

Audited Financial Statements of

# **School District No. 60 (Peace River North)**

June 30, 2017

# School District No. 60 (Peace River North)

June 30, 2017

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# School District No. 60 (Peace River North)

## MANAGEMENT REPORT

Version: 5028-4843-2861

### 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

  
Date Signed

  
Signature of the Superintendent

  
Date Signed

  
Signature of the Secretary Treasurer

  
Date Signed



KPMG LLP  
177 Victoria Street, Suite 400  
Prince George BC V2L 5R8  
Canada  
Telephone (250) 563-7151  
Fax (250) 563-5693

## **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, 2017, 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, 2017 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 2(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'. The signature is written in a cursive, slightly slanted style. Below the signature is a horizontal line that starts under the 'K' and ends under the 'P'.

Chartered Professional Accountants

September 18, 2017

Prince George, Canada

# School District No. 60 (Peace River North)

Statement of Financial Position

As at June 30, 2017

	2017 Actual \$	2016 Actual \$
<b>Financial Assets</b>		
Cash and Cash Equivalents	16,781,673	15,993,365
Accounts Receivable		
Due from Province - Ministry of Education	-	116,533
Other (Note 3)	1,502,178	374,267
Inventories for Resale	1,400,576	851,661
<b>Total Financial Assets</b>	<b>19,684,427</b>	<b>17,335,826</b>
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities		
Other (Note 4)	5,712,992	6,437,769
Unearned Revenue (Note 5)	229,431	166,802
Deferred Revenue (Note 6)	2,571,846	2,259,824
Deferred Capital Revenue (Note 7)	63,654,959	50,414,548
Employee Future Benefits (Note 8)	364,765	352,842
<b>Total Liabilities</b>	<b>72,533,993</b>	<b>59,631,785</b>
<b>Net Financial Assets (Debt)</b>	<b>(52,849,566)</b>	<b>(42,295,959)</b>
<b>Non-Financial Assets</b>		
Tangible Capital Assets	82,060,474	70,786,620
Prepaid Expenses	172,074	144,036
<b>Total Non-Financial Assets</b>	<b>82,232,548</b>	<b>70,930,656</b>
<b>Accumulated Surplus (Deficit)</b>	<b>29,382,982</b>	<b>28,634,697</b>

Contractual Obligations and Contingencies

Approved by the Board

Ida Campbell  
Signature of the Chairperson of the Board of Education

Sept 22 / 2017  
Date Signed

Dave Slo  
Signature of the Superintendent

Sept 22, 2017  
Date Signed

[Signature]  
Signature of the Secretary Treasurer

Sept 22, 2017  
Date Signed

# School District No. 60 (Peace River North)

Statement of Operations  
Year Ended June 30, 2017

Statement 2

	2017 Budget	2017 Actual	2016 Actual
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	62,636,475	<b>63,299,356</b>	62,458,447
Other	98,000	<b>151,510</b>	68,300
Municipal Grants Spent on Sites			230,459
Federal Grants	175,942	<b>174,731</b>	167,139
Tuition	724,369	<b>690,203</b>	823,417
Other Revenue	2,269,420	<b>2,212,397</b>	2,321,503
Rentals and Leases	7,700	<b>6,349</b>	7,119
Investment Income	80,000	<b>158,880</b>	101,570
Amortization of Deferred Capital Revenue	2,371,586	<b>2,380,065</b>	2,298,778
<b>Total Revenue</b>	<u>68,363,492</u>	<u><b>69,073,491</b></u>	<u>68,476,732</u>
<b>Expenses</b>			
Instruction	53,770,036	<b>53,143,405</b>	52,453,086
District Administration	1,944,684	<b>1,964,581</b>	1,712,009
Operations and Maintenance	9,241,870	<b>9,318,210</b>	8,514,674
Transportation and Housing	3,855,189	<b>3,899,010</b>	3,903,554
<b>Total Expense</b>	<u>68,811,779</u>	<u><b>68,325,206</b></u>	<u>66,583,323</u>
<b>Surplus (Deficit) for the year</b>	<u>(448,287)</u>	<u>748,285</u>	<u>1,893,409</u>
<b>Accumulated Surplus (Deficit) from Operations, beginning of year</b>		<u>28,634,697</u>	<u>26,741,288</u>
<b>Accumulated Surplus (Deficit) from Operations, end of year</b>		<u><u>29,382,982</u></u>	<u><u>28,634,697</u></u>

# School District No. 60 (Peace River North)

## Statement of Changes in Net Financial Assets (Debt)

Year Ended June 30, 2017

	2017 Budget	2017 Actual	2016 Actual
	\$	\$	\$
<b>Surplus (Deficit) for the year</b>	<u>(448,287)</u>	<u>748,285</u>	<u>1,893,409</u>
<b>Effect of change in Tangible Capital Assets</b>			
Acquisition of Tangible Capital Assets	(11,262,459)	<b>(14,517,846)</b>	(8,176,915)
Amortization of Tangible Capital Assets	3,171,372	<b>3,243,992</b>	3,133,922
<b>Total Effect of change in Tangible Capital Assets</b>	<u>(8,091,087)</u>	<u>(11,273,854)</u>	<u>(5,042,993)</u>
Acquisition of Prepaid Expenses		<b>(172,074)</b>	(144,036)
Use of Prepaid Expenses		<b>144,036</b>	197,216
<b>Total Effect of change in Other Non-Financial Assets</b>	<u>-</u>	<u>(28,038)</u>	<u>53,180</u>
<b>(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)</b>	<u>(8,539,374)</u>	<b>(10,553,607)</b>	<b>(3,096,404)</b>
<b>Net Remeasurement Gains (Losses)</b>			
<b>(Increase) Decrease in Net Financial Assets (Debt)</b>		<b>(10,553,607)</b>	<b>(3,096,404)</b>
<b>Net Financial Assets (Debt), beginning of year</b>		<b>(42,295,959)</b>	<b>(39,199,555)</b>
<b>Net Financial Assets (Debt), end of year</b>		<u><b>(52,849,566)</b></u>	<u><b>(42,295,959)</b></u>



