

Audited Financial Statements of

School District No. 33 (Chilliwack)

June 30, 2015

School District No. 33 (Chilliwack)

June 30, 2015

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School District No. 33 (Chilliwack)

MANAGEMENT REPORT

Version: 9295-8549-6567

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 33 (Chilliwack) have been prepared by management in accordance with the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act of British Columbia, supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

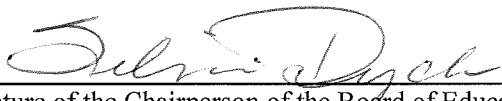
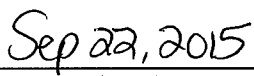
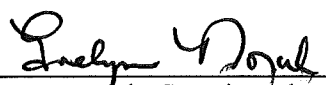
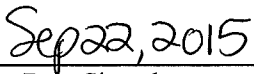
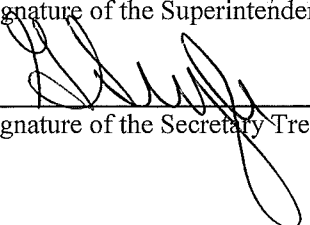
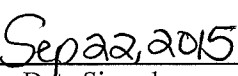
The preparation of financial statements necessarily involves the use of estimates based on management's judgment particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and reliable financial information is produced.

The Board of Education of School District No. 33 (Chilliwack) (called the "Board") is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Board. The Board reviews internal financial statements on a monthly basis and externally audited financial statements yearly.

The external auditors', KPMG LLP, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the financial statements. The external auditors' have full and free access to financial management of School District No. 33 (Chilliwack) 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. 33 (Chilliwack)

	
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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INDEPENDENT AUDITORS' REPORT

To the Board of Education of the School District No. 33 (Chilliwack)

To the Minister of Education, Province of British Columbia

We have audited the accompanying financial statements of School District No. 33 (Chilliwack), which comprise the statement of financial position as at June 30, 2015 and the statements of operations, changes in net debt and cash flows for the year ended June 30, 2015, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the financial statements

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

Auditors' Responsibility

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

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

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



Opinion

In our opinion, the financial statements of School District No. 33 (Chilliwack) as at and for the year ended June 30, 2015 are prepared, in all material respects, in accordance with the financial reporting provisions of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

Emphasis of Matter

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

Other Matter

Our audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The supplementary information included in Schedules 1 to 4 are presented for purposes of additional analysis and is not a required part of the financial statements. Such 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.

KPMG LLP

Chartered Professional Accountants

September 22, 2015

Abbotsford, British Columbia

School District No. 33 (Chilliwack)

Statement 1

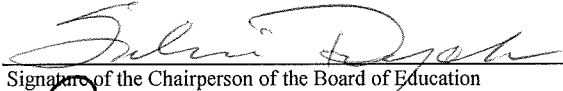
Statement of Financial Position

As at June 30, 2015

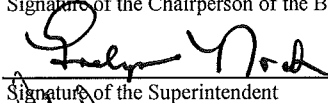
	2015 Actual	2014 Actual
	\$	\$
Financial Assets		
Cash and Cash Equivalents	28,318,512	26,265,446
Accounts Receivable		
Due from Province - Ministry of Education	678,441	400,000
Due from LEA/Direct Funding	213,665	390,649
Other (Note 4)	313,450	562,156
Total Financial Assets	<u>29,524,068</u>	<u>27,618,251</u>
Liabilities		
Accounts Payable and Accrued Liabilities		
Due to Province - Ministry of Education	-	2,782,214
Other (Note 5)	13,698,085	10,045,136
Unearned Revenue (Note 6)	1,004,332	959,747
Deferred Revenue (Note 7)	2,439,049	2,029,471
Deferred Capital Revenue (Note 8)	170,362,558	176,509,223
Employee Future Benefits (Note 9)	3,146,497	3,000,063
Other Liabilities	646,321	1,385,682
Total Liabilities	<u>191,296,842</u>	<u>196,711,536</u>
Net Financial Assets (Debt)	<u>(161,772,774)</u>	<u>(169,093,285)</u>
Non-Financial Assets		
Tangible Capital Assets (Note 10)	221,769,077	228,765,627
Restricted Assets (Endowments) (Note 12)	73,261	73,261
Prepaid Expenses	334,033	180,403
Total Non-Financial Assets	<u>222,176,371</u>	<u>229,019,291</u>
Accumulated Surplus (Deficit) (Note 20)	<u>60,403,597</u>	<u>59,926,006</u>

Contractual Obligations and Contingencies (Note 17)

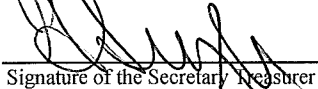
Approved by the Board


Signature of the Chairperson of the Board of Education

Sep 22, 2015
Date Signed


Signature of the Superintendent

Sep 22, 2015
Date Signed


Signature of the Secretary/Treasurer

Sep 22, 2015
Date Signed

School District No. 33 (Chilliwack)

Statement 2

Statement of Operations

Year Ended June 30, 2015

	2015 Budget (Note 16)	2015 Actual	2014 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	114,015,219	114,375,818	111,842,489
Other	214,652	97,740	133,777
Tuition	952,000	1,261,008	1,225,803
Other Revenue	4,980,945	5,112,843	5,346,480
Rentals and Leases	340,000	363,955	317,976
Investment Income	298,000	343,244	278,088
Amortization of Deferred Capital Revenue	6,923,708	6,922,028	6,242,337
Municipal Grants Spent on Sites			1,537,211
Total Revenue	127,724,524	128,476,636	126,924,161
Expenses			
Instruction	101,906,626	99,704,346	98,026,275
District Administration	3,579,786	3,800,964	3,457,344
Operations and Maintenance	20,958,757	21,312,838	18,249,964
Transportation and Housing	3,261,527	3,180,897	3,066,788
Total Expense	129,706,696	127,999,045	122,800,371
Surplus (Deficit) for the year	(1,982,172)	477,591	4,123,790
Accumulated Surplus (Deficit) from Operations, beginning of year		59,926,006	55,802,216
Accumulated Surplus (Deficit) from Operations, end of year		60,403,597	59,926,006

School District No. 33 (Chilliwack)

Statement 4

Statement of Changes in Net Financial Assets (Debt)

