

Audited Financial Statements of

School District No. 52 (Prince Rupert)

June 30, 2016

School District No. 52 (Prince Rupert)

June 30, 2016

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School District No. 52 (Prince Rupert)

MANAGEMENT REPORT

Management's Responsibility for the Financial Statements

The accompanying financial statements of School District No. 52 (Prince Rupert) have been prepared by management in accordance with the accounting framework described in Note 2(a) of the financial statements, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes and schedules to the financial statements, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

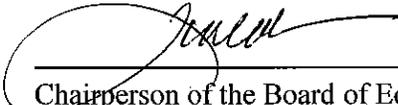
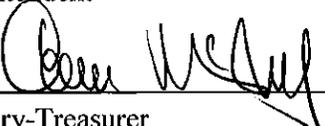
The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

Management is also responsible for implementing and maintaining a system of internal controls designed 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. 52 (Prince Rupert) (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 information on a monthly basis and external audited financial statements yearly.

The external auditors, Carlyle Shepherd & Co., 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 the School District and meet, when required, with the Finance & Building Committee of the Board. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the School District's financial statements.

On behalf of School District No. 52 (Prince Rupert),

 _____ Chairperson of the Board of Education	SEPT. 21/16 _____ Date Signed
 _____ Superintendent	SEPT 21/16 _____ Date Signed
 _____ Secretary-Treasurer	SEPT. 21/16 _____ Date Signed

INDEPENDENT AUDITOR'S REPORT

**To the Board of Education - School District No. 52 (Prince Rupert) and
The Minister of Education**

Report on the Financial Statements

We have audited the accompanying statement of financial position of School District No. 52 (Prince Rupert) as at June 30, 2016 and the statements of operations, changes in net financial assets (debt) and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures depend on the auditor's judgment, including the assessment of the risks of material misstatement, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate for 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 obtained is sufficient and appropriate to provide a basis for our audit opinion.

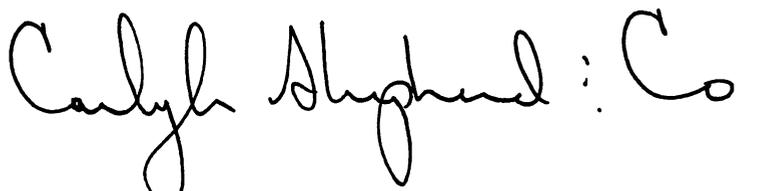
Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of the School District as at June 30, 2016 and the results of its operations, changes in net financial assets (debt) and cash flows for the year then ended in accordance with section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of the School District taken as a whole. The current year's supplementary information included in Schedules 1 to 4D is presented for purposes of additional analysis. Such supplementary information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects, in relation to the financial statements taken as a whole.

Prince Rupert, BC
September 13, 2016



School District No. 52 (Prince Rupert)

Statement 1

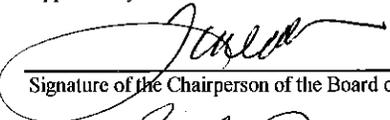
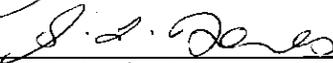
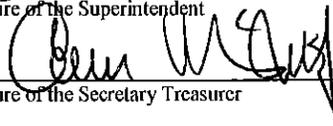
Statement of Financial Position

As at June 30, 2016

	2016 Actual	2015 Actual
	\$	\$
Financial Assets		
Cash and Cash Equivalents	4,424,339	5,710,783
Accounts Receivable		
Due from Province - Ministry of Education	46,770	22,063
Due from LEA/Direct Funding	241,064	91,130
Other (Note 3)	182,097	295,530
Total Financial Assets	<u>4,894,270</u>	<u>6,119,506</u>
Liabilities		
Accounts Payable and Accrued Liabilities		
Other (Note 4)	2,280,142	2,482,146
Deferred Revenue (Note 5)	1,752,085	1,729,116
Deferred Capital Revenue (Note 6)	20,713,044	20,669,992
Employee Future Benefits (Note 7)	247,195	168,214
Total Liabilities	<u>24,992,466</u>	<u>25,049,468</u>
Net Financial Assets (Debt)	<u>(20,098,196)</u>	<u>(18,929,962)</u>
Non-Financial Assets		
Tangible Capital Assets (Note 8)	31,672,028	31,982,990
Prepaid Expenses	111,084	26,204
Total Non-Financial Assets	<u>31,783,112</u>	<u>32,009,194</u>
Accumulated Surplus (Deficit)	<u>11,684,916</u>	<u>13,079,232</u>

Contractual Obligations and Contingencies (Note 13 & Note 15)

Approved by the Board

	SEPT. 21/16
Signature of the Chairperson of the Board of Education	Date Signed
	SEPT 21 /16
Signature of the Superintendent	Date Signed
	SEPT. 21/16
Signature of the Secretary Treasurer	Date Signed

School District No. 52 (Prince Rupert)

Statement 2

Statement of Operations
Year Ended June 30, 2016

	2016 Budget	2016 Actual	2015 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	26,004,635	25,905,316	25,657,365
Other	90,708	215,106	207,528
Tuition	25,000	25,000	50,000
Other Revenue	1,407,155	1,796,034	1,893,303
Rentals and Leases	13,000	20,997	13,035
Investment Income	42,409	43,253	63,061
Amortization of Deferred Capital Revenue	987,854	987,854	977,247
Total Revenue	28,570,761	28,993,560	28,861,539
Expenses			
Instruction	23,077,734	23,356,584	22,306,898
District Administration	1,589,370	1,603,667	1,399,299
Operations and Maintenance	4,832,130	4,906,225	4,667,233
Transportation and Housing	501,203	521,400	447,402
Total Expense	30,000,437	30,387,876	28,820,832
Surplus (Deficit) for the year	(1,429,676)	(1,394,316)	40,707
Accumulated Surplus (Deficit) from Operations, beginning of year		13,079,232	13,038,525
Accumulated Surplus (Deficit) from Operations, end of year		11,684,916	13,079,232

School District No. 52 (Prince Rupert)