# School District No. 60 (Peace River North)

Statement of Cash Flows  
Year Ended June 30, 2017

	2017 Actual	2016 Actual
	\$	\$
<b>Operating Transactions</b>		
Surplus (Deficit) for the year	748,285	1,893,409
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(1,011,378)	297,812
Inventories for Resale	(548,915)	(301,794)
Prepaid Expenses	(28,038)	53,180
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	(724,777)	2,787,444
Unearned Revenue	62,629	(119,586)
Deferred Revenue	312,022	(209,170)
Employee Future Benefits	11,923	25,237
Amortization of Tangible Capital Assets	3,243,992	3,133,922
Amortization of Deferred Capital Revenue	(2,380,065)	(2,298,778)
Recognition of Deferred Capital Revenue Spent on Sites		(1,530,459)
<b>Total Operating Transactions</b>	<u>(314,322)</u>	<u>3,731,217</u>
<b>Capital Transactions</b>		
Tangible Capital Assets Purchased	(4,580,488)	(7,263,875)
Tangible Capital Assets -WIP Purchased	(9,937,358)	(913,040)
<b>Total Capital Transactions</b>	<u>(14,517,846)</u>	<u>(8,176,915)</u>
<b>Financing Transactions</b>		
Capital Revenue Received	15,620,476	10,525,762
<b>Total Financing Transactions</b>	<u>15,620,476</u>	<u>10,525,762</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>788,308</b>	<b>6,080,064</b>
<b>Cash and Cash Equivalents, beginning of year</b>	<u>15,993,365</u>	<u>9,913,301</u>
<b>Cash and Cash Equivalents, end of year</b>	<u>16,781,673</u>	<u>15,993,365</u>
<b>Cash and Cash Equivalents, end of year, is made up of:</b>		
Cash	<u>16,781,673</u>	<u>15,993,365</u>
<b>Supplementary Cash Flow Information</b>	<u>16,781,673</u>	<u>15,993,365</u>

**SCHOOL DISTRICT. 60 (PEACE RIVER NORTH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2017**

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**NOTE 1      AUTHORITY AND PURPOSE**

The School District, established on April 12<sup>th</sup>, 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      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 2(f), 2(g) and 2(m).

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

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

The impact of this difference on the financial statements of the School District is as follows:

Year-ended June 30, 2017 – increase in annual surplus by \$1,220,288 (2016 - \$2,354,156)  
June 30, 2017 – increase in accumulated surplus and decrease in deferred contributions by \$63,654,959 (2016 - \$50,414,548)

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.

**SCHOOL DISTRICT. 60 (PEACE RIVER NORTH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2017**

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

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 2 (m).

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 2 (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

**SCHOOL DISTRICT. 60 (PEACE RIVER NORTH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2017**

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

h) Employee Future Benefits (note continued)

and death benefits. The benefits cost is actuarially determined using the projected unit credit method pro-rated on service and using management's best estimate of expected salary escalation, termination rates, retirement rates and mortality. The discount rate used to measure obligations is based on the cost of borrowing.

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

The most recent valuation of the obligation was performed at March 31, 2016 and projected to June 30, 2019. The next valuation will be performed at March 31, 2019 for use at June 30, 2019. For the purposes of determining the financial position of the plans and the employee future benefit costs, a measurement date of March 31 was adopted for all periods subsequent to July 1, 2004.

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

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, 2017**

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**NOTE 2      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

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.

**SCHOOL DISTRICT. 60 (PEACE RIVER NORTH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2017**

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

l) Funds and Reserves

Certain amounts, as approved by the Board are set aside in accumulated surplus for future operating and capital purposes. Transfers to and from funds and reserves are an adjustment to the respective fund when approved (see Notes 11 – Interfund Transfers and Note 16 – Accumulated Surplus).

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 2(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.

**SCHOOL DISTRICT. 60 (PEACE RIVER NORTH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2017**

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

m) Revenue Recognition (note continued)

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

n) 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.

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.

**SCHOOL DISTRICT. 60 (PEACE RIVER NORTH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2017**

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

o) Financial Instruments (note continued)

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.

p) Measurement Uncertainty

Preparation of financial statements in accordance with the basis of accounting described in note 2 a) requires management to make estimates and assumptions that impact reported amounts of assets and liabilities at the date of the financial statements and revenues and expenses during the reporting periods. Significant areas requiring the use of management estimates relate to the potential impairment of assets, 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.



**SCHOOL DISTRICT. 60 (PEACE RIVER NORTH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2017**

**NOTE 3      ACCOUNTS RECEIVABLE – OTHER RECEIVABLES**

	June 30, 2017	June 30, 2016
Due from Federal Government	\$ 335,673	\$ 279,588
Other	1,215,503	135,323
Allowance for Doubtful Accounts	(48,998)	(40,644)
	\$1,502,178	\$ 374,267

**NOTE 4      ACCOUNTS PAYABLE AND ACCRUED LIABILITIES - OTHER**

	June 30, 2017	June 30, 2016
Trade payables	\$1,915,645	\$2,569,355
Salaries and benefits payable	3,356,880	3,394,022
Accrued vacation pay	364,427	360,542
Other	76,040	113,850
	\$ 5,712,992	\$ 6,437,769

**NOTE 5      UNEARNED REVENUE**

	June 30, 2017	June 30, 2016
Balance, beginning of year	\$ 166,802	\$ 286,388
Changes for the year:		
Increase:		
Tuition fees	229,431	166,802
Decrease:		
Tuition fees	166,802	286,388
Net changes for the year	62,629	(119,586)
Balance, end of year	\$ 229,431	\$ 166,802