Year Ended June 30, 2015

	2015 Budget (Note 16)	2015 Actual	2014 Actual
	\$	\$	\$
Surplus (Deficit) for the year	<u>(1,982,172)</u>	<u>477,591</u>	<u>4,123,790</u>
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(140,000)	(980,996)	(12,732,515)
Amortization of Tangible Capital Assets	7,948,655	7,977,546	7,183,404
Net carrying value of Tangible Capital Assets disposed of			140,631
Total Effect of change in Tangible Capital Assets	<u>7,808,655</u>	<u>6,996,550</u>	<u>(5,408,480)</u>
Acquisition of Prepaid Expenses	-	(334,031)	(180,401)
Use of Prepaid Expenses	-	180,401	173,883
Total Effect of change in Other Non-Financial Assets	<u>-</u>	<u>(153,630)</u>	<u>(6,518)</u>
(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)	<u>5,826,483</u>	<u>7,320,511</u>	<u>(1,291,208)</u>
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Financial Assets (Debt)		<u>7,320,511</u>	<u>(1,291,208)</u>
Net Financial Assets (Debt), beginning of year		<u>(169,093,285)</u>	<u>(167,802,077)</u>
Net Financial Assets (Debt), end of year		<u><u>(161,772,774)</u></u>	<u><u>(169,093,285)</u></u>

School District No. 33 (Chilliwack)

Statement 5

Statement of Cash Flows

Year Ended June 30, 2015

	2015 Actual	2014 Actual
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	477,591	4,123,790
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	147,249	6,458,110
Prepaid Expenses	(153,630)	(6,518)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	870,735	(1,729,316)
Unearned Revenue	44,585	225,643
Deferred Revenue	409,578	(105,340)
Employee Future Benefits	146,434	(77,768)
Other Liabilities	(739,361)	1,052,432
Amortization of Tangible Capital Assets	7,977,546	7,183,404
Amortization of Deferred Capital Revenue	(6,922,028)	(6,242,337)
Recognition of Deferred Capital Revenue Spent on Sites		(4,815,044)
Bylaw Capital Spent on Non-Capital Items	(2,055,741)	
Total Operating Transactions	202,958	6,067,056
Capital Transactions		
Tangible Capital Assets Purchased	(980,996)	(8,319,254)
Tangible Capital Assets -WIP Purchased		(4,413,261)
Total Capital Transactions	(980,996)	(12,732,515)
Financing Transactions		
Capital Revenue Received	2,831,104	10,310,873
Adjustment to Opening DCR	-	(24,746)
Total Financing Transactions	2,831,104	10,286,127
Net Increase (Decrease) in Cash and Cash Equivalents	2,053,066	3,620,668
Cash and Cash Equivalents, beginning of year	26,265,446	22,644,778
Cash and Cash Equivalents, end of year	28,318,512	26,265,446
Cash and Cash Equivalents, end of year, is made up of:		
Cash	28,318,512	26,265,446
	28,318,512	26,265,446

SCHOOL DISTRICT NO. 33 (CHILLIWACK)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

NOTE 1 AUTHORITY AND PURPOSE

The School District 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. 33(Chilliwack)", and operates as "School District No. 33 (Chilliwack)." A board of education ("Board") elected for a four-year term governs the School District. The School District provides educational programs to students enrolled in schools in the district, and is principally funded by the Province of British Columbia through the Ministry of Education. School District No. 33 (Chilliwack) is exempt from federal and provincial corporate income taxes.

NOTE 2 ADOPTION OF NEW ACCOUNTING POLICY

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

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

a) Basis of accounting

The financial statements have been prepared in accordance with Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board.

The Budget Transparency and Accountability Act requires that the financial statements be prepared in accordance with the set of standards and guidelines that comprise generally accepted accounting principles for senior governments in Canada, or if the Treasury Board makes a regulation, the set of standards and guidelines that comprise generally accepted accounting principles for senior governments in Canada as modified by the alternate standard or guideline or part thereof adopted in the regulation.

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

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

SCHOOL DISTRICT NO. 33 (CHILLIWACK)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

b) Cash and Cash Equivalents

Cash and cash equivalents include Certificates of Deposit with the Provincial Treasury that are readily convertible to known amounts of cash and that are subject to insignificant risk of change in value. These cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investing.

c) Accounts Receivable

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

d) Unearned Revenue

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

e) Deferred Revenue and Deferred Capital Revenue

Deferred revenue includes contributions received with stipulations that meet the description of restricted contributions in the Restricted Contributions Regulation 198/2011 issued by Treasury Board. When restrictions are met, deferred revenue is recognized as revenue in the fiscal year in a manner consistent with the circumstances and evidence used to support the initial recognition of the contributions received as a liability as detailed in Note 3 (l).

SCHOOL DISTRICT NO. 33 (CHILLIWACK)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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. See Note 3 (a) for the impact of this policy on these financial statements.

f) Contaminated Sites

A liability for contaminated sites is recognized when a site is not in productive use and the following criteria are met:

- (i) An environmental standard exists;
- (ii) Contamination exceeds the environmental standard;
- (iii) The School District is directly responsible or accepts responsibility;
- (iv) It is expected that future economic benefits will be given up; and
- (v) 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.

g) Employee Future Benefits

i) Post-Employment Benefits

The School District provides certain post-employment benefits including vested and non-vested benefits for certain employees pursuant to certain contracts and union agreements.

The School District accrues its obligations and related costs including both vested and non-vested benefits under employee future benefit plans. Benefits include vested sick leave, accumulating non-vested sick leave, early retirement, retirement/severance, vacation, overtime and death benefits. The benefits cost is actuarially determined using the projected unit credit method pro-rated on service and using management's best estimate of expected salary escalation, termination rates, retirement rates and mortality. The discount rate used to measure obligations is based on the cost of borrowing.

The cumulative unrecognized actuarial gains and losses are amortized over the expected average remaining service lifetime (EARS�) of active employees covered under the plan.

SCHOOL DISTRICT NO. 33 (CHILLIWACK)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The most recent valuation of the obligation was performed at March 31, 2013 and projected to June 30, 2016. The next valuation will be performed at March 31, 2016 for use at June 30, 2016. For the purposes of determining the financial position of the plans and the employee future benefit costs, a measurement date of March 31 was adopted for all periods subsequent to July 1, 2004.

ii) Pension Plans

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 Statement of Operations.

i) Tangible Capital Assets

The following criteria apply:

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

SCHOOL DISTRICT NO. 33 (CHILLIWACK)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- Buildings that are demolished or destroyed are written-off.
- Works of art, historic assets and other intangible assets are not recorded as assets in these financial statements.
- The cost, less residual value, of tangible capital assets (excluding sites), is amortized on a straight-line basis over the estimated useful life of the asset. It is management's responsibility to determine the appropriate useful lives for tangible capital assets. These useful lives are reviewed on a regular basis or if significant events initiate the need to revise. Estimated useful life is as follows:

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

j) Prepaid Expenses

Prepaid expenses consist of unexpired insurance premiums and other prepaid amounts which will be amortized over the term of the policies, or in the period the actual expense relates to, respectively.