Statement 4

Statement of Changes in Net Financial Assets (Debt)

Year Ended June 30, 2016

	2016 Budget \$	2016 Actual \$	2015 Actual \$
Surplus (Deficit) for the year	<u>(1,429,676)</u>	<u>(1,394,316)</u>	40,707
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets (Note 8)	(75,596)	(951,081)	(1,209,166)
Amortization of Tangible Capital Assets (Note 8)	1,262,043	1,262,043	1,232,669
Total Effect of change in Tangible Capital Assets	<u>1,186,447</u>	<u>310,962</u>	23,503
Acquisition of Prepaid Expenses		(111,084)	(26,204)
Use of Prepaid Expenses		26,204	690
Total Effect of change in Other Non-Financial Assets	<u>-</u>	<u>(84,880)</u>	(25,514)
(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)	<u>(243,229)</u>	<u>(1,168,234)</u>	38,696
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Financial Assets (Debt)		<u>(1,168,234)</u>	38,696
Net Financial Assets (Debt), beginning of year		<u>(18,929,962)</u>	(18,968,658)
Net Financial Assets (Debt), end of year		<u>(20,098,196)</u>	<u>(18,929,962)</u>

School District No. 52 (Prince Rupert)

Statement 5

Statement of Cash Flows
Year Ended June 30, 2016

	2016 Actual	2015 Actual
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	(1,394,316)	40,707
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(61,208)	19,858
Prepaid Expenses	(84,880)	(25,514)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	(202,004)	(143,405)
Deferred Revenue	22,969	(21,082)
Employee Future Benefits	78,981	15,704
Amortization of Tangible Capital Assets (Note 8)	1,262,043	1,232,669
Amortization of Deferred Capital Revenue	(987,854)	(977,247)
Total Operating Transactions	<u>(1,366,269)</u>	<u>141,690</u>
Capital Transactions		
Tangible Capital Assets Purchased	(789,746)	(1,190,059)
Tangible Capital Assets -WIP Purchased (Note 8)	(161,335)	(19,107)
Total Capital Transactions	<u>(951,081)</u>	<u>(1,209,166)</u>
Financing Transactions		
Capital Revenue Received	1,030,906	667,106
Total Financing Transactions	<u>1,030,906</u>	<u>667,106</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>(1,286,444)</u>	<u>(400,370)</u>
Cash and Cash Equivalents, beginning of year	<u>5,710,783</u>	<u>6,111,153</u>
Cash and Cash Equivalents, end of year	<u>4,424,339</u>	<u>5,710,783</u>
Cash and Cash Equivalents, end of year, is made up of:		
Cash	<u>4,424,339</u>	<u>5,710,783</u>
	<u>4,424,339</u>	<u>5,710,783</u>

SCHOOL DISTRICT NO. 52 (PRINCE RUPERT)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 1 AUTHORITY AND PURPOSE

The School District, established on April 1, 1946, operates under the authority of the *School Act* of British Columbia as a corporation under the name of "The Board of Education of School District No. 52 (Prince Rupert)," and operates as "School District No. 52 (Prince Rupert)." A board of education (the "Board") elected for a four-year term governs the School District. The School District provides educational programs for 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. 52 (Prince Rupert) is exempt from federal and provincial corporate income taxes.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting

These financial statements have been prepared in accordance with Section 23.1 of the *Budget Transparency and Accountability Act* 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(d) and 2(k).

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 described in notes 2(d) and 2(k), 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.

The impact on the financial statements of the School District from the difference arising from the deferral of government transfers for the acquisition of capital assets is as follows:

Year-ended June 30, 2015	Increase (decrease) in annual surplus	\$ (85,995)
June 30, 2015	Increase in accumulated surplus and decrease in deferred contributions	\$ 20,578,155
Year-ended June 30, 2016	Increase (decrease) in annual surplus	\$ (999,999)
June 30, 2016	Increase in accumulated surplus and decrease in deferred contributions	\$ 20,192,160

SCHOOL DISTRICT NO. 52 (PRINCE RUPERT)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b) Cash and Cash Equivalents

Cash and cash equivalents include cash and highly liquid 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.

c) Accounts Receivable

Accounts receivable are shown net of allowance for doubtful accounts.

d) Deferred Revenue and Deferred Capital Revenue

Deferred revenue includes unspent grants and 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 (k).

Deferred capital revenue includes grants and contributions received that are restricted by the contributor for the acquisition of tangible capital assets and meet the description of a restricted contribution in the Restricted Contributions Regulation 198/2011 issued by Treasury Board. Once spent, the contributions are amortized as revenue in the statement of operations on the same basis as the related amortization expense.

e) 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 pursuant to these employee future benefit plans. Benefits include vested sick leave, accumulating non-vested sick leave, retirement/severance, vacation and banked overtime. 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.

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.

SCHOOL DISTRICT NO. 52 (PRINCE RUPERT)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

e) Employee Future Benefits *(Continued)*

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

f) 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. Obligations which can reasonably be estimated are measured initially at fair value, determined using present value methodology, and the resulting costs capitalized into the carrying amount of the related tangible capital asset. In subsequent periods, the liability is adjusted for accretion and any changes in the amount or timing of the underlying future cash flows. The capitalized asset retirement cost is amortized on the same basis as the related asset and accretion expense is included in the statement of operations.

g) Tangible Capital Assets

The following criteria apply to tangible capital assets:

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

SCHOOL DISTRICT NO. 52 (PRINCE RUPERT)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

g) Tangible Capital Assets *(Continued)*

The estimated useful life is as follows:

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

h) Operating Leases

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

i) Prepaid Expenses

Prepaid expenses such as fees and dues are recorded as a prepaid expense stated at acquisition cost and are charged to expense over the periods expected to benefit from them.

j) 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.

k) 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 receivable 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 or organization.

SCHOOL DISTRICT NO. 52 (PRINCE RUPERT)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

k) Revenue Recognition

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 or construction, other than sites, are recorded as deferred capital revenue and amortized over the useful life of the related assets.

