



School District No. 60

PEACE RIVER NORTH

10112 - 105 Avenue, Fort St. John, British Columbia V1J 4S4 Phone: (250) 262-6000 Fax: (250) 262-6048
OFFICE OF THE SECRETARY-TREASURER

DISTRICT ADMINISTRATION OFFICE

September 23, 2015

School District Financial Reporting Branch
Resource Management Division
Ministry of Education
5th Floor, 620 Superior Street
Victoria, BC V8V 1V2

VIA COURIER

Attention: Mr. Ian Aaron, Director

Dear Mr. Aaron:

RE: 2014-2015 Audited Financial Statements

In accordance with Ministry instructions, we enclose the Statement of Financial Information for School District #60 (Peace River North) for the fiscal year ended June 30, 2015.

Yours truly,

THE BOARD OF EDUCATION
School District No. 60
(Peace River North)

Doug Boyd
Secretary-Treasurer

DB:lr

Encl.

cc. Kevin Pobuda, Assistant Secretary Treasurer

File: 23.2
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BOARD OF EDUCATION
Jaret Thompson – Chair Ida Campbell – Vice-Chair Candace Dow
Erin Evans Darrell Pasichnyk Bill Snow Linda Stringer

Audited Financial Statements of

School District No. 60 (Peace River North)

June 30, 2015

School District No. 60 (Peace River North)

June 30, 2015

Table of Contents

Management Report	1
Independent Auditors' Report	2-3
Statement of Financial Position - Statement 1	4
Statement of Operations - Statement 2	5
Statement of Changes in Net Financial Assets (Debt) - Statement 4	6
Statement of Cash Flows - Statement 5	7
Notes to the Financial Statements	8-27
Schedule of Changes in Accumulated Surplus (Deficit) by Fund - Schedule 1	28
Schedule of Operating Operations - Schedule 2	29
Schedule 2A - Schedule of Operating Revenue by Source	30
Schedule 2B - Schedule of Operating Expense by Object	31
Schedule 2C - Operating Expense by Function, Program and Object	32
Schedule of Special Purpose Operations - Schedule 3	34
Schedule 3A - Changes in Special Purpose Funds and Expense by Object	35
Schedule of Capital Operations - Schedule 4	37
Schedule 4A - Tangible Capital Assets	38
Schedule 4B - Tangible Capital Assets - Work in Progress	39
Schedule 4C - Deferred Capital Revenue	40
Schedule 4D - Changes in Unspent Deferred Capital Revenue	41

School District No. 60 (Peace River North)

MANAGEMENT REPORT

Version: 6308-8513-6531

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 60 (Peace River North) 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. 60 (Peace River North) (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. 60 (Peace River North) 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.

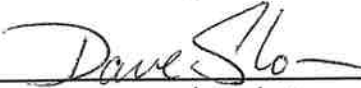
On behalf of School District No. 60 (Peace River North)



Signature of the Chairperson of the Board of Education

2015-09-23

Date Signed



Signature of the Superintendent

Sept 23, 2015

Date Signed



Signature of the Secretary Treasurer

Sept 23, 2015

Date Signed



KPMG LLP
Chartered Accountants
400 - 177 Victoria Street
Prince George BC V2L 5R8

Telephone (250) 563-7151
Telefax (250) 563-5693
Internet www.kpmg.ca

INDEPENDENT AUDITORS' REPORT

To the Board of Education of School District No. 60 (Peace River North) and
To the Minister of Education, Province of British Columbia

We have audited the accompanying financial statements of School District No. 60 (Peace River North) which comprise the statement of financial position as at June 30, 2015, the statement of operations, changes in net financial assets (debt) and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements of School District No. 60 (Peace River North) 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(a) to the financial statements, which describes the basis of accounting and the significant differences between such basis of accounting and Canadian public sector accounting standards.

A handwritten signature in black ink that reads 'KPMG LLP' with a horizontal line underneath.

Chartered Accountants

September 21, 2015

Prince George, Canada


School District No. 60 (Peace River North)

Statement of Financial Position
As at June 30, 2015

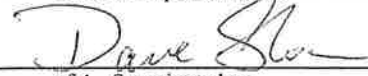
	2015 Actual	2014 Actual (Recast - Note 20)
	\$	\$
Financial Assets		
Cash and Cash Equivalents	9,913,301	12,224,621
Accounts Receivable		
Due from Province - Ministry of Education	72,497	29,785
Due from Province - Other	19,950	2,181
Other (Note 4)	696,165	378,703
Inventories for Resale	549,867	274,350
Total Financial Assets	11,251,780	12,909,640
Liabilities		
Accounts Payable and Accrued Liabilities		
Due to Province - Ministry of Education		1,323,181
Other	3,650,325	3,727,790
Unearned Revenue (Note 6)	286,388	231,373
Deferred Revenue (Note 7)	2,468,994	2,140,861
Deferred Capital Revenue (Note 8)	44,084,327	44,367,244
Employee Future Benefits (Note 9)	327,605	311,445
Total Liabilities	50,817,639	52,101,894
Net Financial Assets (Debt)	(39,565,859)	(39,192,254)
Non-Financial Assets		
Tangible Capital Assets (Note 10)	65,743,627	58,380,766
Prepaid Expenses	197,216	159,120
Total Non-Financial Assets	65,940,843	58,539,886
Accumulated Surplus (Deficit) (Note 17)	26,374,984	19,347,632

Contractual Obligations and Contingencies


Approved by the Board


Signature of the Chairperson of the Board of Education

2015.09.23
Date Signed


Signature of the Superintendent

Sept 23, 2015
Date Signed


Signature of the Secretary Treasurer

Sept 23, 2015
Date Signed

School District No. 60 (Peace River North)