Materials and supplies held for use within the School District are included as a prepaid expense and stated at acquisition cost and are charged to expense over the periods expected to benefit from it.

k) Funds and Reserves

Certain amounts, as approved by the Board are set aside in accumulated surplus for future operating and capital purposes. Transfers to and from funds and reserves are an adjustment to the respective fund when approved (see Notes 13 – Interfund Transfers and Note 20 – Accumulated Surplus).

l) 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.

SCHOOL DISTRICT NO. 33 (CHILLIWACK)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

For contributions subject to a legislative or contractual stipulation or restriction as to their use, revenue is recognized as follows:

- Non-capital contributions for specific purposes are recorded as deferred revenue and recognized as revenue in the year related expenses are incurred,
- Contributions restricted for site acquisitions are recorded as revenue when the sites are purchased, and
- Contributions restricted for tangible capital assets acquisitions other than sites are recorded as deferred capital revenue and amortized over the useful life of the related assets.

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

The accounting treatment for restricted contributions is not consistent with the requirements of Canadian public sector accounting standards which require that government transfers be recognized as revenue when approved by the transferor and eligibility criteria have been met unless the transfer contains a stipulation that meets the criteria for liability recognition in which case the transfer is recognized as revenue over the period that the liability is extinguished. See Note 3 (a) for the impact of this policy on these financial statements.

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.

m) Expenses

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

Allocation of Costs

- Operating expenses are reported by function, program, and object. Whenever possible, expenditures are determined by actual identification. Additional costs pertaining to specific instructional programs, such as special and aboriginal education, are allocated to these programs. All other costs are allocated to related programs.

SCHOOL DISTRICT NO. 33 (CHILLIWACK)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- Actual salaries of personnel assigned to two or more functions or programs are allocated based on the time spent in each function and program. School-based clerical salaries are allocated to school administration and partially to other programs to which they may be assigned. Principals and Vice-Principals salaries are allocated to school administration and may be partially allocated to other programs to recognize their other responsibilities.
- Employee benefits and allowances are allocated to the same programs, and in the same proportions, as the individual's salary.
- Supplies and services are allocated based on actual program identification.

n) Endowment Contributions

Endowment contributions are reported as revenue on the Statement of Operations when received. Investment income earned on endowment principal is recorded as deferred revenue if it meets the definition of a liability and is recognized as revenue in the year related expenses (disbursements) are incurred. If the investment income earned does not meet the definition of a liability, it is recognized as revenue in the year it is earned. Endowment assets are reported as restricted non-financial assets on the Statement of Financial Position.

o) Financial Instruments

A contract establishing a financial instrument creates, at its inception, rights and obligations to receive or deliver economic benefits. The financial assets and financial liabilities portray these rights and obligations in the financial statements. The School District recognizes a financial instrument when it becomes a party to a financial instrument contract.

Financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities 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 or issue of a financial asset or a financial liability.

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

All financial assets except derivatives are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations. 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. 33 (CHILLIWACK)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

p) Measurement Uncertainty

Preparation of financial statements in accordance with the basis of accounting described in Note 3 a) requires management to make estimates and assumptions that impact reported amounts of assets and liabilities at the date of the financial statements and revenues and expenses during the reporting periods. Significant areas requiring the use of management estimates relate to the potential impairment of assets, liabilities for contaminated sites, rates for amortization and estimated employee future benefits. Actual results could differ from those estimates.

NOTE 4 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	<u>June 30, 2015</u>	<u>June 30, 2014</u>
Trade receivables	\$ 53,554	\$ 57,483
GST Receivable	108,510	157,155
Insurance claim	-	14,380
Council of Ministers of Ed. (French Monitor)	15,410	-
BC Hydro	-	298,410
BCPSEA CUPE Pro-D	36,517	31,222
Chilliwack Teachers Assoc.	64,774	-
Simon Fraser University	31,483	-
Other	3,202	3,506
	<u>\$ 313,450</u>	<u>\$ 562,156</u>

NOTE 5 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES - OTHER

	<u>June 30, 2015</u>	<u>June 30, 2014</u>
Trade payables	\$ 1,302,969	\$ 751,152
Salaries and benefits payable	9,107,522	6,024,624
Accrued vacation pay	541,288	825,004
Construction holdbacks	1,967,828	1,967,829
Other	778,478	476,527
	<u>\$13,698,085</u>	<u>\$10,045,136</u>

SCHOOL DISTRICT NO. 33 (CHILLIWACK)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

NOTE 6 UNEARNED REVENUE

	<u>June 30, 2015</u>	<u>June 30, 2014</u>
Balance, beginning of year	\$ 959,747	\$ 734,104
Increase:		
Tuition fees	1,360,803	1,395,709
Service Contracts	-	55,737
Rental/lease of facilities	527	-
	<u>1,361,330</u>	<u>1,451,446</u>
Decrease:		
Tuition fees	1,261,008	1,225,803
Service Contracts	55,737	-
	<u>1,316,745</u>	<u>1,225,803</u>
Balance, end of year	<u>\$ 1,004,332</u>	<u>\$ 959,747</u>

NOTE 7 DEFERRED REVENUE

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

	<u>June 30, 2015</u>	<u>June 30, 2014</u>
Balance, beginning of year	\$ 2,029,471	\$ 2,134,811
Increase: Contributions received		
Provincial Grants – Ministry of Education	3,951,502	2,736,904
Provincial Grants - Other	2,000	143,947
Other	2,819,361	2,956,957
Investment income	19,049	32,809
	<u>6,791,912</u>	<u>5,870,617</u>
Decrease:		
Expenses	6,382,334	5,975,957
	<u>6,382,334</u>	<u>5,975,957</u>
Net changes for the year	<u>409,578</u>	<u>(105,340)</u>
Balance, end of year	<u>\$ 2,439,049</u>	<u>\$ 2,029,471</u>

SCHOOL DISTRICT NO. 33 (CHILLIWACK)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

NOTE 8 DEFERRED CAPITAL REVENUE

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

	Deferred Capital 2015	Unspent Capital 2015	Total Deferred Capital Revenue 2015	Total Deferred Capital Revenue 2014
Balance, beginning of year	\$173,482,730	\$3,026,493	\$176,509,223	\$177,421,110
Increase:				
Transfer from Unspent – Capital Additions	530,863	-	530,863	2,225,562
Transfer from Unspent – Work in Progress	-	-	-	4,413,261
Provincial Grants – Ministry of Education	-	2,213,984	2,213,984	9,567,897
Other Income	-	617,120	617,120	674,963
Investment income	-	-	-	43,265
	530,863	2,831,104	3,361,967	16,924,948
Decrease:				
Amortization of Deferred Capital	6,922,028	-	6,922,028	6,242,337
Capital Additions–transfer to Deferred Capital		530,863	530,863	2,225,562
Work in Progress–transfer to Deferred Capital		-	-	4,413,261
Site Purchases–transfer to Revenue	-	-	-	4,815,044
Unamortized Capital Revenue Recognized on on Disposal of Capital Assets	-	-	-	140,631
Facility Improvements Not Capitalized	-	2,055,741	2,055,741	-
	6,922,028	2,586,604	9,508,632	17,836,835
Net changes for the year	(6,391,165)	244,500	(6,146,665)	(911,887)
Balance, end of year	\$167,091,565	\$3,270,993	\$170,362,558	\$176,509,223

