School District No. 40 (New Westminster)

Schedule 2 (Unaudited)

Schedule of Operating Operations
Year Ended June 30, 2016

	2016 Budget (Note 12)	2016 Actual	2015 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	58,348,915	59,124,582	55,772,571
Other		95,400	74,510
Tuition	5,637,021	5,709,907	4,626,520
Other Revenue	295,500	435,556	311,975
Rentals and Leases	145,000	224,601	171,210
Investment Income	150,000	181,359	150,893
Total Revenue	64,576,436	65,771,405	61,107,679
Expenses			
Instruction	54,111,449	54,626,277	49,886,114
District Administration	2,972,688	2,280,791	2,298,263
Operations and Maintenance	6,664,644	6,437,091	5,206,404
Transportation and Housing	217,955	201,248	160,618
Total Expense	63,966,736	63,545,407	57,551,399
Operating Surplus (Deficit) for the year	609,700	2,225,998	3,556,280
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(200,000)	(924,985)	(233,682)
Other			(142,904)
Total Net Transfers	(200,000)	(924,985)	(376,586)
Total Operating Surplus (Deficit), for the year	409,700	1,301,013	3,179,694
Operating Surplus (Deficit), beginning of year		1,856,771	(1,322,923)
Operating Surplus (Deficit), end of year		3,157,784	1,856,771
Operating Surplus (Deficit), end of year			
Internally Restricted		1,792,764	1,107,423
Unrestricted		1,365,020	749,348
Total Operating Surplus (Deficit), end of year		3,157,784	1,856,771

School District No. 40 (New Westminster)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source
Year Ended June 30, 2016

	2016 Budget (Note 12)	2016 Actual	2015 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education			
Operating Grant, Ministry of Education	57,720,202	58,456,261	55,976,970
Strike Savings Recovery			(2,029,358)
Other Ministry of Education Grants			
Labour Settlement Funding			1,041,339
Pay Equity	521,853	521,853	521,853
Funding for Graduated Adults	37,664	63,918	170,832
Economic Stability Dividend		48,306	
FSA Exam Marking	8,696	8,696	8,696
Carbon Tax Recovery	50,000		42,807
Teachers Extended Health Plan			36,969
My Education BC		998	2,463
Curriculum Implementation	10,500	10,500	
Refugee Count		14,050	
Total Provincial Grants - Ministry of Education	58,348,915	59,124,582	55,772,571
Provincial Grants - Other	-	95,400	74,510
Tuition			
Summer School Fees	112,229	114,628	-
Continuing Education	220,000	250,324	79,271
Offshore Tuition Fees	5,304,792	5,344,955	4,547,249
Total Tuition	5,637,021	5,709,907	4,626,520
Other Revenues			
Miscellaneous			
Instructional Cafeteria Revenue	130,000	128,538	119,715
Apprenticeship Program	45,500	26,335	
Miscellaneous	120,000	280,683	192,260
Total Other Revenue	295,500	435,556	311,975
Rentals and Leases	145,000	224,601	171,210
Investment Income	150,000	181,359	150,893
Total Operating Revenue	64,576,436	65,771,405	61,107,679

School District No. 40 (New Westminster)

Schedule 2B (Unaudited)

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

	2016 Budget (Note 12)	2016 Actual	2015 Actual
	\$	\$	\$
Salaries			
Teachers	28,101,085	28,791,055	25,646,109
Principals and Vice Principals	2,917,208	2,741,111	2,281,833
Educational Assistants	4,887,735	5,235,966	4,161,671
Support Staff	5,061,512	5,175,796	4,608,399
Other Professionals	1,669,954	1,982,898	1,750,448
Substitutes	1,591,878	1,321,710	1,586,768
Total Salaries	44,229,372	45,248,536	40,035,228
Employee Benefits	11,595,303	11,838,492	11,553,145
Total Salaries and Benefits	55,824,675	57,087,028	51,588,373
Services and Supplies			
Services	1,543,200	1,968,327	1,837,418
Student Transportation	37,000	114,509	80,203
Professional Development and Travel	439,000	466,003	385,926
Rentals and Leases	741,500	735,591	751,232
Dues and Fees	156,500	88,338	138,713
Insurance	121,000	118,966	116,136
Supplies	3,952,161	2,065,265	1,757,478
Utilities	1,151,700	895,047	895,920
Bad Debt		6,333	
Total Services and Supplies	8,142,061	6,458,379	5,963,026
Total Operating Expense	63,966,736	63,545,407	57,551,399

School District No. 40 (New Westminster)