**NOTE 6      DEFERRED REVENUE**

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

**SCHOOL DISTRICT. 60 (PEACE RIVER NORTH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2017**

**NOTE 6      DEFERRED REVENUE (Continued)**

	June 30, 2017	June 30, 2016
Balance, beginning of year	\$ 2,259,824	\$ 2,468,994
Add: Restricted Grants		
Provincial Grants – Ministry of Education	3,067,891	2,345,306
Provincial Grants – Other	151,510	68,300
Federal Grants	174,731	169,418
Other	2,079,341	2,134,672
Less:		
Strike Savings Recovery	-	-
	5,473,473	4,717,696
Less:		
Amount allocated to revenue	5,161,451	4,926,866
Net changes for the year	312,022	(209,170)
Balance, end of year	\$2,571,846	\$2,259,824

**NOTE 7      DEFERRED CAPITAL REVENUE**

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

	June 30, 2017	June 30, 2016
Deferred Capital Revenue		
Deferred Capital Revenue, beginning of year	\$45,709,094	\$43,354,938
Changes for the Year:		
Increase:		
Transferred from Deferred Revenue – Capital Additions	3,600,353	4,640,765
Transferred from Work in Progress	-	12,169
	3,600,353	4,652,934
Decrease:		
Amortization of Deferred Capital Contributions	2,380,065	2,298,778
Net changes for the year	1,220,288	2,354,156
Deferred Capital Revenue, end of year	\$46,929,382	\$45,709,094
Work in Progress, Beginning of Year	\$ 649,040	\$ 12,169

**SCHOOL DISTRICT. 60 (PEACE RIVER NORTH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2017**

**NOTE 7 DEFERRED CAPITAL REVENUE**  
*(Continued)*

Changes for the Year:		
Increase:		
Transferred from Deferred Revenue – Work in Progress	9,737,358	649,040
Decrease:		
Transferred to Deferred Capital Revenue	-	12,169
Net changes for the year	<u>9,737,358</u>	<u>636,871</u>
Work in Progress, end of year	<u>\$10,386,398</u>	<u>\$ 649,040</u>
Total Deferred Capital Revenue before Unspent Deferred Capital Revenue	<u>\$57,315,780</u>	<u>\$46,358,134</u>
Changes in Unspent Deferred Capital Revenue	June 30,	June 30,
	2017	2016
Balance, beginning of year	<u>\$ 4,056,414</u>	<u>\$ 350,916</u>
Changes for the Year:		
Increase:		
Provincial Grants – Ministry of Education	14,592,859	6,730,319
Provincial Grants – Other	68,980	
Investment Income	-	-
Other	958,637	3,795,443
	<u>15,620,476</u>	<u>10,525,762</u>
Decrease:		
Transferred to DCR – Capital Additions	3,600,353	4,640,765
Transferred to DCR – Work in Progress	9,737,358	649,040
Transferred to Revenue – Site Purchases		1,530,459
	<u>13,337,711</u>	<u>6,820,264</u>
Net changes for the year	<u>2,282,765</u>	<u>3,705,498</u>
Balance, end of year	<u>\$ 6,339,179</u>	<u>\$ 4,056,414</u>
Total Deferred Capital Revenue, end of year	<u>\$63,654,959</u>	<u>\$50,414,548</u>

**SCHOOL DISTRICT. 60 (PEACE RIVER NORTH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2017**

**NOTE 8      EMPLOYEE FUTURE BENEFITS**

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

	<u>June 30, 2017</u>	<u>June 30, 2016</u>
<b>Reconciliation of Accrued Benefit Obligation</b>		
Accrued Benefit Obligation – April 1	509,230	464,914
Service Cost	38,808	37,024
Interest Cost	12,979	10,862
Benefit Payments	(57,722)	(38,385)
Actuarial (Gain) Loss	(12,648)	34,815
Accrued Benefit Obligation – March 31	<u>490,647</u>	<u>509,230</u>
<b>Reconciliation of Funded Status at End of Fiscal Year</b>		
Accrued Benefit Obligation - March 31	490,647	509,230
Market Value of Plan Assets - March 31	<u>0</u>	<u>0</u>
Funded Status - Surplus (Deficit)	(490,647)	(509,230)
Employer Contributions After Measurement Date	0	0
Benefits Expense After Measurement Date	(13,068)	(12,947)
Unamortized Net Actuarial (Gain) Loss	<u>138,950</u>	<u>169,335</u>
Accrued Benefit Asset (Liability) - June 30	<u>(364,765)</u>	<u>(352,842)</u>
<b>Reconciliation of Change in Accrued Benefit Liability</b>		
Accrued Benefit Liability (Asset) - July 1	352,842	327,605
Net Expense for Fiscal Year	69,645	63,622
Employer Contributions	<u>(57,722)</u>	<u>(38,385)</u>
Accrued Benefit Liability (Asset) - June 30	<u>364,765</u>	<u>352,842</u>
<b>Components of Net Benefit Expense</b>		
Service Cost	38,666	37,470
Interest Cost	13,243	11,391
Amortization of Net Actuarial (Gain)/Loss	<u>17,737</u>	<u>14,761</u>
Net Benefit Expense (Income)	<u>69,645</u>	<u>63,622</u>

**SCHOOL DISTRICT. 60 (PEACE RIVER NORTH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2017**

**NOTE 8 EMPLOYEE FUTURE BENEFITS – (Continued)**

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

	June 30, 2017	June 30, 2016
<b>Assumptions</b>		
Discount Rate - April 1	2.50%	2.25%
Discount Rate - March 31	2.75%	2.50%
Long Term Salary Growth - April 1	2.50%	2.50%
Long Term Salary Growth - March 31	2.50%	2.50%
EARSL - March 31	11.7	11.7