Donated tangible capital assets other than sites are recorded at fair market value and amortized over the useful life of the assets. Donated sites are recorded as revenue at fair market value when received or receivable.

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

Investment income is reported in the period earned. When required by the funding agreement or applicable legislation, investment income earned on deferred revenue or deferred capital revenue is added to the deferred balance.

l) Expenditures

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

Categories of Salaries

- Employees who are registered with and pay union dues to the British Columbia Teachers Federation are categorized as Teachers.
- Directors of Instruction, Principals and Vice Principals are categorized as Principals and Vice Principals.
- Aboriginal Family Support Education Assistants, Education Assistants, Kindergarten Support Education Assistants, Study Centre Education Assistants and Teacher/Education Assistants are categorized as Education Assistants.
- Custodians, Laboratory and Librarian Assistants, Maintenance staff and Noon Hour Supervisors are categorized as Support Staff.
- Accounting staff, the Assistant Superintendent, the Occupational Therapist and Physiotherapist, Secretaries, the Secretary-Treasurer, Speech Language Pathologists, the Superintendent, Trustees, and other employees excluded from union contracts are categorized as Other Professionals.

SCHOOL DISTRICT NO. 52 (PRINCE RUPERT)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

l) Expenditures *(Continued)*

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 Aboriginal education and special education, are allocated to these programs. All other costs are allocated to related programs.

- Salaries of personnel assigned to two or more functions or programs are allocated based on the time spent in each function and program. Salaries of Principals, Vice-Principals and school-based clerical staff 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 functions and programs, and in the same proportions, as the individual's salary.
- Supplies and services are allocated based on function and program identification.

m) Financial Instruments

A contract establishing a financial instrument creates, at its inception, rights to receive or obligations to 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, bank overdraft, accounts payable and accrued liabilities, long term debt and other liabilities.

Except for portfolio investments in equity instruments quoted in an active market that are recorded at fair value, 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 of a financial asset or the issue of a financial liability.

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

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

SCHOOL DISTRICT NO. 52 (PRINCE RUPERT)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

m) Financial Instruments *(Continued)*

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

n) 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 assumptions used to determine estimated employee future benefits. Actual results could differ from those estimates.

NOTE 3 ACCOUNTS RECEIVABLE – OTHER

	2016	2015
Due from Federal Government	\$ 75,597	\$ 109,875
Other	160,163	243,446
Allowance for Doubtful Accounts	(53,663)	(57,791)
	\$ 182,097	\$ 295,530

NOTE 4 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES - OTHER

	2016	2015
Trade payables	\$ 1,842,454	\$ 2,018,681
Salaries and benefits payable	268,903	283,541
Accrued vacation pay	168,785	179,924
	\$ 2,280,142	\$ 2,482,146

NOTE 5 DEFERRED REVENUE

Detailed information about the changes in deferred revenue is disclosed in Schedule 3A.

NOTE 6 DEFERRED CAPITAL REVENUE

Detailed information about the changes in deferred capital revenue is disclosed in Schedule 4C and Schedule 4D.

SCHOOL DISTRICT NO. 52 (PRINCE RUPERT)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 7 EMPLOYEE FUTURE BENEFITS

Benefits include vested sick leave, accumulating non-vested sick leave, retirement/severance, vacation and banked overtime. 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. The portion of these benefits that have not been provided for is identified as Unfunded Accrued Employee Future Benefits and disclosed in Note 18.

	2016	2015
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	\$ 260,185	\$ 245,002
Service Cost	17,800	15,637
Interest Cost	5,987	7,939
Benefit Payments	(33,799)	(21,204)
Increase (Decrease) in obligation due to Plan Amendment	77,372	0
Actuarial (Gain) Loss	33,091	12,811
Accrued Benefit Obligation – March 31	\$ 360,636	\$ 260,185

Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation – March 31	\$ 360,636	\$ 260,185
Market Value of Plan Assets – March 31	0	0
Funded Status – Surplus (Deficit)	(360,636)	(260,185)
Employer Contributions After Measurement Date	5,451	0
Benefits Expense After Measurement Date	(8,232)	(5,947)
Unamortized Net Actuarial (Gain) Loss	116,222	97,918
Accrued Benefit Asset (Liability) – June 30	\$ (247,195)	\$ (168,214)

Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability – July 1	168,214	152,510
Net expense for Fiscal Year	118,231	36,908
Employer Contributions	(39,250)	(21,204)
Accrued Benefit Liability – June 30	\$ 247,195	\$ 168,214

Components of Net Benefit Expense		
Service Cost	\$ 19,333	\$ 16,178
Interest Cost	6,740	7,451
Immediate Recognition of Plan Amendment	77,372	0
Amortization of Net Actuarial (Gain)/Loss	14,786	13,279
Net Benefit Expense (Income)	\$ 118,231	\$ 36,908

SCHOOL DISTRICT NO. 52 (PRINCE RUPERT)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 7 EMPLOYEE FUTURE BENEFITS *(Continued)*

	2016	2015
The significant actuarial assumptions adopted for measuring the School District's accrued benefit obligations are:		
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	9.4 years	8.5 years

NOTE 8 TANGIBLE CAPITAL ASSETS

Net Book Value:

	June 30, 2016	June 30, 2015
Sites	\$ 6,528,147	\$ 6,528,147
Buildings	24,087,835	24,432,328
Work in progress	161,335	19,107
Furniture & Equipment	658,455	705,252
Vehicles	220,355	276,955
Computer Software	15,901	21,201
Computer Hardware	0	0
Total	\$ 31,672,028	\$ 31,982,990

June 30, 2016

	Balance at July 1, 2015	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2016
Cost:					
Sites	\$ 6,528,147	\$	\$	\$	\$ 6,528,147
Buildings	52,266,739	740,524		19,107	53,026,370
Work in progress	19,107	161,335		(19,107)	161,335
Furniture & Equipment	960,062	49,209	(9,280)		999,991
Vehicles	566,130	13	(44,468)		521,675
Computer Software	26,501				26,501
Computer Hardware	0				0
Total	\$ 60,366,686	\$ 951,081	\$ (53,748)	\$ 0	\$ 61,264,019