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	23,912,588	25,042		183,586	58,650	1,039,101	25,218,967
1.03 Career Programs	948,615			126,818		18,312	1,093,745
1.07 Library Services	421,603			39,277		26,073	486,953
1.08 Counselling	812,085				47,800	4,461	864,346
1.10 Special Education	2,450,390	17,542	5,235,966	14,730		157,516	7,876,144
1.30 English Language Learning	257					3,966	4,223
1.31 Aboriginal Education	90,806			289,446		1,621	381,873
1.41 School Administration	127,261	2,686,610		1,598,931		53,675	4,339,216
1.60 Summer School							127,261
1.61 Continuing Education	27,450			63,051	359,220	835	450,556
1.62 Offshore Students							-
1.64 Other							-
Total Function 1	28,791,055	2,729,194	5,235,966	2,315,839	465,670	1,305,560	40,843,284
4 District Administration							
4.11 Educational Administration		11,917		59,379	438,848		510,144
4.40 School District Governance				149,747			149,747
4.41 Business Administration				292,593	556,208	15,629	864,430
Total Function 4	-	11,917	-	351,972	1,144,803	15,629	1,524,321
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				1,038	270,908		271,946
5.50 Maintenance Operations				2,200,559	101,517	521	2,302,597
5.52 Maintenance of Grounds				199,772			199,772
5.56 Utilities							-
Total Function 5	-	-	-	2,401,369	372,425	521	2,774,315
7 Transportation and Housing							
7.70 Student Transportation				106,616			106,616
Total Function 7	-	-	-	106,616	-	-	106,616
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	28,791,055	2,741,111	5,235,966	5,175,796	1,982,898	1,321,710	45,248,536

School District No. 40 (New Westminster)

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 (Note 12)	2015 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	25,218,967	6,822,118	32,041,085	2,359,065	34,400,150	37,063,257	31,134,414
1.03 Career Programs	1,093,745	281,710	1,375,455	54,839	1,430,294	218,658	1,308,556
1.07 Library Services	486,953	126,409	613,362	8,044	621,406	245,115	585,351
1.08 Counselling	864,346	204,448	1,068,794	5,615	1,074,409	1,221,317	1,028,346
1.10 Special Education	7,876,144	2,056,890	9,933,034	4,599	9,937,633	9,475,954	8,606,678
1.30 English Language Learning	4,223	25,492	29,715	3,016	32,731		652,921
1.31 Aboriginal Education	381,873	99,566	481,439	13,648	495,087	337,637	477,524
1.41 School Administration	4,339,216	1,040,329	5,379,545	15,305	5,394,850	4,329,418	4,751,683
1.60 Summer School	127,261	26,233	153,494	5,833	159,327		445
1.61 Continuing Education	-	-	-	-	-		25,168
1.62 Offshore Students	450,556	104,627	555,183	525,207	1,080,390	1,220,093	1,229,593
1.64 Other	-	-	-	-	-		85,235
Total Function 1	40,843,284	10,787,822	51,631,106	2,995,171	54,626,277	54,111,449	49,886,114
4 District Administration							
4.11 Educational Administration	510,144	102,797	612,941	65,596	678,537	921,832	450,012
4.40 School District Governance	149,747	3,210	152,957	130,754	283,711	286,063	239,972
4.41 Business Administration	864,430	175,266	1,039,696	278,847	1,318,543	1,764,793	1,608,279
Total Function 4	1,524,321	281,273	1,805,594	475,197	2,280,791	2,972,688	2,298,263
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	271,946	81,814	353,760	111,107	464,867	574,346	457,329
5.50 Maintenance Operations	2,302,597	617,870	2,920,467	1,882,360	4,802,827	4,686,355	3,710,193
5.52 Maintenance of Grounds	199,772	62,070	261,842	66,544	328,386	252,243	193,388
5.56 Utilities	-	-	-	841,011	841,011	1,151,700	845,494
Total Function 5	2,774,315	761,754	3,536,069	2,901,022	6,437,091	6,664,644	5,206,404
7 Transportation and Housing							
7.70 Student Transportation	106,616	7,643	114,259	86,989	201,248	217,955	160,618
Total Function 7	106,616	7,643	114,259	86,989	201,248	217,955	160,618
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	45,248,536	11,838,492	57,087,028	6,458,379	63,545,407	63,966,736	57,551,399

School District No. 40 (New Westminster)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations
Year Ended June 30, 2016

	2016 Budget (Note 12) \$	2016 Actual \$	2015 Actual \$
Revenues			
Provincial Grants			
Ministry of Education	3,123,779	3,100,265	2,923,178
Other Revenue	1,471,300	1,831,680	1,387,316
Total Revenue	<u>4,595,079</u>	<u>4,931,945</u>	<u>4,310,494</u>
Expenses			
Instruction	4,468,532	4,675,995	4,054,544
Operations and Maintenance	126,547	255,950	91,355
Related Entity	-	-	142,904
Total Expense	<u>4,595,079</u>	<u>4,931,945</u>	<u>4,288,803</u>
Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>-</u>	<u>21,691</u>
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased			(164,595)
Other			142,904
Total Net Transfers	<u>-</u>	<u>-</u>	<u>(21,691)</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. 40 (New Westminster)
 Changes in Special Purpose Funds and Expense by Object
 Year Ended June 30, 2016