**NOTE 9 TANGIBLE CAPITAL ASSETS**

**Net Book Value:**

	Net Book Value 2017	Net Book Value 2016
Sites	\$13,019,087	\$13,019,087
Buildings	52,179,596	50,827,358
Buildings – work in progress	10,850,398	913,040
Furniture & Equipment	1,429,519	1,314,361
Vehicles	3,497,515	3,939,564
Computer Software	135,019	148,355
Computer Hardware	949,340	624,855
<b>Total</b>	<b>\$82,060,474</b>	<b>\$70,786,620</b>

**June 30, 2017**

	Balance at June 30, 2016	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2017
<b>Cost:</b>					
Sites	\$13,019,087	\$ -	\$ -	\$ -	\$13,019,087
Buildings	100,351,059	3,531,373	-	-	103,882,432
Buildings – work in progress	913,040	9,851,776	-	-	10,764,816
Furniture & Equipment	2,267,771	256,353	(129,244)	-	2,394,880
Furniture & Equip - work in progress	-	85,582	-	-	85,582
Vehicles	6,770,128	234,964	(602,188)	-	6,402,904
Computer Software	199,598	26,584	-	-	226,182
Computer Hardware	1,033,647	531,214	(291,377)	-	1,273,484
<b>Total</b>	<b>\$124,554,330</b>	<b>\$14,517,846</b>	<b>\$(1,022,809)</b>	<b>\$ -</b>	<b>\$138,049,367</b>

**SCHOOL DISTRICT. 60 (PEACE RIVER NORTH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2017**

**NOTE 9 TANGIBLE CAPITAL ASSETS (Continued)**

Accumulated Amortization:	Balance at June 30, 2016	Additions	Disposals	Balance at June 30, 2017
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	49,523,701	2,093,553	-	51,617,254
Furniture & Equipment	953,410	226,777	(129,244)	1,050,943
Vehicles	2,830,564	677,013	(602,188)	2,905,389
Computer Software	51,243	39,920	-	91,163
Computer Hardware	408,792	206,729	(291,377)	324,144
<b>Total</b>	<b>\$53,767,710</b>	<b>\$ 3,243,992</b>	<b>\$(1,022,809)</b>	<b>\$55,988,893</b>

**June 30, 2016**

Cost:	Balance at June 30, 2015	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2016
Sites	\$11,488,628	\$1,530,459	\$ -	\$ -	\$13,019,087
Buildings	95,351,717	4,999,342	-	-	100,351,059
Buildings – work in progress	12,169	913,040	-	(12,169)	913,040
Furniture & Equipment	2,298,853	128,735	(159,817)	-	2,267,771
Vehicles	7,992,289	288,397	(1,510,558)	-	6,770,128
Computer Software	113,967	85,631	-	-	199,598
Computer Hardware	790,167	243,480	-	-	1,033,647
<b>Total</b>	<b>\$118,047,790</b>	<b>\$8,189,084</b>	<b>\$(1,670,375)</b>	<b>\$ (12,169)</b>	<b>\$124,554,330</b>

Accumulated Amortization:	Balance at June 30, 2015	Additions	Disposals	Balance at June 30, 2016
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	47,597,019	1,926,682	-	49,523,701
Furniture & Equipment	886,042	227,185	(159,817)	953,410
Vehicles	3,541,893	799,229	(1,510,558)	2,830,564
Computer Software	28,450	22,793	-	51,243
Computer Hardware	250,759	158,033	-	408,792
<b>Total</b>	<b>\$52,304,163</b>	<b>\$ 3,133,922</b>	<b>\$(1,670,375)</b>	<b>\$53,767,710</b>

- Included in the June 30, 2017 Building amount is Leasehold Improvements to the Energetic Learning Campus with a cost of \$4,933,528 and accumulated amortization of \$615,039.

**SCHOOL DISTRICT. 60 (PEACE RIVER NORTH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2017**

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**NOTE 10      EMPLOYEE PENSION PLANS**

The school district and its employees contribute to the Teachers' Pension Plan and Municipal Pension Plan, jointly trustee pension plans. The board of trustees for these plans represents plan members and employers and is responsible for 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, 2014, the Teachers' Pension Plan has about 45,000 active members, and approximately 33,000 retired members from school districts. As at December 31, 2014, the Municipal Pension Plan has about 185,000 active members, of which approximately 24,000 are from school districts.

Every three years, an actuarial valuation is performed to assess the financial position of the plans and the adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plans. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plans. 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, 2014 indicated a \$449 million funding surplus for basic pension benefits on a going concern basis. The next valuation will be as at December 31, 2017 with results available in 2018. The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2015 indicated a \$2,224 million funding deficit for basic pension benefits on a going concern basis. The next valuation will be as at December 31, 2018 with results available in 2019. 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 \$5,033,926 (2016 - \$5,517,249) for employer contributions to these plans in the year ended June 30, 2017.

**NOTE 11      INTERFUND TRANSFERS**

Interfund transfers between the operating, special purpose and capital funds for the year ended June 30, 2017, were as follows:

- \$975,530 transferred from the operating fund to the capital fund for capital asset purchases
- \$200,000 was transferred from the operating fund to the capital fund for capital assets - WIP
- \$4,605 was transferred from the special purpose fund to the capital fund for capital asset purchases

**SCHOOL DISTRICT. 60 (PEACE RIVER NORTH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2017**

**NOTE 12 RELATED PARTY TRANSACTIONS**

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

**NOTE 13 BUDGET FIGURES**

Budget figures included in the financial statements were approved by the Board through the adoption of an annual budget on June 20, 2016.