NOTE 9 EMPLOYEE FUTURE BENEFITS

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

SCHOOL DISTRICT NO. 33 (CHILLIWACK)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

NOTE 9 EMPLOYEE FUTURE BENEFITS (Continued)

	<u>June 30, 2015</u>	<u>June 30, 2014</u>
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	\$ 3,830,494	\$ 3,936,134
Service Cost	261,761	263,004
Interest Cost	126,736	119,893
Benefit Payments	(338,898)	(486,198)
Actuarial (Gain) Loss	310,578	(2,339)
Accrued Benefit Obligation – March 31	<u>\$4,190,671</u>	<u>\$3,830,494</u>
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation - March 31	\$ 4,190,671	\$ 3,830,494
Market Value of Plan Assets - March 31	-	-
Funded Status - Surplus (Deficit)	(4,190,671)	(3,830,494)
Employer Contributions After Measurement Date	148,136	174,466
Benefits Expense After Measurement Date	(99,932)	(97,125)
Unamortized Net Actuarial (Gain) Loss	995,970	753,090
Accrued Benefit Asset (Liability) - June 30	<u>\$ (3,146,497)</u>	<u>\$ (3,000,063)</u>
Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability - July 1	\$ 3,000,063	\$ 3,077,831
Net Expense for Fiscal Year	459,003	452,185
Employer Contributions	(312,569)	(529,953)
Accrued Benefit Liability - June 30	<u>\$ 3,146,497</u>	<u>\$ 3,000,063</u>
Components of Net Benefit Expense		
Service Cost	\$ 272,007	\$ 262,693
Interest Cost	119,298	121,604
Amortization of Net Actuarial (Gain)/Loss	67,698	67,888
Net Benefit Expense	<u>\$ 459,003</u>	<u>\$ 452,185</u>

SCHOOL DISTRICT NO. 33 (CHILLIWACK)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

NOTE 9 EMPLOYEE FUTURE BENEFITS (Continued)

Discount Rate - April 1	3.25%	3.00%
Discount Rate - March 31	2.25%	3.25%
Long Term Salary Growth - April 1	2.50% + seniority	2.50% + seniority
Long Term Salary Growth - March 31	2.50% + seniority	2.50% + seniority
EARSL - March 31	12.3	12.3

NOTE 10 TANGIBLE CAPITAL ASSETS

Net Book Value

	Net Book Value June 30, 2015	Net Book Value June 30, 2014
Sites	\$ 36,107,540	\$ 36,107,540
Buildings	177,272,365	183,438,529
Furniture & Equipment	5,845,734	6,590,620
Vehicles	2,022,838	2,369,138
Computer Software	241,610	193,020
Computer Hardware	278,990	66,780
Total	\$221,769,077	\$228,765,627

SCHOOL DISTRICT NO. 33 (CHILLIWACK)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

NOTE 10 TANGIBLE CAPITAL ASSETS (Continued)

June 30, 2015

Cost:	Balance at July 1, 2014	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2015
Sites	\$ 36,107,540	\$ -	\$ -	\$ -	\$ 36,107,540
Buildings	263,383,951	119,275	-	-	263,503,226
Furniture & Equipment	10,985,888	354,158	(345,051)	-	10,994,995
Vehicles	5,025,670	146,293	(345,776)	-	4,826,187
Computer Software	240,433	106,779	(5,754)	-	341,458
Computer Hardware	113,126	254,491	(57,932)	-	309,685
Total	\$ 315,856,608	\$ 980,996	\$ (754,513)	\$ -	\$ 316,083,091

Accumulated Amortization:	Balance at July 1, 2014	Additions	Disposals	Balance at June 30, 2015
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	79,945,422	6,285,439	-	86,230,861
Furniture & Equipment	4,395,268	1,099,044	(345,051)	5,149,261
Vehicles	2,656,532	492,593	(345,776)	2,803,349
Computer Software	47,413	58,189	(5,754)	99,848
Computer Hardware	46,346	42,281	(57,932)	30,695
Total	\$ 87,090,981	\$ 7,977,546	\$ (754,513)	\$ 94,314,014

June 30, 2014

Cost:	Balance at July 1, 2013	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2014
Sites	\$ 31,216,558	\$ 4,890,982	\$ -	\$ -	\$ 36,107,540
Buildings	217,190,002	2,205,289	(2,243,472)	46,232,132	263,383,951
Buildings – work in progress	43,063,221	3,168,911	-	(46,232,132)	-
Furniture & Equipment	8,233,860	528,839	(473,978)	2,697,167	10,985,888
Furniture & Eqpt.-work in progress	1,452,817	1,244,350	-	(2,697,167)	-
Vehicles	5,281,020	475,630	(730,980)	-	5,025,670
Computer Software	150,347	163,321	(73,235)	-	240,433
Computer Hardware	150,339	55,193	(92,406)	-	113,126
Total	\$ 306,738,164	\$ 12,732,515	\$ (3,614,071)	\$ -	\$ 315,856,608

Accumulated Amortization:	Balance at July 1, 2013	Additions	Disposals	Balance at June 30, 2014
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	76,328,684	5,719,579	(2,102,841)	79,945,422
Furniture & Equipment	4,017,460	851,786	(473,978)	4,395,268
Vehicles	2,835,610	551,902	(730,980)	2,656,532
Computer Software	90,579	30,069	(73,235)	47,413
Computer Hardware	108,684	30,068	(92,406)	46,346
Total	\$ 83,381,017	\$ 7,183,404	\$ (3,473,440)	\$ 87,090,981

SCHOOL DISTRICT NO. 33 (CHILLIWACK)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

NOTE 11 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 plans including investment of the assets and administration of benefits. The pension plans are multi-employer contributory pension plans. Basic pension benefits provided are based on a formula. The Teachers' Pension Plan has about 45,000 active members from school districts, and approximately 33,000 retired members from school districts. The Municipal Pension Plan has about 182,000 active members, of which approximately 24,000 are from school districts.