Statement of Operations
 Year Ended June 30, 2015

	2015 Budget	2015 Actual	2014 Actual (Recast - Note 20)
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	56,453,153	63,324,723	54,724,941
Other	112,500	126,991	273,109
Federal Grants	178,250	173,271	
Tuition	773,000	787,754	642,802
Other Revenue	2,470,700	2,830,718	3,124,566
Rentals and Leases	8,800	10,086	8,901
Investment Income	80,325	104,443	92,355
Amortization of Deferred Capital Revenue	2,249,837	2,162,487	2,018,790
Total Revenue	<u>62,326,565</u>	<u>69,520,473</u>	<u>60,885,464</u>
Expenses			
Instruction	49,327,033	48,854,405	46,505,281
District Administration	1,888,597	1,876,254	1,769,836
Operations and Maintenance	8,382,546	8,149,119	7,820,298
Transportation and Housing	3,856,815	3,613,343	3,611,388
Total Expense	<u>63,454,991</u>	<u>62,493,121</u>	<u>59,706,803</u>
Surplus (Deficit) for the year	<u>(1,128,426)</u>	<u>7,027,352</u>	<u>1,178,661</u>
Accumulated Surplus (Deficit) from Operations, beginning of year		19,347,632	18,168,971
Accumulated Surplus (Deficit) from Operations, end of year		<u>26,374,984</u>	<u>19,347,632</u>

School District No. 60 (Peace River North)

Statement of Changes in Net Financial Assets (Debt)

Year Ended June 30, 2015

	2015 Budget	2015 Actual	2014 Actual (Recast - Note 20)
	\$	\$	\$
Surplus (Deficit) for the year	<u>(1,128,426)</u>	<u>7,027,352</u>	<u>1,178,661</u>
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(1,346,904)	(10,413,537)	(5,587,476)
Amortization of Tangible Capital Assets	3,061,060	3,050,676	2,754,530
Total Effect of change in Tangible Capital Assets	<u>1,714,156</u>	<u>(7,362,861)</u>	<u>(2,832,946)</u>
Acquisition of Prepaid Expenses		(212,525)	(142,973)
Use of Prepaid Expenses		174,429	119,796
Total Effect of change in Other Non-Financial Assets	<u>-</u>	<u>(38,096)</u>	<u>(23,177)</u>
(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)	<u>585,730</u>	<u>(373,605)</u>	<u>(1,677,462)</u>
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Financial Assets (Debt)		(373,605)	(1,677,462)
Net Financial Assets (Debt), beginning of year		(39,192,254)	(37,514,792)
Net Financial Assets (Debt), end of year		<u>(39,565,859)</u>	<u>(39,192,254)</u>

School District No. 60 (Peace River North)

Statement of Cash Flows
Year Ended June 30, 2015

	2015 Actual	2014 Actual (Recast - Note 20)
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	7,027,352	1,178,661
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(377,943)	477,004
Inventories for Resale	(275,517)	(129,197)
Prepaid Expenses	(38,096)	(23,177)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	(1,400,646)	1,398,393
Unearned Revenue	55,015	142,861
Deferred Revenue	328,133	(100,058)
Employee Future Benefits	16,160	6,209
Amortization of Tangible Capital Assets	3,050,676	2,754,530
Amortization of Deferred Capital Revenue	(2,162,487)	(2,018,790)
Recognition of Deferred Capital Revenue Spent on Sites	(7,000,000)	
Total Operating Transactions	<u>(777,353)</u>	<u>3,686,436</u>
Capital Transactions		
Tangible Capital Assets Purchased	(10,401,368)	(5,587,476)
Tangible Capital Assets -WIP Purchased	(12,169)	
Total Capital Transactions	<u>(10,413,537)</u>	<u>(5,587,476)</u>
Financing Transactions		
Capital Revenue Received	8,879,570	5,843,832
Total Financing Transactions	<u>8,879,570</u>	<u>5,843,832</u>
Investing Transactions		
Proceeds on Disposal of Portfolio Investments		1,550,134
Total Investing Transactions	<u>-</u>	<u>1,550,134</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>(2,311,320)</u>	<u>5,492,926</u>
Cash and Cash Equivalents, beginning of year	<u>12,224,621</u>	<u>6,731,695</u>
Cash and Cash Equivalents, end of year	<u>9,913,301</u>	<u>12,224,621</u>
Cash and Cash Equivalents, end of year, is made up of:		
Cash	9,913,301	12,224,621
	<u>9,913,301</u>	<u>12,224,621</u>

SCHOOL DISTRICT. 60 (PEACE RIVER NORTH)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2015

NOTE 1 AUTHORITY AND PURPOSE

The School District, established on April 12th, 1946 operates under authority of the School Act of British Columbia as a corporation under the name of "The Board of Education of School District No. 60 (Peace River North)", and operates as "School District No. 60 (Peace River North)." 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. 60 (Peace River North) is exempt from federal and provincial corporate income taxes.

NOTE 2 ADOPTION OF NEW ACCOUNTING POLICY

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

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting

These financial statements have been prepared in accordance with Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia. This Section requires that the financial statements be prepared in accordance with Canadian public sector accounting standards except in regard to the accounting for government transfers as set out in Notes 3(f), 3(g), and 3(m).

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

As noted in notes 3(f), 3(g) and 3(m), Section 23.1 of the Budget Transparency and Accountability Act and its related regulations require the School District to recognize government transfers for the acquisition of capital assets into revenue on the same basis as the related amortization expense. As these transfers do not contain stipulations that create a liability, Canadian public sector accounting standards would require these grants to be fully recognized into revenue. The impact of this difference on the financial statements of the School District is as follows:

Year-ended June 30, 2015 – increase in annual surplus by \$344,544 (2014 - \$3,171,895)
June 30, 2015 – increase in accumulated surplus and decrease in deferred contributions by \$43,354,938 (2014 - \$43,010,394)

SCHOOL DISTRICT. 60 (PEACE RIVER NORTH)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2015

NOTE 3 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 measured at amortized cost and shown net of allowance for doubtful accounts.

d) Inventories for Resale

Inventories for resale include properties and are measured at lower of cost and net realizable value. Cost includes all costs incurred to get the properties ready for sale. Net realizable value is the expected selling price in the ordinary course of business.

e) Unearned Revenue

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

f) Deferred Revenue

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

SCHOOL DISTRICT. 60 (PEACE RIVER NORTH)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2015

NOTE 3 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** *(Continued)*

g) Deferred Capital Revenue

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.

h) Employee Future Benefits

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

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

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

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

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

SCHOOL DISTRICT. 60 (PEACE RIVER NORTH)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2015

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

i) Liability for Contaminated Sites

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

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

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

SCHOOL DISTRICT. 60 (PEACE RIVER NORTH)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2015

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

j) Tangible Capital Assets

The following criteria apply:

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

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

SCHOOL DISTRICT. 60 (PEACE RIVER NORTH)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2015

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

k) Prepaid Expenses

Prepaid insurance, annual software licenses, subscriptions, membership fees and travel expenses are included as a prepaid expense and stated at acquisition cost and are charged to expense over the periods expected to benefit from it.

l) Funds and Reserves

Certain amounts, as approved by the Board are set aside in accumulated surplus for future operating and capital purposes. Transfers to and from funds and reserves are an adjustment to the respective fund when approved (see Notes 12 – Interfund Transfers and Note 17 – Accumulated Surplus).