	Balance at July 1, 2015	Additions	Disposals	Balance at June 30, 2016
Accumulated Amortization:				
Buildings	\$ 27,834,411	\$ 1,104,124	\$	\$ 28,938,535
Furniture & Equipment	254,810	96,006	(9,280)	341,536
Vehicles	289,175	56,613	(44,468)	301,320
Computer Software	5,300	5,300		10,600
Computer Hardware	0			0
Total	\$ 28,383,696	\$ 1,262,043	\$ (53,748)	\$ 29,591,991

SCHOOL DISTRICT NO. 52 (PRINCE RUPERT)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 8 TANGIBLE CAPITAL ASSETS *(Continued)*

June 30, 2015

Cost:	Balance at July 1, 2014	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2015
Sites	\$ 6,528,147	\$	\$	\$	\$ 6,528,147
Buildings	51,063,496	1,058,345		144,898	52,266,739
Work in progress	144,898	19,107		(144,898)	19,107
Furniture & Equipment	930,896	67,915	(38,749)		960,062
Vehicles	502,331	63,799			566,130
Computer Software	26,501				26,501
Computer Hardware	0				0
Total	\$ 59,196,269	\$ 1,209,166	\$ (38,749)	\$ 0	\$ 60,366,686

Accumulated Amortization:	Balance at July 1, 2014	Additions	Disposals	Balance at June 30, 2015
Buildings	\$ 26,750,365	\$ 1,084,046	\$	\$ 27,834,411
Furniture & Equipment	200,469	93,090	(38,749)	254,810
Vehicles	238,942	50,233		289,175
Computer Software	0	5,300		5,300
Computer Hardware	0			0
Total	\$ 27,189,776	\$ 1,232,669	\$ (38,749)	\$ 28,383,696

Work in progress having a value of \$161,335 (2015: \$19,107) has not been amortized. Amortization of these assets will commence when the asset is put into service.

The School District manages and controls various Aboriginal works of art. These assets are not recorded as tangible capital assets and are not amortized.

NOTE 9 WRITE-DOWN AND WRITE-OFF OF SITES AND BUILDINGS

Kanata Elementary School and Seal Cove Elementary School were closed on July 1, 2008. École Westview Elementary School was closed on August 31, 2011. There has been no write-down or disposal of Seal Cove Elementary School or Westview Elementary School at June 30, 2016.

On June 9, 2015 the Board accepted a conditional offer for the sale of the Kanata School property. The sale is conditional on the property being rezoned for residential use. If the sale is completed, the sale will result in a decrease in tangible capital assets, a decrease in deferred capital revenue and a gain on sale. Proceeds from the sale will remain with the School District for future capital purchases.

SCHOOL DISTRICT NO. 52 (PRINCE RUPERT)
NOTES TO 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 the Municipal Pension Plan, jointly trustee pension plans. The boards of trustees for these plans represent plan members and employers and are responsible for management of the pension plans, including investment of the assets and administration of benefits. The pension plans are multi-employer defined benefit contributory 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 of December 31, 2014, the Municipal Pension Plan has about 185,000 active members, including approximately 24,000 members 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 appropriate employer and member contribution rates to fund the plans. The actuary's calculated contribution rates are 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 required for the 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 next valuation for the Teachers' Pension Plan will be as at December 31, 2017, with results available in 2018.

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 Municipal Pension Plan will be as at December 31, 2015, with results available in 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). This is because the plans record accrued liabilities and accrued assets for each plan in aggregate, with the result that there is no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plans.

The School District paid \$2,512,384 for employer contributions to the plans for the year ended June 30, 2016 (2015: \$2,377,914)

SCHOOL DISTRICT NO. 52 (PRINCE RUPERT)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 11 INTERFUND TRANSFERS

Interfund transfers between the operating, special purpose and capital funds are reported on Schedule 1, the schedule of changes in accumulated surplus (deficit) by fund. For the year ended June 30, 2016, a total of \$999,999 was transferred from the operating fund and special purpose funds to the capital fund for capital purchases, as follows:

Operating Fund

- \$ 13 Vehicles
- \$ 33,890 Furniture & Equipment

Special Purpose Funds

- \$ 15,319 Furniture & Equipment – Official Languages

NOTE 12 RELATED PARTY TRANSACTIONS

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

NOTE 13 CONTRACTUAL OBLIGATIONS

The School District has entered into a number of multiple-year contracts for the delivery of services and the lease of building space. These contractual obligations will become liabilities in the future when the terms of the contracts are met. Disclosure relates to the unperformed portion of the contracts.

One building lease has a term that expires on August 31, 2032. Rates are renewed in five year intervals, with the next rate renewal effective September 1, 2017. The amount of lease payments from September 1, 2017 to August 31, 2032 cannot be reasonably estimated.

The other building lease has a term that expires on July 15, 2021.

Contractual obligations	2017	2018	2019	2020	2021	Thereafter
Building Leases	\$ 80,595	\$ 30,595	\$ 30,595	\$ 30,595	\$ 30,595	\$ 1,275
Office Equipment	63,580	63,580	9,007	1,694	0	0
	<u>\$ 144,175</u>	<u>\$ 94,175</u>	<u>\$ 39,602</u>	<u>\$ 32,289</u>	<u>\$ 30,595</u>	<u>\$ 1,275</u>

SCHOOL DISTRICT NO. 52 (PRINCE RUPERT)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 14 BUDGET FIGURES

The annual budget for the School District for the year ended June 30, 2016 was approved by the Board on April 14, 2015. In accordance with Ministry policy, an amended annual budget for the School District was approved by the Board on February 9, 2016. The amended annual budget reflects funding based on actual enrolment on September 30, 2015 and is considered by the Board to reflect more accurately the expected results for the year. These financial statements show the amended annual budget. Budget figures have not been audited.