**NOTE 14 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, 2017, the liability is not reasonably determinable.

**NOTE 15 EXPENSE BY OBJECT**

	2017	2016
Salaries and benefits	\$ 55,020,791	\$ 53,779,514
Services and supplies	10,060,423	9,669,887
Amortization	3,243,992	3,133,922
	\$ 68,325,206	\$ 66,583,323

**NOTE 16 ACCUMULATED SURPLUS**

Operating Fund:

Internally Restricted (appropriated) by Board for:

Budget reserve for carry forward to 2016/17	\$ 1,644,895	
Education Initiatives	1,400,576	
New School Construction Project	1,557,075	
Planned Projects & Staffing Contingencies	35,741	
Subtotal Internally Restricted	4,638,287	

Unrestricted Operating Surplus (Deficit)

Total Operating Fund Surplus:	\$ 4,638,287	
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Capital Fund:

Invested in Tangible Capital Assets	\$ 24,744,695	
Local Capital Reserve	0	
Total Capital Fund Surplus:	\$ 24,744,695	
Accumulated Surplus	\$ 29,382,982	



**SCHOOL DISTRICT. 60 (PEACE RIVER NORTH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2017**

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**NOTE 17 ECONOMIC DEPENDENCE**

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

**NOTE 18 RISK MANAGEMENT**

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

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

a) Credit risk:

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

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

**SCHOOL DISTRICT. 60 (PEACE RIVER NORTH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2017**

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**NOTE 18     RISK MANAGEMENT** *(Continued)*

always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the School District's reputation.

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

# School District No. 60 (Peace River North)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund  
Year Ended June 30, 2017

	Operating Fund	Special Purpose Fund	Capital Fund	2017 Actual	2016 Actual
	\$	\$	\$	\$	\$
<b>Accumulated Surplus (Deficit), beginning of year</b>	4,206,210		24,428,487	28,634,697	26,741,288
<b>Changes for the year</b>					
Surplus (Deficit) for the year	1,607,607	4,605	(863,927)	748,285	1,893,409
Interfund Transfers	(975,530)	(4,605)	980,135	-	-
Tangible Capital Assets Purchased	(200,000)		200,000	-	-
Tangible Capital Assets - Work in Progress	432,077	-	316,208	748,285	1,893,409
<b>Net Changes for the year</b>	<b>4,638,287</b>	<b>-</b>	<b>24,744,695</b>	<b>29,382,982</b>	<b>28,634,697</b>
<b>Accumulated Surplus (Deficit), end of year - Statement 2</b>					

# School District No. 60 (Peace River North)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2017

	2017 Budget	2017 Actual	2016 Actual
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	60,215,318	60,510,703	58,554,466
Tuition	724,369	690,203	823,417
Other Revenue	250,000	165,840	234,057
Rentals and Leases	7,700	6,349	7,119
Investment Income	80,000	158,880	101,386
<b>Total Revenue</b>	<b>61,277,387</b>	<b>61,531,975</b>	<b>59,720,445</b>
<b>Expenses</b>			
Instruction	49,379,930	48,097,857	47,935,119
District Administration	1,944,684	1,964,581	1,712,009
Operations and Maintenance	6,411,758	6,639,933	5,781,081
Transportation and Housing	3,189,516	3,221,997	3,104,325
<b>Total Expense</b>	<b>60,925,888</b>	<b>59,924,368</b>	<b>58,532,534</b>
<b>Operating Surplus (Deficit) for the year</b>	<b>351,499</b>	<b>1,607,607</b>	<b>1,187,911</b>
<b>Budgeted Appropriation (Retirement) of Surplus (Deficit)</b>	<b>178,501</b>		
<b>Budgeted Reduction of Unfunded Accrued Employee Future Benefits</b>	<b>-</b>		
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased	(530,000)	(975,530)	(1,082,652)
Tangible Capital Assets - Work in Progress		(200,000)	(236,741)
<b>Total Net Transfers</b>	<b>(530,000)</b>	<b>(1,175,530)</b>	<b>(1,319,393)</b>
<b>Total Operating Surplus (Deficit), for the year</b>	<b>-</b>	<b>432,077</b>	<b>(131,482)</b>
<b>Operating Surplus (Deficit), beginning of year</b>		<b>4,206,210</b>	<b>4,337,692</b>
<b>Operating Surplus (Deficit), end of year</b>		<b>4,638,287</b>	<b>4,206,210</b>
<b>Operating Surplus (Deficit), end of year</b>			
Internally Restricted		<b>4,638,287</b>	<b>4,206,210</b>
<b>Total Operating Surplus (Deficit), end of year</b>		<b>4,638,287</b>	<b>4,206,210</b>

# School District No. 60 (Peace River North)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source  
Year Ended June 30, 2017

	2017 Budget	2017 Actual	2016 Actual
	\$	\$	\$
<b>Provincial Grants - Ministry of Education</b>			
Operating Grant, Ministry of Education	59,681,131	59,039,684	58,129,461
INAC/LEA Recovery		(1,316)	
Other Ministry of Education Grants			
Pay Equity	241,350	241,350	241,350
Funding for Graduated Adults	10,000	42,800	26,679
Transportation Supplement		425,785	
Economic Stability Dividend	-	31,899	45,229
Return of Administrative Savings	-	307,317	
Carbon Tax Grant	123,500	115,684	116,533
Student Learning Grant	-	299,313	
FSA Funding	8,696	8,187	8,696
Curriculum Implementation Support			11,800
Enrollment Audit Adjustment			(25,282)
Additional Supplement Distribution	150,641		
<b>Total Provincial Grants - Ministry of Education</b>	<b>60,215,318</b>	<b>60,510,703</b>	<b>58,554,466</b>
<b>Tuition</b>			
International and Out of Province Students	724,369	690,203	823,417
<b>Total Tuition</b>	<b>724,369</b>	<b>690,203</b>	<b>823,417</b>
<b>Other Revenues</b>			
LEA/Direct Funding from First Nations		1,316	
Miscellaneous			
Net Misc Revenues	145,000	164,196	126,126
Student Transportation Registration Fees	105,000	-	107,376
Apple Warranty Credits		328	555
<b>Total Other Revenue</b>	<b>250,000</b>	<b>165,840</b>	<b>234,057</b>
<b>Rentals and Leases</b>	<b>7,700</b>	<b>6,349</b>	<b>7,119</b>
<b>Investment Income</b>	<b>80,000</b>	<b>158,880</b>	<b>101,386</b>
<b>Total Operating Revenue</b>	<b>61,277,387</b>	<b>61,531,975</b>	<b>59,720,445</b>