SCHOOL DISTRICT. 60 (PEACE RIVER NORTH)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2015

NOTE 3 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** *(Continued)*

m) Revenue Recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

Contributions received or where eligibility criteria have been met are recognized as revenue except where the contribution meets the criteria for deferral as described below. Eligibility criteria are the criteria that the School District has to meet in order to receive the contributions including authorization by the transferring government.

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

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

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

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

SCHOOL DISTRICT. 60 (PEACE RIVER NORTH)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2015

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

n) 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

- Principals, Vice-Principals, and Directors of Instruction employed under an administrative officer contract are categorized as Principals and Vice-Principals.
- Superintendents, Assistant Superintendents, Secretary-Treasurers, Trustees and other employees excluded from union contracts are categorized as Other Professionals.

Allocation of Costs

- Operating expenses are reported by function, program, and object. Whenever possible, expenditures are determined by actual identification. Additional costs pertaining to specific instructional programs, such as special and aboriginal education, are allocated to these programs. All other costs are allocated to related programs.
- Actual salaries of personnel assigned to two or more functions or programs are allocated based on the time spent in each function and program. School-based clerical salaries are allocated to school administration and partially to other programs to which they may be assigned. Principals and Vice-Principals salaries are allocated to school administration and may be partially allocated to other programs to recognize their other responsibilities.
- Employee benefits and allowances are allocated to the same programs, and in the same proportions, as the individual's salary.
- Supplies and services are allocated based on actual program identification.

SCHOOL DISTRICT. 60 (PEACE RIVER NORTH)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2015

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

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.

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

SCHOOL DISTRICT. 60 (PEACE RIVER NORTH)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2015

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

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, rates for amortization and estimated employee future benefits. Actual results could differ from those estimates.

q) 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.

NOTE 4 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	June 30, 2015	June 30, 2014
Due from Federal Government	\$ 592,238	\$ 239,251
Other	130,013	139,452
Allowance for Doubtful Accounts	(26,086)	
	<u>\$ 696,165</u>	<u>\$ 378,703</u>

NOTE 5 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES - OTHER

	June 30, 2015	June 30, 2014
Trade payables	\$ 753,564	\$ 1,006,356
Salaries and benefits payable	2,467,539	2,362,929
Accrued vacation pay	339,872	288,105
Other	89,350	70,400
	<u>\$ 3,650,325</u>	<u>\$ 3,727,790</u>

SCHOOL DISTRICT. 60 (PEACE RIVER NORTH)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2015

NOTE 6 UNEARNED REVENUE

	June 30, 2015	June 30, 2014
Balance, beginning of year	\$ 231,373	\$ 88,512
Changes for the year:		
Increase:		
Tuition fees	286,388	231,373
Decrease:		
Tuition fees	231,373	88,512
Net changes for the year	55,015	142,861
Balance, end of year	<u>\$ 286,388</u>	<u>\$ 231,373</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. Detailed information about the changes in deferred revenue is below.

	June 30, 2015	June 30, 2014
Balance, beginning of year	\$2,140,861	\$2,240,919
Add: Restricted Grants		
Provincial Grants – Ministry of Education	2,426,376	1,627,928
Provincial Grants – Other	127,110	305,163
Federal Grants	173,271	-
Other	2,448,709	2,310,632
Less:		
Recovered by Ministry of Education	-	47,965
Strike Savings Recovery	14,058	23,138
	<u>5,161,408</u>	<u>4,172,620</u>
Less:		
Amount allocated to revenue	4,833,275	4,272,678
Net changes for the year	328,133	(100,058)
Balance, end of year	<u>\$2,468,994</u>	<u>\$2,140,861</u>

SCHOOL DISTRICT. 60 (PEACE RIVER NORTH)
NOTES TO FINANCIAL STATEMENTS
YEARS 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. Detailed information about the changes in deferred capital revenue is included below.

Deferred Capital Revenue	June 30, 2015	June 30, 2014
Deferred Capital Revenue, beginning of year	\$43,010,394	\$39,838,499
Changes for the Year:		
Increase:		
Transferred from Deferred Revenue – Capital Additions	2,507,031	4,840,982
Transferred from Work in Progress	-	349,703
	<u>2,507,031</u>	<u>5,190,685</u>
Decrease:		
Amortization of Deferred Capital Contributions	2,162,487	2,018,790
Net changes for the year	<u>344,544</u>	<u>3,171,895</u>
Deferred Capital Revenue, end of year	<u>\$43,354,938</u>	<u>\$43,010,394</u>
Work in Progress, Beginning of Year	\$ -	\$ 349,703
Changes for the Year:		
Increase:		
Transferred from Deferred Revenue – Work in Progress	12,169	-
Decrease:		
Transferred to Deferred Capital Revenue	-	349,703
Net changes for the year	<u>12,169</u>	<u>(349,703)</u>
Work in Progress, end of year	<u>\$ 12,169</u>	<u>\$ -</u>
Total Deferred Capital Revenue before Unspent Deferred Capital Revenue	<u>\$43,367,107</u>	<u>\$43,010,394</u>

SCHOOL DISTRICT. 60 (PEACE RIVER NORTH)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2015

NOTE 8 DEFERRED CAPITAL REVENUE (continued)