The annual budget and the amended annual budget are compared below:

	Annual Budget	Amended Annual Budget
Revenues	\$ 28,887,036	\$ 28,570,761
Expenses	30,075,809	30,000,437
Deficit for the year	(1,188,773)	(1,429,676)
Acquisition of Tangible Capital Assets	(45,000)	(75,596)
Amortization of Tangible Capital Assets	1,248,703	1,262,043
Decrease (Increase) in Net Financial Debt	\$ 14,930	\$ (243,229)

NOTE 15 CONTINGENCIES

Management is of the opinion that the School District has valid defenses and appropriate insurance coverage in place for claims at June 30, 2016 or, if there is unfunded risk, such claims are not expected to have a material effect on the School District's financial position. Outstanding contingencies are reviewed on an ongoing basis and are provided for based on management's best estimate of the ultimate settlement.

NOTE 16 ASSET RETIREMENT OBLIGATION

The School District has identified asset retirement obligations relating to asbestos removal in several of its facilities. The asset retirement obligations have not been recognized where there is an indeterminate settlement date of the future demolition or renovation of the facilities, and therefore the fair value cannot be reasonably estimated. The asset retirement obligation will be recognized as a liability in the period when the fair value can be reasonably estimated.

NOTE 17 EXPENSE BY OBJECT

	2016	2015
Salaries and benefits	\$ 24,715,740	\$ 23,479,050
Services and supplies	4,410,093	4,109,113
Amortization	1,262,043	1,232,669
	\$ 30,387,876	\$ 28,820,832

SCHOOL DISTRICT NO. 52 (PRINCE RUPERT)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 18 INTERNALLY RESTRICTED SURPLUS – OPERATING FUND

	2016	2015
Internally Restricted (appropriated) by the Board for:		
Following Year’s Operating Budget	\$ 0	\$ 987,889
Aboriginal Education	247,535	147,823
School Supplies	202,488	216,605
Vehicle Replacements	95,568	57,025
Special Education	21,364	34,928
Training	8,720	51,406
Operations Equipment	0	40,000
Subtotal Internally Restricted Operating Surplus	575,675	1,535,676
Unrestricted Operating Surplus	0	217,644
Permitted Unfunded Accrued Employee Future Benefits Deficit	(69,685)	(77,981)
Total Net Operating Surplus	\$ 505,990	\$ 1,675,339

It is planned that the permitted unfunded deficit for accrued employee future benefits will be eliminated using available unrestricted operating surplus over the EARSL of the School District’s employees.

	2016	2015
Permitted deficit, as at July 1	77,981	88,378
Reductions during the year	(8,296)	(10,397)
Permitted deficit, as at June 30	\$ 69,685	\$ 77,981

NOTE 19 ECONOMIC DEPENDENCE

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

NOTE 20 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.

SCHOOL DISTRICT NO. 52 (PRINCE RUPERT)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 20 RISK MANAGEMENT *(Continued)*

The School District is exposed to credit risk in the event of non-performance by a funding agency. 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 financial institutions or held by the Ministry of Finance.

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 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 market interest rates. The School District is not exposed to interest rate risk as it does not hold portfolio investments.

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 monitoring actual and forecasted cash flows from operations and anticipated investing activities to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the School District's reputation.

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

School District No. 52 (Prince Rupert)
 Schedule of Changes in Accumulated Surplus (Deficit) by Fund
 Year Ended June 30, 2016

Schedule 1

	Operating Fund	Special Purpose Fund	Capital Fund	2016 Actual	2015 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	1,675,339		11,403,893	13,079,232	13,038,525
Changes for the year					
Surplus (Deficit) for the year	(1,135,446)	15,319	(274,189)	(1,394,316)	40,707
Interfund Transfers					
Tangible Capital Assets Purchased	(33,903)	(15,319)	49,222	-	
Net Changes for the year	<u>(1,169,349)</u>	<u>-</u>	<u>(224,967)</u>	<u>(1,394,316)</u>	<u>40,707</u>
Accumulated Surplus (Deficit), end of year - Statement 2	<u>505,990</u>	<u>-</u>	<u>11,178,926</u>	<u>11,684,916</u>	<u>13,079,232</u>

School District No. 52 (Prince Rupert)

Schedule of Operating Operations

Year Ended June 30, 2016

	2016 Budget	2016 Actual	2015 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	24,436,105	24,298,743	24,161,338
Other	90,708	88,693	134,729
Tuition	25,000	25,000	50,000
Other Revenue	1,175,915	1,400,854	1,340,995
Rentals and Leases	13,000	20,997	13,035
Investment Income	27,342	29,235	43,812
Total Revenue	<u>25,768,070</u>	<u>25,863,522</u>	<u>25,743,909</u>
Expenses			
Instruction	21,374,042	21,447,972	20,530,136
District Administration	1,589,370	1,603,667	1,399,299
Operations and Maintenance	3,474,920	3,441,907	3,402,770
Transportation and Housing	485,225	505,422	431,424
Total Expense	<u>26,923,557</u>	<u>26,998,968</u>	<u>25,763,629</u>
Operating Surplus (Deficit) for the year	<u>(1,155,487)</u>	<u>(1,135,446)</u>	<u>(19,720)</u>
Budgeted Appropriation (Retirement) of Surplus (Deficit)	<u>1,240,257</u>		
Budgeted Reduction of Unfunded Accrued Employee Future Benefits	<u>(9,174)</u>		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(75,596)	(33,903)	(91,246)
Total Net Transfers	<u>(75,596)</u>	<u>(33,903)</u>	<u>(91,246)</u>
Total Operating Surplus (Deficit), for the year	<u>-</u>	<u>(1,169,349)</u>	<u>(110,966)</u>
Operating Surplus (Deficit), beginning of year		1,675,339	1,786,305
Operating Surplus (Deficit), end of year		<u>505,990</u>	<u>1,675,339</u>
Operating Surplus (Deficit), end of year			
Internally Restricted (Note 18)		575,675	1,535,676
Unrestricted			217,644
Unfunded Accrued Employee Future Benefits (Note 18)		(69,685)	(77,981)
Total Operating Surplus (Deficit), end of year		<u>505,990</u>	<u>1,675,339</u>