Every three years, an actuarial valuation is performed to assess the financial position of the plans and the adequacy of plan funding. The most recent actuarial valuation of the Teachers' Pension Plan as at December 31, 2011 indicated an \$855 million funding deficit for basic pension benefits. The next valuation will be as at December 31, 2014 with results available later in 2015. The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2012 indicated a \$1,370 million funding deficit for basic pension benefits. The next valuation will be as at December 31, 2015 with results available in 2016. Employers participating in the 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 the Plans in aggregate with the result that there is no consistent and reliable basis for allocating the obligation, plan assets and cost to individual employers participating in the Plans.

The School District paid \$10,802,340 for employer contributions to these plans in the year ended June 30, 2015 (2014: \$10,446,419).

NOTE 12 RESTRICTED ASSETS - ENDOWMENT FUNDS

Donors have placed restrictions on their contributions to the endowment funds of the School District. One restriction is that the original contribution should not be spent.

Name of Endowment	Balance		Balance
	July 1, 2014	Contributions	July 1, 2015
Brunt	\$ 30,000	\$ -	\$ 30,000
Nelson	10,000	-	10,000
Newberry	13,000	-	13,000
Ford Mountain	20,261	-	20,261
Total	<u>\$ 73,261</u>	<u>\$ -</u>	<u>\$ 73,261</u>

SCHOOL DISTRICT NO. 33 (CHILLIWACK)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

NOTE 13 INTERFUND TRANSFERS

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

- A transfer in the amount of \$60,134 was made from the operating fund to the capital fund for capital equipment purchases.

NOTE 14 RELATED PARTY TRANSACTIONS

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

NOTE 15 BUDGET FIGURES

Budget figures included in the financial statements were approved by the Board through the adoption of an amended annual budget on February 3, 2015. The Board adopted a preliminary annual budget on June 17, 2014. The amended budget is used for comparison purposes, as these are based on actual student enrollments. The difference between the two budgets is as follows:

SCHOOL DISTRICT NO. 33 (CHILLIWACK)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

NOTE 16 BUDGET FIGURES (Continued)

	2015 Amended	2015 Preliminary	Difference
Revenues			
Provincial Grants			
Ministry of Education	\$114,015,219	\$110,433,481	\$ 3,581,738
Other	214,652	120,946	93,706
Tuition	952,000	1,000,000	(48,000)
Other Revenue	4,980,945	5,154,325	(173,380)
Rentals and Leases	340,000	370,000	(30,000)
Investment Income	298,000	296,500	1,500
Amortization of Deferred Capital Revenue	6,923,708	6,877,153	46,555
Total Revenue	<u>127,724,524</u>	<u>124,252,405</u>	<u>3,472,119</u>
Expenses			
Instruction	101,906,626	100,191,180	1,715,446
District Administration	3,579,786	3,605,649	(25,863)
Operations and Maintenance	20,958,757	18,782,456	2,176,301
Transportation and Housing	3,261,527	3,196,146	65,381
Total Expenses	<u>129,706,696</u>	<u>125,775,431</u>	<u>3,931,265</u>
Surplus (Deficit) for the year	<u>(1,982,172)</u>	<u>(1,523,026)</u>	<u>(459,146)</u>
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets			
From Local Capital	(140,000)	(80,000)	(60,000)
From Deferred Capital Revenue	-	-	-
Total Acquisition of Tangible Capital Assets	<u>(140,000)</u>	<u>(80,000)</u>	<u>(60,000)</u>
Amortization of Tangible Capital Assets	7,948,655	7,813,464	135,191
Total Effect of change in Tangible Capital Assets	<u>7,808,655</u>	<u>7,733,464</u>	<u>75,191</u>
(Increase) Decrease in Net Financial Assets	<u>\$ 5,826,483</u>	<u>\$ 6,210,438</u>	<u>\$ (383,955)</u>

NOTE 17 CONTRACTUAL OBLIGATIONS AND CONTINGENCIES

Each year the School District is involved with a number of legal actions and arbitrations. Although the outcomes of these matters are not determinable at this time, management believes they will not have a material adverse effect on the School District's financial position or results of the operation.

SCHOOL DISTRICT NO. 33 (CHILLIWACK)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

NOTE 18 ASSET RETIREMENT OBLIGATION

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 is incurred if a reasonable estimate of fair value can be made. As at June 30, 2015, the liability is not reasonably determinable.

NOTE 19 EXPENSE BY OBJECT

	<u>June 30, 2015</u>	<u>June 30, 2014</u>
Salaries and benefits	\$ 102,350,895	\$ 98,957,771
Services and supplies	15,614,863	16,659,196
Amortization	<u>8,003,243</u>	<u>7,183,404</u>
	<u>\$ 125,969,001</u>	<u>\$ 122,800,371</u>

NOTE 20 ACCUMULATED SURPLUS

	<u>June 30, 2015</u>	<u>June 30, 2014</u>
Operating Fund Accumulated Surplus		
Internally Restricted (appropriated by Board for):		
School-based Carry Forwards	\$ 729,535	\$ 717,644
FVDES Carry Forward	708,069	678,513
Aboriginal Education Targeted Funds Unexpended	347,950	197,140
International Support	<u>60,000</u>	<u>60,000</u>
Total Internally Operating Restricted	1,845,554	1,653,297
 Unrestricted Operating Surplus	 2,684,122	 1,422,368
 Total Operating Fund Accumulated Surplus	 <u>\$ 4,529,676</u>	 <u>\$ 3,075,665</u>
 Special Purpose Funds Surplus	 <u>\$ 73,261</u>	 <u>\$ 73,261</u>
 Capital Fund Accumulated Surplus		
Contingency Reserve-Local Capital	1,147,904	1,518,936
Investment in Tangible Capital Assets	<u>54,652,756</u>	<u>55,258,144</u>
Total Capital Fund Accumulated Surplus	<u>\$55,800,660</u>	<u>\$56,777,080</u>
 Total Accumulated Surplus	 <u><u>\$60,403,597</u></u>	 <u><u>\$59,926,006</u></u>

SCHOOL DISTRICT NO. 33 (CHILLIWACK)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

NOTE 21 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 22 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 and accounts receivable.

The School District is exposed to credit risk in the event of non-performance by a borrower. This risk is mitigated as most accounts receivable are due from the Province and are collectible.

It is management's opinion that the School District is not exposed to significant credit risk associated with its cash deposits and investments as they are placed in recognized British Columbia institutions.

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. It is management's opinion that the School District is not exposed to significant interest rate risk.

SCHOOL DISTRICT NO. 33 (CHILLIWACK)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

NOTE 22 RISK MANAGEMENT (Continued)

c) Liquidity risk

Liquidity risk is the risk that the School District will not be able to meet its financial obligations as they become due.

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

d) Fair value of financial instruments:

Public Sector Accounting Standards define the fair value of a financial instrument as the amount at which the instrument could be exchanged in a current transaction between willing parties.