Changes in Unspent Deferred Capital Revenue	June 30, 2015	June 30, 2014
Balance, beginning of year	\$ 1,356,850	\$ 354,000
Changes for the Year:		
Increase:		
Provincial Grants – Ministry of Education	8,565,453	3,443,832
Investment Income	-	-
Other	314,117	2,400,000
	<u>8,879,570</u>	<u>5,843,832</u>
Decrease:		
Transferred to DCR – Capital Additions	2,507,031	4,840,982
Transferred to DCR – Work in Progress	12,169	-
Transferred to Revenue – Site Purchases	7,000,000	-
	<u>9,519,200</u>	<u>4,840,982</u>
Net changes for the year	<u>(639,630)</u>	<u>1,002,850</u>
Balance, end of year	<u>\$ 717,220</u>	<u>\$ 1,356,850</u>
Total Deferred Capital Revenue, end of year	<u>\$44,084,327</u>	<u>\$44,367,244</u>

SCHOOL DISTRICT. 60 (PEACE RIVER NORTH)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2015

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.

	<u>June 30, 2015</u>	<u>June 30, 2014</u>
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	418,026	433,448
Service Cost	31,139	31,486
Interest Cost	13,935	13,190
Benefit Payments	(40,742)	(50,510)
Actuarial (Gain) Loss	42,556	(9,588)
Accrued Benefit Obligation – March 31	<u>464,914</u>	<u>418,026</u>
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation - March 31	464,914	418,026
Market Value of Plan Assets - March 31	-	-
Funded Status - Surplus (Deficit)	<u>(464,914)</u>	<u>(418,026)</u>
Employer Contributions After Measurement Date	-	-
Benefits Expense After Measurement Date	(11,971)	(11,269)
Unamortized Net Actuarial (Gain) Loss	149,280	117,850
Accrued Benefit Asset (Liability) - June 30	<u>(327,605)</u>	<u>(311,445)</u>
Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability (Asset) - July 1	311,445	305,236
Recognize Benefit Expense April 1 - June 30, 2012	-	-
Accrued Benefit Liability (Asset) - July 1 (restated)	<u>311,445</u>	<u>305,236</u>
Net Expense for Fiscal Year	56,901	56,719
Employer Contributions	(40,741)	(50,510)
Accrued Benefit Liability (Asset) - June 30	<u>327,605</u>	<u>311,445</u>
Components of Net Benefit Expense		
Service Cost	32,610	31,399
Interest Cost	13,167	13,376
Amortization of Net Actuarial (Gain)/Loss	<u>11,124</u>	<u>11,944</u>
Net Benefit Expense (Income)	<u>56,901</u>	<u>56,719</u>

SCHOOL DISTRICT. 60 (PEACE RIVER NORTH)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2015

NOTE 9 EMPLOYEE FUTURE BENEFITS (continued)

The significant actuarial assumptions adopted for measuring the School District's accrued benefit obligations are:

	June 30, 2015	June 30, 2014
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	11.7	11.7

NOTE 10 TANGIBLE CAPITAL ASSETS

Net Book Value:

	Net Book Value 2015	Net Book Value 2014
Sites	\$11,488,628	\$ 4,122,324
Buildings	47,754,698	48,566,653
Buildings – work in progress	12,169	-
Furniture & Equipment	1,412,811	1,364,933
Vehicles	4,450,396	3,760,191
Computer Software	85,517	74,080
Computer Hardware	539,408	492,585
Total	\$65,743,627	\$58,380,766

June 30, 2015

Cost:	Balance at July 1, 2014	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2015
Sites	\$ 4,122,324	\$7,366,304	\$ -	\$ -	\$11,488,628
Buildings	94,141,937	1,209,780	-	-	95,351,717
Buildings – work in progress	-	-	-	12,169	12,169
Furniture & Equipment	2,098,811	260,459	(60,417)	-	2,298,853
Vehicles	6,680,012	1,358,206	(45,929)	-	7,992,289
Computer Software	95,938	30,625	(12,596)	-	113,967
Computer Hardware	645,853	175,994	(31,680)	-	790,167
Total	\$107,784,875	\$10,401,368	\$ (150,622)	\$ 12,169	\$118,047,790

SCHOOL DISTRICT. 60 (PEACE RIVER NORTH)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2015

NOTE 10 TANGIBLE CAPITAL ASSETS (Continued)

Accumulated Amortization:	Balance at July 1, 2014	Additions	Disposals	Balance at June 30, 2015
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	45,575,284	2,021,735	-	47,597,019
Furniture & Equipment	733,878	212,581	(60,417)	886,042
Vehicles	2,919,821	668,001	(45,929)	3,541,893
Computer Software	21,858	19,188	(12,596)	28,450
Computer Hardware	153,268	129,171	(31,680)	250,759
Total	\$49,404,109	\$ 3,050,676	\$ (150,622)	\$52,304,163

June 30, 2014

Cost:	Balance at July 1, 2013	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2014
Sites	\$ 4,122,324	\$ -	\$ -	\$ -	\$ 4,122,324
Buildings	89,948,696	3,843,538	-	349,703	94,141,937
Buildings – work in progress	349,703	-	-	(349,703)	-
Furniture & Equipment	1,777,429	329,316	(7,934)	-	2,098,811
Vehicles	6,039,846	1,124,253	(484,087)	-	6,680,012
Computer Software	84,807	24,435	(13,304)	-	95,938
Computer Hardware	404,123	265,934	(24,204)	-	645,853
Total	\$102,726,928	\$5,587,476	\$ (529,529)	\$ -	\$107,784,875

Accumulated Amortization:	Balance at July 1, 2013	Additions	Disposals	Balance at June 30, 2014
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	43,700,268	1,875,016	-	45,575,284
Furniture & Equipment	564,069	177,743	(7,934)	733,878
Vehicles	2,799,923	603,985	(484,087)	2,919,821
Computer Software	18,201	16,961	(13,304)	21,858
Computer Hardware	96,647	80,825	(24,204)	153,268
Total	\$ 47,179,108	\$ 2,754,530	\$ (529,529)	\$49,404,109

- Included in the June 30, 2015 building amount is leasehold improvements to the Energetic Learning Campus with a cost of \$4,933,528 and accumulated amortization of \$368,268. At June 30, 2014 the leasehold improvement cost was \$4,933,528 with an accumulated amortization of \$244,883.