School District No. 52 (Prince Rupert)

Schedule 2A

Schedule of Operating Revenue by Source

Year Ended June 30, 2016

	2016 Budget	2016 Actual	2015 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education			
Operating Grant, Ministry of Education	24,455,203	24,277,620	24,456,576
AANDC/LEA Recovery	(764,297)	(724,818)	(782,375)
Strike Savings Recovery			(732,142)
Other Ministry of Education Grants			
Labour Settlement Funding			471,697
Pay Equity	706,027	706,027	706,027
Funding for Graduated Adults		285	
Foundation Skills Assessment	7,972	7,972	7,972
Carbon Tax Refund	25,000	24,707	25,344
Teachers' Extended Health Supplement			7,962
Education Guarantee			277
Curriculum Implementation	6,200	6,200	
Other		750	
Total Provincial Grants - Ministry of Education	24,436,105	24,298,743	24,161,338
Provincial Grants - Other	90,708	88,693	134,729
Tuition			
Offshore Tuition Fees	25,000	25,000	50,000
Total Tuition	25,000	25,000	50,000
Other Revenues			
LEA/Direct Funding from First Nations	1,052,148	1,049,276	1,031,749
Miscellaneous			
Cultural Program	9,510	9,510	10,110
Sundry Other Revenue	114,257	342,068	243,421
City of Prince Rupert - CHSS Track Repairs			20,371
Port of Prince Rupert - Playground Equipment			35,344
Total Other Revenue	1,175,915	1,400,854	1,340,995
Rentals and Leases	13,000	20,997	13,035
Investment Income	27,342	29,235	43,812
Total Operating Revenue	25,768,070	25,863,522	25,743,909

School District No. 52 (Prince Rupert)

Schedule 2B

Schedule of Operating Expense by Object

Year Ended June 30, 2016

	2016 Budget	2016 Actual	2015 Actual
	\$	\$	\$
Salaries			
Teachers	10,545,588	10,527,477	9,810,884
Principals and Vice Principals	1,931,658	1,932,211	1,907,319
Educational Assistants	1,938,366	1,923,928	1,777,565
Support Staff	2,172,632	2,066,439	2,169,565
Other Professionals	1,359,720	1,452,704	1,222,659
Substitutes	856,212	875,161	893,757
Total Salaries	18,804,176	18,777,920	17,781,749
Employee Benefits	4,606,240	4,605,951	4,453,118
Total Salaries and Benefits	23,410,416	23,383,871	22,234,867
Services and Supplies			
Services	752,620	829,425	779,175
Student Transportation	383,692	384,424	343,872
Professional Development and Travel	475,822	448,383	479,641
Rentals and Leases	177,522	176,211	177,423
Dues and Fees	41,398	39,133	32,527
Insurance	59,137	60,740	59,870
Supplies	1,120,301	1,179,299	1,181,659
Utilities	502,649	497,482	474,595
Total Services and Supplies	3,513,141	3,615,097	3,528,762
Total Operating Expense	26,923,557	26,998,968	25,763,629

School District No. 52 (Prince Rupert)

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	7,951,397	280,019	209,786	302,299	91,748	460,440	9,295,689
1.03 Career Programs	82,193						82,193
1.07 Library Services	230,322	32,109		179,940		21,709	464,080
1.08 Counselling	453,801			40,632		6,135	500,568
1.10 Special Education	796,966	456,265	1,439,848	41,671	237,319	156,638	3,128,707
1.30 English Language Learning	331,973					15,140	347,113
1.31 Aboriginal Education	680,825	117,431	274,294	32,574		35,699	1,140,823
1.41 School Administration		1,046,387		183,317		41,404	1,271,108
Total Function 1	10,527,477	1,932,211	1,923,928	780,433	329,067	737,165	16,230,281
4 District Administration							
4.11 Educational Administration					277,675		277,675
4.40 School District Governance					72,120		72,120
4.41 Business Administration				48,790	627,619	513	676,922
Total Function 4	-	-	-	48,790	977,414	513	1,026,717
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration					143,958	1,021	144,979
5.50 Maintenance Operations				1,114,306		108,526	1,222,832
5.52 Maintenance of Grounds				48,224			48,224
5.56 Utilities							
Total Function 5	-	-	-	1,162,530	143,958	109,547	1,416,035
7 Transportation and Housing							
7.41 Transportation and Housing Administration					2,265		2,265
7.70 Student Transportation				74,686		27,936	102,622
Total Function 7	-	-	-	74,686	2,265	27,936	104,887
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	10,527,477	1,932,211	1,923,928	2,066,439	1,452,704	875,161	18,777,920

School District No. 52 (Prince Rupert)

Operating Expense by Function, Program and Object

Year Ended June 30, 2016

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2016 Actual	2016 Budget	2015 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	9,295,689	2,404,925	11,700,614	766,922	12,467,536	12,393,210	12,036,981
1.03 Career Programs	82,193	18,523	100,716	832	101,548	122,794	100,774
1.07 Library Services	464,080	121,073	585,153	24,110	609,263	618,657	601,767
1.08 Counselling	500,568	117,670	618,238	2,783	621,021	612,020	476,700
1.10 Special Education	3,128,707	741,110	3,869,817	112,827	3,982,644	3,965,174	3,741,360
1.30 English Language Learning	347,113	87,502	434,615	2,841	437,456	415,125	432,501
1.31 Aboriginal Education	1,140,823	262,510	1,403,333	136,873	1,540,206	1,582,795	1,512,622
1.41 School Administration	1,271,108	309,526	1,580,634	107,664	1,688,298	1,664,267	1,627,431
Total Function 1	16,230,281	4,062,839	20,293,120	1,154,852	21,447,972	21,374,042	20,530,136
4 District Administration							
4.11 Educational Administration	277,675	61,845	339,520	67,536	407,056	400,513	342,571
4.40 School District Governance	72,120	1,347	73,467	77,952	151,419	191,281	155,288
4.41 Business Administration	676,922	140,019	816,941	228,251	1,045,192	997,576	901,440
Total Function 4	1,026,717	203,211	1,229,928	373,739	1,603,667	1,589,370	1,399,299
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	144,979	24,932	169,911	88,062	257,973	218,066	233,601
5.50 Maintenance Operations	1,222,832	281,040	1,503,872	1,094,278	2,598,150	2,653,236	2,617,984
5.52 Maintenance of Grounds	48,224	15,516	63,740	24,562	88,302	100,969	76,590
5.56 Utilities	-	-	-	497,482	497,482	502,649	474,595
Total Function 5	1,416,035	321,488	1,737,523	1,704,384	3,441,907	3,474,920	3,402,770
7 Transportation and Housing							
7.41 Transportation and Housing Administration	2,265	467	2,732	-	2,732	2,823	2,952
7.70 Student Transportation	102,622	17,946	120,568	382,122	502,690	482,402	428,472
Total Function 7	104,887	18,413	123,300	382,122	505,422	485,225	431,424
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	18,777,920	4,605,951	23,383,871	3,615,097	26,998,968	26,923,557	25,763,629