The School District uses the following methods and assumptions to estimate the fair value of each class of financial instruments for which the carrying amounts are included in the Statement of Financial Position under the following captions:

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

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

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

The School District's Instruments are all considered to be level 1 financial instruments for which the fair value is determined based on quoted prices in active markets. Changes in financial instruments valuation methods or in the availability of market observable inputs may result in a transfer between levels. During the year there were no significant transfers of securities between different levels.

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

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. 33 (Chilliwack)

Schedule 1 (Unaudited)

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

	Operating Fund	Special Purpose Fund	Capital Fund	2015 Actual	2014 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	3,075,665	73,261	56,777,080	59,926,006	55,802,216
Changes for the year					
Surplus (Deficit) for the year	1,514,146		(1,036,555)	477,591	4,123,790
Interfund Transfers					
Local Capital	(60,134)		60,134	-	
Net Changes for the year	1,454,012	-	(976,421)	477,591	4,123,790
Accumulated Surplus (Deficit), end of year - Statement 2	4,529,677	73,261	55,800,659	60,403,597	59,926,006

School District No. 33 (Chilliwack)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2015

	2015 Budget (Note 16)	2015 Actual	2014 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	108,209,023	108,805,210	105,732,024
Other		90,770	
Tuition	952,000	1,261,008	1,225,803
Other Revenue	2,148,595	2,266,379	2,360,537
Rentals and Leases	340,000	363,955	317,976
Investment Income	250,000	310,248	222,621
Total Revenue	111,899,618	113,097,570	109,858,961
Expenses			
Instruction	95,310,552	93,773,911	92,242,412
District Administration	3,579,786	3,800,964	3,457,344
Operations and Maintenance	11,230,256	11,143,706	11,426,368
Transportation and Housing	2,756,249	2,864,843	2,514,886
Total Expense	112,876,843	111,583,424	109,641,010
Operating Surplus (Deficit) for the year	(977,225)	1,514,146	217,951
Budgeted Appropriation (Retirement) of Surplus (Deficit)	1,275,228		
Net Transfers (to) from other funds			
Local Capital	(140,000)	(60,134)	(668,364)
Total Net Transfers	(140,000)	(60,134)	(668,364)
Total Operating Surplus (Deficit), for the year	158,003	1,454,012	(450,413)
Operating Surplus (Deficit), beginning of year		3,075,665	3,526,078
Operating Surplus (Deficit), end of year		4,529,677	3,075,665
Operating Surplus (Deficit), end of year			
Internally Restricted		1,845,554	1,653,297
Unrestricted		2,684,123	1,422,368
Total Operating Surplus (Deficit), end of year		4,529,677	3,075,665

School District No. 33 (Chilliwack)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2015

	2015 Budget (Note 16)	2015 Actual	2014 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education			
Operating Grant, Ministry of Education	110,209,283	110,543,248	109,617,337
AANDC/LEA Recovery	(1,954,191)	(1,861,470)	(1,983,341)
Strike Savings Recovery	(3,591,000)	(3,633,158)	(3,056,188)
Other Ministry of Education Grants			
Labour Settlement Funding	2,335,647	2,335,647	
Pay Equity	864,624	864,624	864,624
Funding for Graduated Adults	274,660	320,759	176,091
Carbon Tax Reimbursement	70,000	110,127	98,282
FSA Marking		15,219	15,219
Other Grants		110,214	
Total Provincial Grants - Ministry of Education	108,209,023	108,805,210	105,732,024
Provincial Grants - Other		90,770	
Tuition			
Offshore Tuition Fees	952,000	1,261,008	1,225,803
Total Tuition	952,000	1,261,008	1,225,803
Other Revenues			
LEA/Direct Funding from First Nations	1,818,595	1,733,814	2,013,015
Miscellaneous			
Distance Learning Course Fees		59,780	111,695
Textbook Deposit Revenue			63,609
Trades Adjustment			49,800
Teacher Extended Health Plan Funding			62,732
Print Shop Recoveries		72,862	870
Other Miscellaneous	330,000	399,923	42,237
Donations			16,579
Total Other Revenue	2,148,595	2,266,379	2,360,537
Rentals and Leases	340,000	363,955	317,976
Investment Income	250,000	310,248	222,621
Total Operating Revenue	111,899,618	113,097,570	109,858,961

School District No. 33 (Chilliwack)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2015

	2015 Budget (Note 16)	2015 Actual	2014 Actual
	\$	\$	\$
Salaries			
Teachers	47,710,495	47,175,682	47,060,620
Principals and Vice Principals	6,073,175	6,103,861	6,042,180
Educational Assistants	8,244,717	8,007,537	7,785,995
Support Staff	10,972,757	11,404,935	10,750,709
Other Professionals	2,698,876	2,748,752	2,540,330
Substitutes	3,767,173	4,569,793	3,390,100
Total Salaries	79,467,193	80,010,560	77,569,934
Employee Benefits	19,987,833	19,501,240	19,126,809
Total Salaries and Benefits	99,455,026	99,511,800	96,696,743
Services and Supplies			
Services	3,380,386	2,959,870	2,458,608
Student Transportation	31,000	6,523	113,341
Professional Development and Travel	785,009	649,829	952,823
Rentals and Leases	240,801	222,330	221,162
Dues and Fees	173,050	159,351	144,258
Insurance	314,000	353,978	216,350
Supplies	6,714,771	6,046,374	7,104,685
Utilities	1,782,800	1,673,369	1,733,040
Total Services and Supplies	13,421,817	12,071,624	12,944,267
Total Operating Expense	112,876,843	111,583,424	109,641,010

School District No. 33 (Chilliwack)

Operating Expense by Function, Program and Object

Year Ended June 30, 2015

Schedule 2C (Unaudited)

	Teachers Salaries	Principals and Vice Principals Salaries	Educational Assistants Salaries	Support Staff Salaries	Other Professionals Salaries	Substitutes Salaries	Total Salaries
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	38,341,719	594,591	90,222	595,915	75	3,003,156	42,625,678
1.03 Career Programs	80,338		22,714	400,501	67,499	11,757	582,809
1.07 Library Services	1,082,982			93,272		19,553	1,195,807
1.08 Counselling	1,805,468					93,477	1,898,945
1.10 Special Education	4,578,843	133,172	7,146,500	70,932		523,470	12,452,917
1.30 English Language Learning	759,945		-			3,174	763,119
1.31 Aboriginal Education	299,541		748,101	35,186	66,463	134,750	1,284,041
1.41 School Administration		5,137,178		2,605,442	560,246	119,774	8,422,640
1.60 Summer School	106,725	7,099					113,824
1.61 Continuing Education							-
1.62 Off Shore Students	120,121	99,321		19,718		2,747	241,907
1.64 Other				84,539	82,208	8,300	175,047
Total Function 1	47,175,682	5,971,361	8,007,537	3,905,505	776,491	3,920,158	69,756,734
4 District Administration							
4.11 Educational Administration					647,938	20,578	668,516
4.40 School District Governance					128,700		128,700
4.41 Business Administration		132,500		591,161	833,453	16,364	1,573,478
Total Function 4	-	132,500	-	591,161	1,610,091	36,942	2,370,694
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				88,721	284,255		372,976
5.50 Maintenance Operations				4,846,730		336,338	5,183,068
5.52 Maintenance of Grounds				496,476		37,391	533,867
5.56 Utilities							-
Total Function 5	-	-	-	5,431,927	284,255	373,729	6,089,911
7 Transportation and Housing							
7.41 Transportation and Housing Administration				112,278	77,915		190,193
7.70 Student Transportation				1,364,064		238,964	1,603,028
Total Function 7	-	-	-	1,476,342	77,915	238,964	1,793,221
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	47,175,682	6,103,861	8,007,537	11,404,935	2,748,752	4,569,793	80,010,560