SCHOOL DISTRICT. 60 (PEACE RIVER NORTH)
NOTES TO FINANCIAL STATEMENTS
YEARS 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 managing the pension plan including investing assets and administering of benefits. The pension plans are multi-employer defined benefit pension plans. Basic pension benefits provided are based on a formula. As at December 31, 2013, the Teachers' Pension Plan has about 45,000 active members, and approximately 33,000 retired members from school districts. As at December 31, 2013, the Municipal Pension Plan has about 182,000 active members, of which approximately 24,000 are from school districts.

Every three years, an actuarial valuation is performed to assess the financial position of the plans and the adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plans. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plans. This rate is then adjusted to the extent there is any amortization of any funding deficit.

The most recent actuarial valuation of the Teachers' Pension Plan as at December 31, 2011 indicated an \$855 million funding deficit for basic pension benefits. The next valuation will be as at December 31, 2014 with results available in 2015. The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2012 indicated a \$1,370 million funding deficit for basic pension benefits. The next valuation will be as at December 31, 2015 with results available in 2016. Employers participating in the Plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the Plan records accrued liabilities and accrued assets for the Plan in aggregate with the result that there is no consistent and reliable basis for allocating the obligation, plan assets and cost to individual employers participating in the Plan.

School District 60 (Peace River North) paid \$5,155,002 (2014 - \$4,853,562) for employer contributions to these plans in the year ended June 30, 2015.

NOTE 12 INTERFUND TRANSFERS

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

- \$748,687 transferred from the operating fund to the capital fund for capital asset purchases
- \$145,650 transferred from the special purpose fund to the capital fund for capital asset purchases

NOTE 13 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.

SCHOOL DISTRICT. 60 (PEACE RIVER NORTH)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2015

NOTE 14 BUDGET FIGURES

Budget figures included in the financial statements were approved by the Board through the adoption of an annual budget on June 16, 2014.

NOTE 15 ASSET RETIREMENT OBLIGATION

Legal liabilities may exist for the removal or disposal of asbestos in schools that will undergo major renovations or demolition. The liability will be recognized in the period in which a reasonable estimate of fair value can be made. As at June 30, 2015, the liability is not reasonably determinable.

NOTE 16 EXPENSE BY OBJECT

	2015	2014
Salaries and benefits	\$ 50,203,245	\$ 47,220,829
Services and supplies	9,239,200	9,731,444
Amortization	3,050,676	2,754,530
	\$ 62,493,121	\$ 59,706,803

NOTE 17 ACCUMULATED SURPLUS

Operating Fund:	
Internally Restricted (appropriated) by Board for:	
Budget reserve for carry forward to 2015/16	\$ 1,300,015
Aboriginal Education Surplus	20,669
Educational Initiative	344,713
Planned Projects & Staffing Contingencies	1,250,000
Subtotal Internally Restricted	2,915,397
Unrestricted Operating Surplus (Deficit)	1,055,991
Total Operating Fund Surplus:	\$ 3,971,388
Capital Fund:	
Invested in Tangible Capital Assets	\$ 22,376,521
Local Capital Reserve	27,075
Total Capital Fund Surplus:	\$ 22,403,596
Accumulated Surplus	\$ 26,374,984

SCHOOL DISTRICT. 60 (PEACE RIVER NORTH)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2015

NOTE 18 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 19 RISK MANAGEMENT

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

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

a) Credit risk:

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

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

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

b) Market risk :

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

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

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The School District is exposed to interest rate risk through its investments. It is management's opinion that the School District is not exposed to significant interest rate risk.

SCHOOL DISTRICT. 60 (PEACE RIVER NORTH)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2015

NOTE 19 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.

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

NOTE 20 RECAST

In the 2013/14 fiscal year, the funds received for Alberta students and out of province distributed learning students were reported as other revenue. An adjustment was made in the 2013/14 financial information to report this funding as tuition instead of other revenue to better match the 2014/15 financial results. This resulted in the 2013/14 tuition revenue increasing by \$337,668 and other revenue decreasing by \$337,668.

This adjustment was also applied to amend the presentation of the 2014/15 Annual Budget figures which were approved by the Board of Education on June 16, 2014. The adjustment to the budget resulted in the tuition revenue to increase by \$265,000 and budgeted other revenue to decrease by \$265,000.

School District No. 60 (Peace River North)

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	3,950,503		15,397,129	19,347,632	18,168,971
Changes for the year					
Surplus (Deficit) for the year	769,572	145,650	6,112,130	7,027,352	1,178,661
Interfund Transfers	(748,687)	(145,650)	894,337	-	
Tangible Capital Assets Purchased	20,885	-	7,006,467	7,027,352	1,178,661
Net Changes for the year	3,971,388	-	22,403,596	26,374,984	19,347,632
Accumulated Surplus (Deficit), end of year - Statement 2					

(Recast - Note 20)

School District No. 60 (Peace River North)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2015

	2015 Budget	2015 Actual	2014 Actual (Recast - Note 20)
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	54,386,045	54,118,047	53,109,235
Other			14,781
Tuition	773,000	787,754	642,802
Other Revenue	430,000	504,381	725,922
Rentals and Leases	8,800	10,086	8,901
Investment Income	80,000	104,124	92,040
Total Revenue	<u>55,677,845</u>	<u>55,524,392</u>	<u>54,593,681</u>
Expenses			
Instruction	45,252,888	44,368,314	42,503,194
District Administration	1,888,597	1,876,254	1,769,836
Operations and Maintenance	5,920,149	5,564,910	5,600,301
Transportation and Housing	3,108,739	2,945,342	3,007,403
Total Expense	<u>56,170,373</u>	<u>54,754,820</u>	<u>52,880,734</u>
Operating Surplus (Deficit) for the year	<u>(492,528)</u>	<u>769,572</u>	<u>1,712,947</u>
Budgeted Appropriation (Retirement) of Surplus (Deficit)	<u>492,528</u>		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased		(748,687)	(545,355)
Total Net Transfers	<u>-</u>	<u>(748,687)</u>	<u>(545,355)</u>
Total Operating Surplus (Deficit), for the year	<u>-</u>	<u>20,885</u>	<u>1,167,592</u>
Operating Surplus (Deficit), beginning of year		3,950,503	2,782,911
Operating Surplus (Deficit), end of year		<u>3,971,388</u>	<u>3,950,503</u>
Operating Surplus (Deficit), end of year			
Internally Restricted		2,915,397	2,600,639
Unrestricted		1,055,991	1,349,864
Total Operating Surplus (Deficit), end of year		<u>3,971,388</u>	<u>3,950,503</u>