School District No. 52 (Prince Rupert)

Schedule 3

Schedule of Special Purpose Operations
Year Ended June 30, 2016

	2016 Budget	2016 Actual	2015 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	1,568,530	1,606,573	1,496,027
Other		126,413	72,799
Other Revenue	231,240	395,180	552,308
Investment Income	15,067	14,018	19,249
Total Revenue	1,814,837	2,142,184	2,140,383
Expenses			
Instruction	1,703,692	1,908,612	1,776,762
Operations and Maintenance	111,145	218,253	47,772
Total Expense	1,814,837	2,126,865	1,824,534
Special Purpose Surplus (Deficit) for the year	-	15,319	315,849
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased		(15,319)	(315,849)
Total Net Transfers	-	(15,319)	(315,849)
Total Special Purpose Surplus (Deficit) for the year	-	-	-
Special Purpose Surplus (Deficit), beginning of year			
Special Purpose Surplus (Deficit), end of year		-	-

School District No. 52 (Prince Rupert)

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	Special Education Technology	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	596,393	2,947	13,833	68,945	5,494	568,324	51,164	34,594	40,568
Add: Restricted Grants									
Provincial Grants - Ministry of Education	147,179	513,450	987		121,131		128,000	14,700	73,543
Provincial Grants - Other	14,533			109,250		323,270			
Other	7,764		129	1,660			577	393	403
Investment Income	169,476	513,450	1,116	110,910	121,131	323,270	128,577	15,093	73,946
Less: Allocated to Revenue	218,253	508,040	9,663	19,250	119,870	284,131	145,254	25,982	110,583
Deferred Revenue, end of year	547,616	8,357	5,286	160,605	6,755	607,463	34,487	23,705	3,931
Revenues									
Provincial Grants - Ministry of Education	195,956	508,040	9,534		119,870		144,677	25,589	110,180
Provincial Grants - Other	14,533			17,590		284,131			
Other Revenue	7,764		129	1,660			577	393	403
Investment Income	218,253	508,040	9,663	19,250	119,870	284,131	145,254	25,982	110,583
Expenses									
Salaries		327,077			89,980		4,000		33,180
Teachers		327,077			89,980		4,000		33,180
Support Staff	115,424	79,355					86,823		
Other Professionals									
Substitutes								993	
	115,424	406,432			89,980		90,823	993	33,180
Employee Benefits	20,776	101,608			20,917		22,783	159	8,165
Services and Supplies	82,053		9,663	19,250	8,973	284,131	31,648	24,830	53,919
	218,253	508,040	9,663	19,250	119,870	284,131	145,254	25,982	95,264
Net Revenue (Expense) before Interfund Transfers									15,319
Interfund Transfers									(15,319)
Tangible Capital Assets Purchased									(15,319)
Net Revenue (Expense)									-

School District No. 52 (Prince Rupert)
Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2016

Schedule 3A

	Community- LINK \$	Service Delivery Transformation \$	Aboriginal Regional Initiatives \$	Lilian Brown Trust \$	Literacy North Coast \$	Network of Innovation and Inquiry \$	Anti-Racism Multiculturalism Grants \$	Coastal Pathways Partnership \$	Other Aboriginal Initiatives \$
Deferred Revenue, beginning of year	43,635	25,000	844	49,743	61,452	13,116	44,607	38,495	18,175
Add: Restricted Grants									
Provincial Grants - Ministry of Education	494,287								
Provincial Grants - Other					30,039				650
Other					818	178	605	516	
Investment Income	824	339	11	675					
Less: Allocated to Revenue	493,551	339	11	675	30,857	178	605	516	650
Deferred Revenue, end of year	45,195	25,339	855	50,418	59,861	13,294	45,212	38,108	15,953
Revenues									
Provincial Grants - Ministry of Education	492,727								
Provincial Grants - Other					31,630				2,872
Other Revenue					818			903	
Investment Income	824								
	493,551	-	-	-	32,448	-	-	903	2,872
Expenses									
Salaries									
Teachers									
Support Staff	264,000								
Other Professionals									
Substitutes									
	264,000	-	-	-	-	-	-	-	-
Employee Benefits	61,387								
Services and Supplies	168,164				32,448			903	2,872
	493,551	-	-	-	32,448	-	-	903	2,872
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers									
Tangible Capital Assets Purchased									
	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 52 (Prince Rupert)Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2016

	Special Education Innovation	After School Sports & Art	IPALS Decoda Literacy	Rural Skills Development	TOTAL
	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	8,034	14,482	7,070	22,201	1,729,116
Add: Restricted Grants					
Provincial Grants - Ministry of Education					1,493,277
Provincial Grants - Other				143,177	143,177
Other		35,518			513,260
Investment Income		135		412	15,439
	-	35,653	-	143,589	2,165,153
Less: Allocated to Revenue					
Deferred Revenue, end of year	8,034	5,576	7,070	38,965	1,752,085
Revenues					
Provincial Grants - Ministry of Education					1,606,573
Provincial Grants - Other				126,413	126,413
Other Revenue		44,424			395,180
Investment Income		135		412	14,018
	-	44,559	-	126,825	2,142,184
Expenses					
Salaries					
Teachers					454,237
Support Staff		15,834			561,436
Other Professionals				62,073	62,073
Substitutes					993
	-	15,834	-	62,073	1,078,739
Employee Benefits		3,167		14,168	253,130
Services and Supplies		25,558		50,584	794,996
	-	44,559	-	126,825	2,126,865
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	15,319
Interfund Transfers					
Tangible Capital Assets Purchased					(15,319)
	-	-	-	-	(15,319)
Net Revenue (Expense)	-	-	-	-	-