School District No. 33 (Chilliwack)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2015

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2015 Actual	2015 Budget (Note 16)	2014 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	42,625,678	10,578,743	53,204,421	4,610,826	57,815,247	59,973,725	57,877,496
1.03 Career Programs	582,809	142,329	725,138	264,541	989,679	959,499	988,680
1.07 Library Services	1,195,807	302,541	1,498,348	126,828	1,625,176	1,635,708	1,538,171
1.08 Counselling	1,898,945	435,792	2,334,737	-	2,334,737	2,336,719	2,561,987
1.10 Special Education	12,452,917	3,231,043	15,683,960	537,359	16,221,319	16,563,190	15,943,601
1.30 English Language Learning	763,119	196,521	959,640	16,529	976,169	1,062,661	793,320
1.31 Aboriginal Education	1,284,041	297,479	1,581,520	515,751	2,097,271	2,197,704	2,190,249
1.41 School Administration	8,422,640	1,904,670	10,327,310	393,108	10,720,418	9,702,258	9,491,654
1.60 Summer School	113,824	22,354	136,178	790	136,968	760	258,780
1.61 Continuing Education	-	-	-	19,020	19,020	25,500	-
1.62 Off Shore Students	241,907	61,688	303,595	256,843	560,438	551,827	514,992
1.64 Other	175,047	37,857	212,904	64,565	277,469	301,001	83,482
Total Function 1	69,756,734	17,211,017	86,967,751	6,806,160	93,773,911	95,310,552	92,242,412
4 District Administration							
4.11 Educational Administration	668,516	145,769	814,285	152,716	967,001	1,065,088	870,048
4.40 School District Governance	128,700	2,408	131,108	230,146	361,254	361,068	313,182
4.41 Business Administration	1,573,478	333,353	1,906,831	565,878	2,472,709	2,153,630	2,274,114
Total Function 4	2,370,694	481,530	2,852,224	948,740	3,800,964	3,579,786	3,457,344
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	372,976	78,738	451,714	242,320	694,034	715,580	649,967
5.50 Maintenance Operations	5,183,068	1,192,830	6,375,898	1,480,829	7,856,727	7,968,903	8,202,707
5.52 Maintenance of Grounds	533,867	127,086	660,953	258,623	919,576	762,973	840,654
5.56 Utilities	-	-	-	1,673,369	1,673,369	1,782,800	1,733,040
Total Function 5	6,089,911	1,398,654	7,488,565	3,655,141	11,143,706	11,230,256	11,426,368
7 Transportation and Housing							
7.41 Transportation and Housing Administration	190,193	39,854	230,047	46,275	276,322	230,331	265,413
7.70 Student Transportation	1,603,028	370,185	1,973,213	615,308	2,588,521	2,525,918	2,249,473
Total Function 7	1,793,221	410,039	2,203,260	661,583	2,864,843	2,756,249	2,514,886
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	80,010,560	19,501,240	99,511,800	12,071,624	111,583,424	112,876,843	109,641,010

School District No. 33 (Chilliwack)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2015

	2015 Budget (Note 16)	2015 Actual	2014 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	4,016,646	3,514,867	2,832,632
Other	214,652	6,970	133,777
Other Revenue	2,832,350	2,841,448	2,976,739
Investment Income	28,000	19,049	32,809
Total Revenue	<u>7,091,648</u>	<u>6,382,334</u>	<u>5,975,957</u>
Expenses			
Instruction	6,596,074	5,930,435	5,783,863
Operations and Maintenance	495,574	451,899	192,094
Total Expense	<u>7,091,648</u>	<u>6,382,334</u>	<u>5,975,957</u>
Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>-</u>	<u>-</u>
Total Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>-</u>	<u>-</u>
Special Purpose Surplus (Deficit), beginning of year		73,261	73,261
Special Purpose Surplus (Deficit), end of year		<u>73,261</u>	<u>73,261</u>
Special Purpose Surplus (Deficit), end of year			
Endowment Contributions		73,261	73,261
Total Special Purpose Surplus (Deficit), end of year		<u>73,261</u>	<u>73,261</u>

School District No. 33 (Chilliwack)

Schedule 3A (Unaudited)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2015

	Annual Facility Grant	Learning Improvement Fund	Special Education Equipment	Scholarships and Bursaries	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	Community- LINK
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	182	19,471	46,458	220,364	1,632,456	-	15,782	-	37,595
Add: Restricted Grants									
Provincial Grants - Ministry of Education	495,392	2,177,016	34,273			224,000	49,000	138,292	694,559
Provincial Grants - Other				67,719	2,700,436				
Other				1,874	17,175				
Investment Income	495,392	2,177,016	34,273	69,593	2,717,611	224,000	49,000	138,292	694,559
Less: Allocated to Revenue	451,899	1,963,045	17,085	65,650	2,736,921	224,000	32,238	114,895	667,143
Recovered									
Deferred Revenue, end of year	43,675	233,442	63,646	224,307	1,613,146	-	32,544	23,397	65,011
Revenues									
Provincial Grants - Ministry of Education	451,899	1,963,045	17,085			224,000	32,238	114,895	667,143
Provincial Grants - Other				63,776	2,719,746				
Other Revenue				1,874	17,175				
Investment Income	451,899	1,963,045	17,085	65,650	2,736,921	224,000	32,238	114,895	667,143
Expenses									
Salaries									
Teachers		1,093,061						28,240	
Educational Assistants		355,764							465,499
Support Staff					3,185				
Substitutes	165,816	91,118			25,210	159	7,415	3,536	132
	165,816	1,539,943	-	-	28,395	159	7,415	31,776	465,631
Employee Benefits	15,327	423,102			526	102	5	9,350	109,343
Services and Supplies	270,756		17,085	65,650	2,708,000	223,739	24,818	73,769	92,169
	451,899	1,963,045	17,085	65,650	2,736,921	224,000	32,238	114,895	667,143
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers									
	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 33 (Chilliwack)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2015