School District No. 60 (Peace River North)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2015

	2015 Budget	2015 Actual	2014 Actual (Recast - Note 20)
	\$	\$	\$
Provincial Grants - Ministry of Education			
Operating Grant, Ministry of Education	54,010,999	54,303,769	54,146,962
Strike Savings Recovery		(1,607,574)	(1,425,731)
Other Ministry of Education Grants			
Labour Settlement Funding		1,028,506	
Pay Equity	241,350	241,350	241,350
Funding for Graduated Adults	15,000	19,659	14,398
FSA Funding	8,696	8,696	8,696
Carbon Tax Reimbursement	110,000	123,641	123,560
Total Provincial Grants - Ministry of Education	54,386,045	54,118,047	53,109,235
Provincial Grants - Other			14,781
Tuition			
Offshore Tuition Fees	508,000	474,185	305,134
DL 3rd Party Billings and AB students attending BC schools	265,000	313,569	337,668
Total Tuition	773,000	787,754	642,802
Other Revenues			
Miscellaneous			
Apple Warranty Credits	-	6,104	50,403
Net Misc Revenue	30,000	107,332	72,402
Sale of Residential Construction House	-		603,117
Student Transportation Fees	400,000	390,945	
Total Other Revenue	430,000	504,381	725,922
Rentals and Leases	8,800	10,086	8,901
Investment Income	80,000	104,124	92,040
Total Operating Revenue	55,677,845	55,524,392	54,593,681

School District No. 60 (Peace River North)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2015

	2015 Budget	2015 Actual	2014 Actual (Recast - Note 20)
	\$	\$	\$
Salaries			
Teachers	23,006,069	22,279,837	21,264,401
Principals and Vice Principals	3,753,570	3,782,085	3,621,604
Educational Assistants	3,296,932	3,240,390	3,118,149
Support Staff	6,229,190	6,011,232	5,965,129
Other Professionals	1,497,357	1,603,131	1,392,694
Substitutes	1,392,746	1,474,706	1,253,940
Total Salaries	39,175,864	38,391,381	36,615,917
Employee Benefits	9,629,982	9,754,781	9,061,011
Total Salaries and Benefits	48,805,846	48,146,162	45,676,928
Services and Supplies			
Services	426,715	409,230	353,304
Student Transportation	248,289	251,662	194,126
Professional Development and Travel	878,859	688,636	795,730
Rentals and Leases	34,020	25,058	292,667
Dues and Fees	50,500	39,842	41,012
Insurance	240,957	220,758	223,299
Supplies	4,090,267	3,835,182	3,913,540
Utilities	1,394,920	1,138,290	1,390,128
Total Services and Supplies	7,364,527	6,608,658	7,203,806
Total Operating Expense	56,170,373	54,754,820	52,880,734

School District No. 60 (Peace River North)

Operating Expense by Function, Program and Object

Year Ended June 30, 2015

	Teachers Salaries	Principals and Vice Principals Salaries	Educational Assistants Salaries	Support Staff Salaries	Other Professionals Salaries	Substitutes Salaries	Total Salaries
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	17,879,135	1,484,787	8,789	1,492,055	168,578	1,079,619	22,112,963
1.03 Career Programs	191,063	73,336		39,250			303,649
1.07 Library Services	531,326			51,394			582,720
1.08 Counselling	841,042						841,042
1.10 Special Education	2,459,831	225,301	2,727,818	76,010		237,309	5,726,269
1.30 English Language Learning	153,044	10,308	89,150				252,502
1.31 Aboriginal Education	224,396	94,728	414,633	51,070		26,619	811,446
1.41 School Administration		1,893,625		402,196			2,295,821
Total Function 1	22,279,837	3,782,085	3,240,390	2,111,975	168,578	1,343,547	32,926,412
4 District Administration							
4.11 Educational Administration				3,475	511,301		514,776
4.40 School District Governance					92,211		92,211
4.41 Business Administration				60,117	538,562		598,679
Total Function 4	-	-	-	63,592	1,142,074	-	1,205,666
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				25,270	210,656		235,926
5.50 Maintenance Operations				2,261,290		30,919	2,292,209
5.52 Maintenance of Grounds				255,517			255,517
5.56 Utilities							-
Total Function 5	-	-	-	2,542,077	210,656	30,919	2,783,652
7 Transportation and Housing							
7.41 Transportation and Housing Administration				3,475	81,823		85,298
7.70 Student Transportation				1,290,113		100,240	1,390,353
7.73 Housing							-
Total Function 7	-	-	-	1,293,588	81,823	100,240	1,475,651
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	22,279,837	3,782,085	3,240,390	6,011,232	1,603,131	1,474,706	38,391,381

School District No. 60 (Peace River North)

Operating Expense by Function, Program and Object

Year Ended June 30, 2015

Schedule 2C (Unaudited)