	Annual Facility Grant	Learning Improvement Fund	Special Education Equipment	Scholarships and Bursaries	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP
	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	-	18,541	45,546	-	1,215,036	-	1,006	-
Add: Restricted Grants	255,950	1,198,229	2,606	123,549	1,567,623	96,000	19,600	149,244
Provincial Grants - Ministry of Education				476,735		250		
Other				600,284	1,567,623	96,250	19,600	149,244
Donation by RCEF				156,230	1,487,366	96,250	14,692	131,218
Less: Allocated to Revenue	255,950	1,216,770	13,135	444,054	1,295,293	-	5,914	18,026
Deferred Revenue, end of year	-	-	35,017	-	-	-	-	-
Revenues	255,950	1,216,770	13,135	156,230	1,487,366	96,000	14,692	131,218
Provincial Grants - Ministry of Education				156,230	1,487,366	250		
Other Revenue				-	-	96,250	14,692	131,218
Expenses								
Salaries							198	44,491
Teachers		738,833						
Educational Assistants		215,229					472	
Support Staff								
Other Professionals						67,675		
Substitutes		20,585					3,895	7,221
Employee Benefits		974,647				67,675	4,565	51,712
Services and Supplies		242,123				25,621	918	15,514
Net Revenue (Expense) before Interfund Transfers	255,950	1,216,770	13,135	156,230	1,487,366	2,954	9,209	63,992
Interfund Transfers	-	-	-	156,230	1,487,366	96,250	14,692	131,218
Net Revenue (Expense)	-	-	-	-	-	-	-	-

School District No. 40 (New Westminster)
 Changes in Special Purpose Funds and Expense by Object
 Year Ended June 30, 2016

Schedule 3A (Unaudited)

	Community- LINK	Service Delivery Transformation	Arts in Education	INAC	Textile Recycling	United Way	TOTAL
	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	-	40,515	5,394	13,605	9,577	25,000	1,374,220
Add: Restricted Grants							
Provincial Grants - Ministry of Education	1,481,709	-	-	-	-	-	3,203,338
Other	82,055	-	7,274	-	9,698	95,000	1,885,449
Donation by RCEF	-	-	-	-	-	-	476,735
Less: Allocated to Revenue	1,563,764	-	7,274	-	9,698	95,000	5,565,522
Deferred Revenue, end of year	1,454,555	-	12,668	-	-	93,111	4,931,945
	1,092,209	40,515	-	13,605	19,275	26,889	2,007,797
Revenues	1,372,500						3,100,265
Provincial Grants - Ministry of Education	82,055		12,668			93,111	1,831,680
Other Revenue	1,454,555		12,668			93,111	4,931,945
Expenses							
Salaries							
Teachers	445,920						1,229,442
Educational Assistants	443,708						658,937
Support Staff	86,081						154,228
Other Professionals	33,653					58,778	92,431
Substitutes	2,135						33,836
Employee Benefits	1,011,497					58,778	2,168,874
Services and Supplies	277,937		12,668			16,613	578,726
	165,121					17,720	2,184,345
	1,454,555		12,668			93,111	4,931,945
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-
Interfund Transfers	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-

School District No. 40 (New Westminster)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2016

	2016	2016 Actual			2015
	Budget (Note 12)	Invested in Tangible Capital Assets	Local Capital	Fund Balance	Actual
	\$	\$	\$	\$	\$
Revenues					
Provincial Grants					
Investment Income	2,000		10,899	10,899	16,529
Amortization of Deferred Capital Revenue	1,236,481	1,607,317		1,607,317	1,378,778
Total Revenue	1,238,481	1,607,317	10,899	1,618,216	1,395,307
Expenses					
Amortization of Tangible Capital Assets					
Operations and Maintenance	1,417,665	1,818,170		1,818,170	1,412,097
Transportation and Housing	16,777	16,777		16,777	23,723
Total Expense	1,434,442	1,834,947	-	1,834,947	1,435,820
Capital Surplus (Deficit) for the year	(195,961)	(227,630)	10,899	(216,731)	(40,513)
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	200,000	924,985		924,985	398,277
Total Net Transfers	200,000	924,985	-	924,985	398,277
Other Adjustments to Fund Balances					
Tangible Capital Assets WIP Purchased from Local Capital		738,563	(738,563)	-	
Total Other Adjustments to Fund Balances		738,563	(738,563)	-	
Total Capital Surplus (Deficit) for the year	4,039	1,435,918	(727,664)	708,254	357,764
Capital Surplus (Deficit), beginning of year		16,965,770	1,130,590	18,096,360	17,738,596
Capital Surplus (Deficit), end of year		18,401,688	402,926	18,804,614	18,096,360