**School District No. 60 (Peace River North)**

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object  
Year Ended June 30, 2017

	2017 Budget	2017 Actual	2016 Actual
	\$	\$	\$
<b>Salaries</b>			
Teachers	25,488,013	24,862,070	24,427,074
Principals and Vice Principals	3,925,851	3,748,852	3,766,809
Educational Assistants	3,916,193	3,842,792	3,653,065
Support Staff	6,318,613	6,375,311	6,101,931
Other Professionals	1,580,128	1,650,909	1,479,972
Substitutes	1,686,029	1,901,774	1,790,451
<b>Total Salaries</b>	<b>42,914,827</b>	<b>42,381,708</b>	<b>41,219,302</b>
<b>Employee Benefits</b>	<b>10,203,738</b>	<b>10,005,722</b>	<b>10,431,184</b>
<b>Total Salaries and Benefits</b>	<b>53,118,565</b>	<b>52,387,430</b>	<b>51,650,486</b>
<b>Services and Supplies</b>			
Services	468,636	442,698	626,366
Student Transportation	254,289	267,467	254,386
Professional Development and Travel	891,494	893,071	767,954
Rentals and Leases	36,200	20,215	50,882
Dues and Fees	42,345	38,511	44,527
Insurance	230,818	235,479	234,545
Supplies	4,269,329	4,103,832	3,759,395
Utilities	1,614,212	1,535,665	1,143,993
<b>Total Services and Supplies</b>	<b>7,807,323</b>	<b>7,536,938</b>	<b>6,882,048</b>
<b>Total Operating Expense</b>	<b>60,925,888</b>	<b>59,924,368</b>	<b>58,532,534</b>

# School District No. 60 (Peace River North)

Operating Expense by Function, Program and Object

Year Ended June 30, 2017

Schedule 2C (Unaudited)

	Teachers Salaries	Principals and Vice Principals Salaries	Educational Assistants Salaries	Support Staff Salaries	Other Professionals Salaries	Substitutes Salaries	Total Salaries
	\$	\$	\$	\$	\$	\$	\$
<b>1 Instruction</b>							
1.02 Regular Instruction	19,844,960	1,089,189		1,443,981	194,892	1,378,450	23,951,472
1.03 Career Programs	288,229	72,491		39,241			399,961
1.07 Library Services	613,808	51,493		54,211			719,512
1.08 Counselling	785,304						785,304
1.10 Special Education	2,860,638	246,577	3,258,061	52,006		281,759	6,699,041
1.30 English Language Learning	261,464		123,040			6,697	391,201
1.31 Aboriginal Education	207,667	109,144	461,691	48,439		21,181	848,122
1.41 School Administration		2,179,958		424,140			2,604,098
<b>Total Function 1</b>	<b>24,862,070</b>	<b>3,748,852</b>	<b>3,842,792</b>	<b>2,062,018</b>	<b>194,892</b>	<b>1,688,087</b>	<b>36,398,711</b>
<b>4 District Administration</b>							
4.11 Educational Administration				3,687	426,317		430,004
4.40 School District Governance					93,624		93,624
4.41 Business Administration				71,389	700,681		772,070
<b>Total Function 4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>75,076</b>	<b>1,220,622</b>	<b>-</b>	<b>1,295,698</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration				36,305	156,475		192,780
5.50 Maintenance Operations				2,448,197		58,723	2,506,920
5.52 Maintenance of Grounds				349,917			349,917
5.56 Utilities							-
<b>Total Function 5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,834,419</b>	<b>156,475</b>	<b>58,723</b>	<b>3,049,617</b>
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration				3,687	78,920		82,607
7.70 Student Transportation				1,400,111		154,964	1,555,075
7.73 Housing							-
<b>Total Function 7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,403,798</b>	<b>78,920</b>	<b>154,964</b>	<b>1,637,682</b>
<b>9 Debt Services</b>							
<b>Total Function 9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Functions 1 - 9</b>	<b>24,862,070</b>	<b>3,748,852</b>	<b>3,842,792</b>	<b>6,375,311</b>	<b>1,650,909</b>	<b>1,901,774</b>	<b>42,381,708</b>