School District No. 52 (Prince Rupert)

Schedule 4

Schedule of Capital Operations

Year Ended June 30, 2016

	2016 Budget	2016 Actual			2015 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Provincial Grants					
Amortization of Deferred Capital Revenue	987,854	987,854		987,854	977,247
Total Revenue	<u>987,854</u>	<u>987,854</u>	-	<u>987,854</u>	<u>977,247</u>
Expenses					
Amortization of Tangible Capital Assets					
Operations and Maintenance	1,246,065	1,246,065		1,246,065	1,216,691
Transportation and Housing	15,978	15,978		15,978	15,978
Total Expense	<u>1,262,043</u>	<u>1,262,043</u>	-	<u>1,262,043</u>	<u>1,232,669</u>
Capital Surplus (Deficit) for the year	<u>(274,189)</u>	<u>(274,189)</u>	-	<u>(274,189)</u>	<u>(255,422)</u>
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	75,596	49,222		49,222	407,095
Total Net Transfers	<u>75,596</u>	<u>49,222</u>	-	<u>49,222</u>	<u>407,095</u>
Total Capital Surplus (Deficit) for the year	<u>(198,593)</u>	<u>(224,967)</u>	-	<u>(224,967)</u>	<u>151,673</u>
Capital Surplus (Deficit), beginning of year		11,403,893		11,403,893	11,252,220
Capital Surplus (Deficit), end of year		<u>11,178,926</u>	-	<u>11,178,926</u>	<u>11,403,893</u>

School District No. 52 (Prince Rupert)Tangible Capital Assets
Year Ended June 30, 2016

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	6,528,147	52,266,739	960,062	566,130	26,501	-	60,347,579
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		740,524					740,524
Operating Fund			33,890	13			33,903
Special Purpose Funds			15,319				15,319
Transferred from Work in Progress		19,107					19,107
	-	759,631	49,209	13	-	-	808,853
Decrease:							
Deemed Disposals			9,280	44,468			53,748
	-	-	9,280	44,468	-	-	53,748
Cost, end of year	6,528,147	53,026,370	999,991	521,675	26,501	-	61,102,684
Work in Progress, end of year		161,335					161,335
Cost and Work in Progress, end of year	6,528,147	53,187,705	999,991	521,675	26,501	-	61,264,019
Accumulated Amortization, beginning of year		27,834,411	254,810	289,175	5,300		28,383,696
Changes for the Year							
Increase: Amortization for the Year		1,104,124	96,006	56,613	5,300		1,262,043
Decrease:							
Deemed Disposals			9,280	44,468			53,748
			9,280	44,468			53,748
Accumulated Amortization, end of year		28,938,535	341,536	301,320	10,600		29,591,991
Tangible Capital Assets - Net	6,528,147	24,249,170	658,455	220,355	15,901		31,672,028

School District No. 52 (Prince Rupert)

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	19,107				19,107
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	161,335				161,335
	<u>161,335</u>	-	-	-	<u>161,335</u>
Decrease:					
Transferred to Tangible Capital Assets	19,107				19,107
	<u>19,107</u>	-	-	-	<u>19,107</u>
Net Changes for the Year	<u>142,228</u>	-	-	-	<u>142,228</u>
Work in Progress, end of year	<u>161,335</u>	-	-	-	<u>161,335</u>

School District No. 52 (Prince Rupert)

Schedule 4C

Deferred Capital Revenue

Year Ended June 30, 2016

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	20,559,048			20,559,048
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	740,524			740,524
Transferred from Work in Progress	19,107			19,107
	<u>759,631</u>	-	-	<u>759,631</u>
Decrease:				
Amortization of Deferred Capital Revenue	987,854			987,854
	<u>987,854</u>	-	-	<u>987,854</u>
Net Changes for the Year	<u>(228,223)</u>	-	-	<u>(228,223)</u>
Deferred Capital Revenue, end of year	<u>20,330,825</u>	-	-	<u>20,330,825</u>
Work in Progress, beginning of year	19,107			19,107
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	161,335			161,335
	<u>161,335</u>	-	-	<u>161,335</u>
Decrease				
Transferred to Deferred Capital Revenue	19,107			19,107
	<u>19,107</u>	-	-	<u>19,107</u>
Net Changes for the Year	<u>142,228</u>	-	-	<u>142,228</u>
Work in Progress, end of year	<u>161,335</u>	-	-	<u>161,335</u>
Total Deferred Capital Revenue, end of year	<u>20,492,160</u>	-	-	<u>20,492,160</u>

School District No. 52 (Prince Rupert)
 Changes in Unspent Deferred Capital Revenue
 Year Ended June 30, 2016

Schedule 4D

	Bylaw Capital	MEd Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	65,259	26,578				91,837
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	1,011,545					1,011,545
Other					19,000	19,000
Investment Income		361				361
	<u>1,011,545</u>	<u>361</u>	<u>-</u>	<u>-</u>	<u>19,000</u>	<u>1,030,906</u>
Decrease:						
Transferred to DCR - Capital Additions	740,524					740,524
Transferred to DCR - Work in Progress	161,335					161,335
	<u>901,859</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>901,859</u>
Net Changes for the Year	<u>109,686</u>	<u>361</u>	<u>-</u>	<u>-</u>	<u>19,000</u>	<u>129,047</u>
Balance, end of year	<u>174,945</u>	<u>26,939</u>	<u>-</u>	<u>-</u>	<u>19,000</u>	<u>220,884</u>