School District No. 40 (New Westminster)

Schedule 4A (Unaudited)

Tangible Capital Assets
Year Ended June 30, 2016

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	13,308,712	62,352,092	283,892	167,771	103,370	414,851	76,630,688
Prior Period Adjustments							
WIP reclassification	14,544,681						14,544,681
Cost, beginning of year, as restated	13,308,712	76,896,773	283,892	167,771	103,370	414,851	91,175,369
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw	1,168,136					597,739	1,168,136
Operating Fund	2,169,485		327,246				924,985
Transferred from Work in Progress	3,337,621		327,246			597,739	2,169,485
Decrease:							
Decmed Disposals					57,663	107,019	164,682
Cost, end of year	13,308,712	80,234,394	611,138	167,771	45,707	905,571	95,273,293
Work in Progress, end of year	22,266,476						22,266,476
Cost and Work in Progress, end of year	13,308,712	102,500,870	611,138	167,771	45,707	905,571	117,539,769
Accumulated Amortization, beginning of year							
Changes for the Year							
Increase: Amortization for the Year	30,813,117		88,997	72,554	65,484	129,532	31,169,684
Decrease:							
Decmed Disposals	1,686,137		28,389	16,777	20,674	82,970	1,834,947
Accumulated Amortization, end of year	32,499,254		117,386	89,331	57,663	107,019	164,682
Tangible Capital Assets - Net	13,308,712	70,001,616	493,752	78,440	17,212	800,088	84,699,820

School District No. 40 (New Westminster)

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	31,263,959				31,263,959
Prior Period Adjustments					
WIP reclassification	(14,544,681)				(14,544,681)
Work in Progress, beginning of year, as restated	<u>16,719,278</u>				<u>16,719,278</u>
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	6,972,006				6,972,006
Local Capital	738,563				738,563
WIP correction 2013	6,114				6,114
	<u>7,716,683</u>	-	-	-	<u>7,716,683</u>
Decrease:					
Transferred to Tangible Capital Assets	2,169,485				2,169,485
	<u>2,169,485</u>	-	-	-	<u>2,169,485</u>
Net Changes for the Year	<u>5,547,198</u>	-	-	-	<u>5,547,198</u>
Work in Progress, end of year	<u>22,266,476</u>	-	-	-	<u>22,266,476</u>

School District No. 40 (New Westminster)

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	29,684,401		47,505	29,731,906
Prior Period Adjustments				
WIP reclassification	14,544,681			14,544,681
Deferred Capital Revenue, beginning of year, as restated	44,229,082	-	47,505	44,276,587
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	1,168,136			1,168,136
Transferred from Work in Progress	200,648			200,648
	1,368,784	-	-	1,368,784
Decrease:				
Amortization of Deferred Capital Revenue	1,606,037		1,280	1,607,317
	1,606,037	-	1,280	1,607,317
Net Changes for the Year	(237,253)	-	(1,280)	(238,533)
Deferred Capital Revenue, end of year	43,991,829	-	46,225	44,038,054
Work in Progress, beginning of year	28,019,240	2,008,047		30,027,287
Prior Period Adjustments				
WIP reclassification	(14,544,681)			(14,544,681)
Work in Progress, beginning of year, as restated	13,474,559	2,008,047	-	15,482,606
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	6,972,006			6,972,006
WIP Correction 2013	12,507			12,507
	6,984,513	-	-	6,984,513
Decrease				
Transferred to Deferred Capital Revenue	200,648			200,648
	200,648	-	-	200,648
Net Changes for the Year	6,783,865	-	-	6,783,865
Work in Progress, end of year	20,258,424	2,008,047	-	22,266,471
Total Deferred Capital Revenue, end of year	64,250,253	2,008,047	46,225	66,304,525

School District No. 40 (New Westminster)

Changes in Unspent Deferred Capital Revenue
Year Ended June 30, 2016

Schedule 4D (Unaudited)

	Bylaw Capital	MEd Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	1,283,209			1,841,341		3,124,550
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	8,404,259			855,841		8,404,259
Other				20,764		855,841
Investment Income	6,114					20,764
WTP Correction 2013	8,410,373			876,605		6,114
						9,286,978
Decrease:						
Transferred to DCR - Capital Additions	1,168,136					1,168,136
Transferred to DCR - Work in Progress	6,972,006					6,972,006
WTP Correction 2013	12,507					12,507
	8,152,649					8,152,649
Net Changes for the Year	257,724			876,605		1,134,329
Balance, end of year	1,540,933			2,717,946		4,258,879