# School District No. 60 (Peace River North)

Operating Expense by Function, Program and Object

Year Ended June 30, 2017

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2017 Actual	2017 Budget	2016 Actual
	\$	\$	\$	\$	\$	\$	\$
<b>1 Instruction</b>							
1.02 Regular Instruction	23,951,472	5,688,437	29,639,909	2,383,654	32,023,563	33,367,718	32,674,573
1.03 Career Programs	399,961	101,816	501,777	31,008	532,785	459,939	426,977
1.07 Library Services	719,512	163,443	882,955	113,285	996,240	988,624	981,060
1.08 Counselling	785,304	181,358	966,662	4,329	970,991	977,817	964,005
1.10 Special Education	6,699,041	1,610,024	8,309,065	311,725	8,620,790	8,443,350	8,184,334
1.30 English Language Learning	391,201	83,890	475,091	8,177	483,268	599,441	401,715
1.31 Aboriginal Education	848,122	208,046	1,056,168	189,744	1,245,912	1,253,555	1,294,378
1.41 School Administration	2,604,098	606,291	3,210,389	13,919	3,224,308	3,289,486	3,008,077
<b>Total Function 1</b>	<b>36,398,711</b>	<b>8,643,305</b>	<b>45,042,016</b>	<b>3,055,841</b>	<b>48,097,857</b>	<b>49,379,930</b>	<b>47,935,119</b>
<b>4 District Administration</b>							
4.11 Educational Administration	430,004	95,143	525,147	105,753	630,900	632,146	579,723
4.40 School District Governance	93,624	1,914	95,538	81,793	177,331	191,410	168,530
4.41 Business Administration	772,070	150,910	922,980	233,370	1,156,350	1,121,128	963,756
<b>Total Function 4</b>	<b>1,295,698</b>	<b>247,967</b>	<b>1,543,665</b>	<b>420,916</b>	<b>1,964,581</b>	<b>1,944,684</b>	<b>1,712,009</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration	192,780	50,271	243,051	187,111	430,162	411,248	409,325
5.50 Maintenance Operations	2,506,920	580,402	3,087,322	973,605	4,060,927	3,918,496	3,729,489
5.52 Maintenance of Grounds	349,917	62,771	412,688	200,491	613,179	467,802	498,274
5.56 Utilities	-	-	-	1,535,665	1,535,665	1,614,212	1,143,993
<b>Total Function 5</b>	<b>3,049,617</b>	<b>693,444</b>	<b>3,743,061</b>	<b>2,896,872</b>	<b>6,639,933</b>	<b>6,411,758</b>	<b>5,781,081</b>
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration	82,607	15,864	98,471	6,637	105,108	113,973	125,274
7.70 Student Transportation	1,555,075	405,142	1,960,217	1,156,672	3,116,889	3,072,043	2,979,051
7.73 Housing	-	-	-	-	-	3,500	-
<b>Total Function 7</b>	<b>1,637,682</b>	<b>421,006</b>	<b>2,058,688</b>	<b>1,163,309</b>	<b>3,221,997</b>	<b>3,189,516</b>	<b>3,104,325</b>
<b>9 Debt Services</b>							
<b>Total Function 9</b>	-	-	-	-	-	-	-
<b>Total Functions 1 - 9</b>	<b>42,381,708</b>	<b>10,005,722</b>	<b>52,387,430</b>	<b>7,536,938</b>	<b>59,924,368</b>	<b>60,925,888</b>	<b>58,532,534</b>



# School District No. 60 (Peace River North)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2017

	2017 Budget	2017 Actual	2016 Actual
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	2,421,157	2,788,653	2,603,981
Other	98,000	151,510	68,300
Federal Grants	175,942	174,731	167,139
Other Revenue	2,019,420	2,046,557	2,087,446
<b>Total Revenue</b>	<b>4,714,519</b>	<b>5,161,451</b>	<b>4,926,866</b>
<b>Expenses</b>			
Instruction	4,390,106	5,045,548	4,517,967
Operations and Maintenance	324,413	111,298	398,900
<b>Total Expense</b>	<b>4,714,519</b>	<b>5,156,846</b>	<b>4,916,867</b>
<b>Special Purpose Surplus (Deficit) for the year</b>	<b>-</b>	<b>4,605</b>	<b>9,999</b>
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased		(4,605)	(9,999)
<b>Total Net Transfers</b>	<b>-</b>	<b>(4,605)</b>	<b>(9,999)</b>
<b>Total Special Purpose Surplus (Deficit) for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Special Purpose Surplus (Deficit), beginning of year</b>			
<b>Special Purpose Surplus (Deficit), end of year</b>		<b>-</b>	<b>-</b>

**School District No. 60 (Peace River North)**

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2017

	Annual Facility Grant	Learning Improvement Fund	Aboriginal Education Technology	Special Education Equipment	Service Delivery Transformation	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP
Deferred Revenue, beginning of year	\$ 48,392	-	-	\$ 3,053	\$ 36,566	\$ 1,373,196	\$ 145,236	\$ 37,733	\$ -
Add: Restricted Grants									
Provincial Grants - Ministry of Education	324,413	1,229,052					149,227	41,650	116,287
Provincial Grants - Other									
Federal Grants									
Other									
Deferred Revenue, end of year	324,413	1,229,052	-	-	-	1,790,017	162,727	41,650	116,287
	111,298	1,229,052	-	-	-	1,722,956	153,182	79,236	112,069
	261,507	-	-	3,053	36,566	1,440,257	154,781	147	4,218
<b>Revenues</b>									
Provincial Grants - Ministry of Education	111,298	1,229,052					153,182	79,236	112,069
Provincial Grants - Other									
Federal Grants									
Other Revenue									
	111,298	1,229,052	-	-	-	1,722,956	153,182	79,236	112,069
<b>Expenses</b>									
Salaries									
Teachers									
Principals and Vice Principals	767,662								18,008
Educational Assistants									18,320
Support Staff	196,420								6,118
Substitutes	43,101								
Employee Benefits	1,007,183								25,660
Services and Supplies	221,869								45,658
	111,298								5,390
	111,298	1,229,052	-	-	-	1,722,956	20,395	28,188	42,785
	-	-	-	-	-	1,722,956	153,182	79,236	107,464
<b>Net Revenue (Expense) before Interfund Transfers</b>									
<b>Interfund Transfers</b>									
Tangible Capital Assets Purchased									4,605
									(4,605)
<b>Net Revenue (Expense)</b>									