Schedule 3A (Unaudited)

	Service Delivery Transformation	PRP-AMUT Residential	SWIS	Miscellaneous Grants	After School Sports Initiative	TOTAL
	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year		8,757	6,716	10,156	31,534	2,029,471
Add: Restricted Grants						
Provincial Grants - Ministry of Education	80,180	67,547				3,960,259
Provincial Grants - Other			2,000			2,000
Other				6,907	44,299	2,819,361
Investment Income						19,049
	80,180	67,547	2,000	6,907	44,299	6,800,669
Less: Allocated to Revenue	-	44,562	6,970	1,013	56,913	6,382,334
Recovered		8,757				8,757
Deferred Revenue, end of year	80,180	22,985	1,746	16,050	18,920	2,439,049
Revenues						
Provincial Grants - Ministry of Education		44,562				3,514,867
Provincial Grants - Other			6,970			6,970
Other Revenue				1,013	56,913	2,841,448
Investment Income						19,049
	-	44,562	6,970	1,013	56,913	6,382,334
Expenses						
Salaries						
Teachers		32,745				1,154,046
Educational Assistants						821,263
Support Staff						3,185
Substitutes		213				293,599
	-	32,958	-	-	-	2,272,093
Employee Benefits		9,245				567,000
Services and Supplies		2,359	6,970	1,013	56,913	3,543,241
	-	44,562	6,970	1,013	56,913	6,382,334
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-
Interfund Transfers						
	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-

School District No. 33 (Chilliwack)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2015

	2015 Budget (Note 16) \$	2015 Actual			2014 Actual \$
		Invested in Tangible Capital Assets \$	Local Capital \$	Fund Balance \$	
Revenues					
Provincial Grants					
Ministry of Education	1,789,550	2,055,741		2,055,741	3,277,833
Other Revenue			5,016	5,016	9,204
Investment Income	20,000		13,947	13,947	22,658
Amortization of Deferred Capital Revenue	6,923,708	6,922,028		6,922,028	6,242,337
Operations and Maintenance				-	1,537,211
Total Revenue	8,733,258	8,977,769	18,963	8,996,732	11,089,243
Expenses					
Operations and Maintenance	1,789,550	2,055,741		2,055,741	
Amortization of Tangible Capital Assets					
Operations and Maintenance	7,443,377	7,661,492		7,661,492	6,631,502
Transportation and Housing	505,278	316,054		316,054	551,902
Total Expense	9,738,205	10,033,287	-	10,033,287	7,183,404
Capital Surplus (Deficit) for the year	(1,004,947)	(1,055,518)	18,963	(1,036,555)	3,905,839
Net Transfers (to) from other funds					
Local Capital	140,000		60,134	60,134	668,364
Total Net Transfers	140,000	-	60,134	60,134	668,364
Other Adjustments to Fund Balances					
Tangible Capital Assets Purchased from Local Capital		450,133	(450,133)	-	
Total Other Adjustments to Fund Balances		450,133	(450,133)	-	
Total Capital Surplus (Deficit) for the year	(864,947)	(605,385)	(371,036)	(976,421)	4,574,203
Capital Surplus (Deficit), beginning of year		55,258,144	1,518,936	56,777,080	52,202,877
Capital Surplus (Deficit), end of year		54,652,759	1,147,900	55,800,659	56,777,080

School District No. 33 (Chilliwack)

Schedule 4A (Unaudited)

Tangible Capital Assets

Year Ended June 30, 2015

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	36,107,540	263,383,951	10,985,888	5,025,670	240,433	113,126	315,856,608
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		39,694		146,293			185,987
Deferred Capital Revenue - Other		79,581	265,295				344,876
Local Capital			88,863		106,779	254,491	450,133
	-	119,275	354,158	146,293	106,779	254,491	980,996
Decrease:							
Deemed Disposals			345,051	345,776	5,754	57,932	754,513
	-	-	345,051	345,776	5,754	57,932	754,513
Cost, end of year	36,107,540	263,503,226	10,994,995	4,826,187	341,458	309,685	316,083,091
Work in Progress, end of year							-
Cost and Work in Progress, end of year	36,107,540	263,503,226	10,994,995	4,826,187	341,458	309,685	316,083,091
Accumulated Amortization, beginning of year		79,945,422	4,395,268	2,656,532	47,413	46,346	87,090,981
Changes for the Year							
Increase: Amortization for the Year		6,285,439	1,099,044	492,593	58,189	42,281	7,977,546
Decrease:							
Deemed Disposals			345,051	345,776	5,754	57,932	754,513
			345,051	345,776	5,754	57,932	754,513
Accumulated Amortization, end of year		86,230,861	5,149,261	2,803,349	99,848	30,695	94,314,014
Tangible Capital Assets - Net	36,107,540	177,272,365	5,845,734	2,022,838	241,610	278,990	221,769,077

School District No. 33 (Chilliwack)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2015

	Bylaw Capital \$	Other Provincial \$	Other Capital \$	Total Capital \$
Deferred Capital Revenue, beginning of year	173,125,362	-	357,368	173,482,730
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	185,987	79,581	265,295	530,863
	185,987	79,581	265,295	530,863
Decrease:				
Amortization of Deferred Capital Revenue	6,887,734	995	33,299	6,922,028
	6,887,734	995	33,299	6,922,028
Net Changes for the Year	(6,701,747)	78,586	231,996	(6,391,165)
Deferred Capital Revenue, end of year	166,423,615	78,586	589,364	167,091,565
Work in Progress, beginning of year	-	-	-	-
Changes for the Year				
Net Changes for the Year	-	-	-	-
Work in Progress, end of year	-	-	-	-
Total Deferred Capital Revenue, end of year	166,423,615	78,586	589,364	167,091,565

School District No. 33 (Chilliwack)

Schedule 4D (Unaudited)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2015

	Bylaw Capital	MEd Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	33,357	528,691	-	2,310,354	154,091	3,026,493
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	2,213,984					2,213,984
Other					3,250	3,250
Investment Income		5,901		27,518		33,419
Municipal Contributions				384,676	21,000	405,676
Donations					174,775	174,775
	2,213,984	5,901	-	412,194	199,025	2,831,104
Decrease:						
Transferred to DCR - Capital Additions	185,987	79,581			265,295	530,863
Facility Improvements Not Capitalized	2,055,741					2,055,741
	2,241,728	79,581	-	-	265,295	2,586,604
Net Changes for the Year	(27,744)	(73,680)	-	412,194	(66,270)	244,500
Balance, end of year	5,613	455,011	-	2,722,548	87,821	3,270,993