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2015 Actual	2015 Budget	2014 Actual
	\$	\$	\$	\$	\$	\$	(Recast - Note 20)
1 Instruction							
1.02 Regular Instruction	22,112,963	5,756,354	27,869,317	2,354,447	30,223,764	30,934,399	29,026,002
1.03 Career Programs	303,649	76,381	380,030	29,759	409,789	438,377	394,360
1.07 Library Services	582,720	149,683	732,403	122,499	854,902	885,650	816,503
1.08 Counselling	841,042	213,822	1,054,864	2,987	1,057,851	1,049,998	951,872
1.10 Special Education	5,726,269	1,425,712	7,151,981	260,063	7,412,044	7,594,631	7,122,275
1.30 English Language Learning	252,502	66,853	319,355	1,853	321,208	348,293	320,999
1.31 Aboriginal Education	811,446	200,629	1,012,075	217,487	1,229,562	1,160,000	1,171,142
1.41 School Administration	2,295,821	563,373	2,859,194		2,859,194	2,841,540	2,700,041
Total Function 1	32,926,412	8,452,807	41,379,219	2,989,095	44,368,314	45,252,888	42,503,194
4 District Administration							
4.11 Educational Administration	514,776	119,176	633,952	108,658	742,610	792,557	726,959
4.40 School District Governance	92,211	1,689	93,900	87,823	181,723	194,845	170,003
4.41 Business Administration	598,679	124,900	723,579	228,342	951,921	901,195	872,874
Total Function 4	1,205,666	245,765	1,451,431	424,823	1,876,254	1,888,597	1,769,836
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	235,926	51,467	287,393	141,582	428,975	494,245	372,922
5.50 Maintenance Operations	2,292,209	538,201	2,830,410	710,269	3,540,679	3,612,919	3,365,243
5.52 Maintenance of Grounds	255,517	62,921	318,438	138,528	456,966	418,065	472,007
5.56 Utilities	-	-	-	1,138,290	1,138,290	1,394,920	1,390,129
Total Function 5	2,783,652	652,589	3,436,241	2,128,669	5,564,910	5,920,149	5,600,301
7 Transportation and Housing							
7.41 Transportation and Housing Administration	85,298	19,516	104,814	3,296	108,110	115,534	106,577
7.70 Student Transportation	1,390,353	384,104	1,774,457	1,059,275	2,833,732	2,982,705	2,890,326
7.73 Housing	-	-	-	3,500	3,500	10,500	10,500
Total Function 7	1,475,651	403,620	1,879,271	1,066,071	2,945,342	3,108,739	3,007,403
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	38,391,381	9,754,781	48,146,162	6,608,658	54,754,820	56,170,373	52,880,734

School District No. 60 (Peace River North)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations
Year Ended June 30, 2015

	2015 Budget	2015 Actual	2014 Actual (Recast - Note 20)
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	2,067,108	2,206,676	1,615,706
Other	112,500	126,991	258,328
Federal Grants	178,250	173,271	
Other Revenue	2,040,700	2,326,337	2,398,644
Total Revenue	4,398,558	4,833,275	4,272,678
Expenses			
Instruction	4,074,145	4,486,091	4,002,087
Operations and Maintenance	149,413	201,534	69,452
Total Expense	4,223,558	4,687,625	4,071,539
Special Purpose Surplus (Deficit) for the year	175,000	145,650	201,139
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(175,000)	(145,650)	(201,139)
Total Net Transfers	(175,000)	(145,650)	(201,139)
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. 60 (Peace River North)

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2015

	Annual Facility Grant	Learning Improvement Fund	Special Education Equipment	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	Community-LINK	Service Delivery Transformation
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year		56,180	6,604	1,317,170	122,626	32,648	62,443	78,358	
Add: Restricted Grants	324,413	1,089,954	11,597		148,900	41,650	112,139	538,157	36,566
Provincial Grants - Ministry of Education				1,896,421	22,407			19,355	
Provincial Grants - Other				1,896,421	171,307	41,650	112,139	557,512	36,566
Federal Grants				1,879,367	147,616	18,425	128,143	491,412	-
Other					1,219	2,742	2,866	2,217	
Less: Allocated to Revenue									
Strike Savings Recovery				145,098	53,131		43,573	142,241	36,566
Deferred Revenue, end of year	122,879	3,351	14,252	1,334,224	145,098	53,131	43,573	142,241	36,566
Revenues									
Provincial Grants - Ministry of Education	201,534	1,142,783	3,949		125,209	18,425	128,143	472,057	
Provincial Grants - Other				1,879,367	22,407	18,425	128,143	491,412	
Federal Grants									
Other Revenue	201,534	1,142,783	3,949	1,879,367	147,616	18,425	128,143	491,412	
Expenses									
Salaries									
Teachers		641,450			2,435	4,778	39,323	43,904	
Principals and Vice Principals								20,304	
Educational Assistants		192,485			81,439			156,937	
Support Staff								51,585	
Substitutes		82,325			2,923		15,104	7,980	
Employee Benefits		916,260			86,797	4,778	54,427	280,710	
Services and Supplies		206,606			20,904	1,680	9,458	72,807	
Net Revenue (Expense) before Interfund Transfers	201,534	19,917	3,949	1,879,367	39,915	11,967	59,457	111,682	
Interfund Transfers	201,534	1,142,783	3,949	1,879,367	147,616	18,425	123,342	465,199	
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	4,801	26,213	-
Interfund Transfers									
Tangible Capital Assets Purchased							(4,801)	(26,213)	
Net Revenue (Expense)	-	-	-	-	-	-	(4,801)	(26,213)	-
Additional Expenses funded by, and reported in, the Operating Fund									

School District No. 60 (Peace River North)

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2015

	SWIS	EFAP	Miscellaneous	Playgrounds	Donations	Skills Training Access Support	Project Energy Skills Training	Rural Skills Training (LNG)	TOTAL
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	95,400	32,412	329,020	8,000	-	-	-	-	2,140,861
Add: Restricted Grants									
Provincial Grants - Ministry of Education	10,370		116,740			5,000	18,000	100,000	2,426,376
Provincial Grants - Other	173,271								127,110
Federal Grants	948	16,414	393,164		100,000				173,271
Other	184,589	16,414	509,904		100,000	5,000	18,000	100,000	2,448,709
Less: Allocated to Revenue	184,470	17,171	495,829	8,000	-	5,000	14,590	94,986	5,175,466
Strike Savings Recovery									4,833,275
Deferred Revenue, end of year	95,519	31,655	343,095	-	100,000	-	3,410	5,014	14,058
									2,468,994
Revenues									
Provincial Grants - Ministry of Education	10,251		116,740			5,000	14,590	94,986	2,206,676
Provincial Grants - Other	173,271								126,991
Federal Grants	948	17,171	379,089	8,000					173,271
Other Revenue	184,470	17,171	495,829	8,000	-	5,000	14,590	94,986	2,326,337
									4,833,275
Expenses									
Salaries									
Teachers	27,062		38,530						868,695
Principals and Vice Principals	36,930		10,000						67,234
Educational Assistants	43,167		81,361						555,389
Support Staff	14,872		640						66,457
Substitutes									108,972
Employee Benefits	122,031		130,531						1,666,747
Services and Supplies	29,087		34,434						390,336
Tangible Capital Assets Purchased	33,352	17,171	216,228	8,000		5,000	14,590	8,413	2,630,542
Net Revenue (Expense) before Interfund Transfers	184,470	17,171	381,193	8,000	-	5,000	14,590	94,986	4,687,625
Interfund Transfers			114,636						145,650
Tangible Capital Assets Purchased			(114,636)						(145,650)
Net Revenue (Expense)			(114,636)						(145,650)
Additional Expenses funded by, and reported in, the Operating Fund		17,171							17,171

School District No. 60 (Peace River North)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2015

	2015 Budget	2015 Actual			2014 Actual (Recast - Note 20)
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Provincial Grants					
Ministry of Education		7,000,000		7,000,000	
Investment Income	325		319	319	315
Amortization of Deferred Capital Revenue	2,249,837	2,162,487		2,162,487	2,018,790
Total Revenue	2,250,162	9,162,487	319	9,162,806	2,019,105
Expenses					
Amortization of Tangible Capital Assets					
Operations and Maintenance	2,312,984	2,382,675		2,382,675	2,150,545
Transportation and Housing	748,076	668,001		668,001	603,985
Total Expense	3,061,060	3,050,676	-	3,050,676	2,754,530
Capital Surplus (Deficit) for the year	(810,898)	6,111,811	319	6,112,130	(735,425)
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	175,000	894,337		894,337	746,494
Total Net Transfers	175,000	894,337	-	894,337	746,494
Total Capital Surplus (Deficit) for the year	(635,898)	7,006,148	319	7,006,467	11,069
Capital Surplus (Deficit), beginning of year		15,370,373	26,756	15,397,129	15,386,060
Capital Surplus (Deficit), end of year		22,376,521	27,075	22,403,596	15,397,129

School District No. 60 (Peace River North)

Tangible Capital Assets

Year Ended June 30, 2015

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	4,122,324	94,141,937	2,098,811	6,680,012	95,938	645,853	107,784,875
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw	7,000,000	1,127,190		1,297,251			9,424,441
Deferred Capital Revenue - Other		82,590					82,590
Operating Fund	366,304		141,022	60,955	11,729	168,677	748,687
Special Purpose Funds			119,437		18,896	7,317	145,650
	7,366,304	1,209,780	260,459	1,358,206	30,625	175,994	10,401,368
Decrease:							
Deemed Disposals	-		60,417	45,929	12,596	31,680	150,622
			60,417	45,929	12,596	31,680	150,622
Cost, end of year	11,488,628	95,351,717	2,298,853	7,992,289	113,967	790,167	118,035,621
Work in Progress, end of year		12,169					12,169
Cost and Work in Progress, end of year	11,488,628	95,363,886	2,298,853	7,992,289	113,967	790,167	118,047,790
Accumulated Amortization, beginning of year		45,575,284	733,878	2,919,821	21,858	153,268	49,404,109
Changes for the Year							
Increase: Amortization for the Year		2,021,735	212,581	668,001	19,188	129,171	3,050,676
Decrease:							
Deemed Disposals			60,417	45,929	12,596	31,680	150,622
			60,417	45,929	12,596	31,680	150,622
Accumulated Amortization, end of year		47,597,019	886,042	3,541,893	28,450	250,759	52,304,163
Tangible Capital Assets - Net	11,488,628	47,766,867	1,412,811	4,450,396	85,517	539,408	65,743,627

School District No. 60 (Peace River North)

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

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
Work in Progress, beginning of year					-
Changes for the Year					
Increase:					
Deferred Capital Revenue - Other	12,169				12,169
	12,169	-	-	-	12,169
Net Changes for the Year	12,169	-	-	-	12,169
Work in Progress, end of year	12,169	-	-	-	12,169

School District No. 60 (Peace River North)

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	\$ 40,754,256	\$	\$ 2,256,138	\$ 43,010,394
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	2,424,441		82,590	2,507,031
	<u>2,424,441</u>	<u>-</u>	<u>82,590</u>	<u>2,507,031</u>
Decrease:				
Amortization of Deferred Capital Revenue	2,104,059		58,428	2,162,487
	<u>2,104,059</u>	<u>-</u>	<u>58,428</u>	<u>2,162,487</u>
Net Changes for the Year	<u>320,382</u>	<u>-</u>	<u>24,162</u>	<u>344,544</u>
Deferred Capital Revenue, end of year	<u>41,074,638</u>	<u>-</u>	<u>2,280,300</u>	<u>43,354,938</u>
Work in Progress, beginning of year				-
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress		12,169		12,169
	<u>-</u>	<u>12,169</u>	<u>-</u>	<u>12,169</u>
Net Changes for the Year	<u>-</u>	<u>12,169</u>	<u>-</u>	<u>12,169</u>
Work in Progress, end of year	<u>-</u>	<u>12,169</u>	<u>-</u>	<u>12,169</u>
Total Deferred Capital Revenue, end of year	<u>41,074,638</u>	<u>12,169</u>	<u>2,280,300</u>	<u>43,367,107</u>

School District No. 60 (Peace River North)

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

	Bylaw Capital	MEEd Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	858,988	354,000	-	-	143,862	1,356,850
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	8,565,453			314,117		8,565,453
Other	8,565,453	-	-	314,117	-	8,879,570
Decrease:						
Transferred to DCR - Capital Additions	2,424,441				82,590	2,507,031
Transferred to DCR - Work in Progress	7,000,000	12,169				12,169
Transferred to Revenue - Site Purchases	9,424,441	12,169	-	-	82,590	7,000,000
	(858,988)	(12,169)	-	314,117	(82,590)	(639,630)
Net Changes for the Year	-	341,831	-	314,117	61,272	717,220
Balance, end of year						