**School District No. 60 (Peace River North)**

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2017

	CommunityLINK	Coding and Curriculum Implementation	Priority Measures	SWIS	EFAP	MISC	Donations	TOTAL
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Deferred Revenue, beginning of year</b>	34,846			97,798	36,296	346,708	100,000	2,259,824
<b>Add: Restricted Grants</b>								
Provincial Grants - Ministry of Education	543,675	65,193	598,394			151,510		3,067,891
Provincial Grants - Other				174,731				151,510
Federal Grants								174,731
Other	20,232				17,718	237,874		2,079,341
<b>Less: Allocated to Revenue</b>	563,907	65,193	598,394	174,731	17,718	389,384		5,473,473
<b>Deferred Revenue, end of year</b>	543,814	43,949	516,192	198,634	19,371	431,698		5,161,451
	<b>54,939</b>	<b>21,244</b>	<b>82,202</b>	<b>73,895</b>	<b>34,643</b>	<b>304,394</b>	<b>100,000</b>	<b>2,571,846</b>
<b>Revenues</b>								
Provincial Grants - Ministry of Education	543,675	43,949	516,192			151,510		2,788,653
Provincial Grants - Other				174,731				151,510
Federal Grants	139			23,903	19,371	280,188		174,731
Other Revenue	543,814	43,949	516,192	198,634	19,371	431,698		2,046,557
<b>Expenses</b>								
Salaries								
Teachers	6,473		384,162	11,193				1,187,498
Principals and Vice Principals	39,995		36,324	68,879				134,635
Educational Assistants	223,657		68,879	13,942		70,623		652,053
Support Staff	51,250		24,716	3,614				65,192
Substitutes	2,220	11,416	408,878	133,952		70,623		126,993
Employee Benefits	323,595	11,416	84,547	29,331				2,166,371
Services and Supplies	73,915	2,422	22,767	35,351	19,371	17,116		466,990
	146,304	30,111	516,192	198,634	19,371	343,959		2,523,485
	543,814	43,949	516,192	198,634	19,371	431,698		5,156,846
<b>Net Revenue (Expense) before Interfund Transfers</b>	-	-	-	-	-	-	-	4,605
<b>Interfund Transfers</b>								
Tangible Capital Assets Purchased								(4,605)
<b>Net Revenue (Expense)</b>								(4,605)

# School District No. 60 (Peace River North)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2017

	2017 Budget	2017 Actual			2016 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
<b>Revenues</b>					
Provincial Grants					
Ministry of Education				-	1,300,000
Municipal Grants Spent on Sites				-	230,459
Investment Income				-	184
Amortization of Deferred Capital Revenue	2,371,586	2,380,065		2,380,065	2,298,778
<b>Total Revenue</b>	<u>2,371,586</u>	<u>2,380,065</u>	-	<u>2,380,065</u>	<u>3,829,421</u>
<b>Expenses</b>					
Amortization of Tangible Capital Assets					
Operations and Maintenance	2,505,699	2,566,979		2,566,979	2,334,693
Transportation and Housing	665,673	677,013		677,013	799,229
<b>Total Expense</b>	<u>3,171,372</u>	<u>3,243,992</u>	-	<u>3,243,992</u>	<u>3,133,922</u>
<b>Capital Surplus (Deficit) for the year</b>	<u>(799,786)</u>	<u>(863,927)</u>	-	<u>(863,927)</u>	<u>695,499</u>
<b>Net Transfers (to) from other funds</b>					
Tangible Capital Assets Purchased	530,000	980,135		980,135	1,092,651
Tangible Capital Assets - Work in Progress		200,000		200,000	236,741
<b>Total Net Transfers</b>	<u>530,000</u>	<u>1,180,135</u>	-	<u>1,180,135</u>	<u>1,329,392</u>
<b>Total Capital Surplus (Deficit) for the year</b>	<u>(269,786)</u>	<u>316,208</u>	-	<u>316,208</u>	<u>2,024,891</u>
<b>Capital Surplus (Deficit), beginning of year</b>		<u>24,428,487</u>		<u>24,428,487</u>	<u>22,403,596</u>
<b>Capital Surplus (Deficit), end of year</b>		<u>24,744,695</u>	-	<u>24,744,695</u>	<u>24,428,487</u>

# School District No. 60 (Peace River North)

Tangible Capital Assets

Year Ended June 30, 2017

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	13,019,087	100,351,059	2,267,771	6,770,128	199,598	1,033,647	123,641,290
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		3,483,889					3,483,889
Deferred Capital Revenue - Other		47,484	68,980				116,464
Operating Fund			187,373	234,964	26,584	526,609	975,530
Special Purpose Funds						4,605	4,605
Decrease:							
Deemed Disposals		3,531,373	256,353	234,964	26,584	531,214	4,580,488
Cost, end of year			129,244	602,188		291,377	1,022,809
Work in Progress, end of year	13,019,087	103,882,432	2,394,880	6,402,904	226,182	1,273,484	127,198,969
Cost and Work in Progress, end of year	13,019,087	114,647,248	2,480,462	6,402,904	226,182	1,273,484	138,049,367
Accumulated Amortization, beginning of year		49,523,701	953,410	2,830,564	51,243	408,792	53,767,710
Changes for the Year		2,093,553	226,777	677,013	39,920	206,729	3,243,992
Increase: Amortization for the Year							
Decrease:							
Deemed Disposals			129,244	602,188		291,377	1,022,809
Accumulated Amortization, end of year			129,244	602,188		291,377	1,022,809
Tangible Capital Assets - Net	13,019,087	63,029,994	1,429,519	3,497,515	135,019	949,340	82,060,474

**School District No. 60 (Peace River North)**

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2017

	<b>Buildings</b>	<b>Furniture and Equipment</b>	<b>Computer Software</b>	<b>Computer Hardware</b>	<b>Total</b>
	\$	\$	\$	\$	\$
<b>Work in Progress, beginning of year</b>	913,040				913,040
<b>Changes for the Year</b>					
Increase:					
Deferred Capital Revenue - Bylaw	9,651,776	85,582			9,737,358
Operating Fund	200,000				200,000
	9,851,776	85,582	-	-	9,937,358
<b>Net Changes for the Year</b>	9,851,776	85,582	-	-	9,937,358
<b>Work in Progress, end of year</b>	10,764,816	85,582	-	-	10,850,398

# School District No. 60 (Peace River North)

Deferred Capital Revenue  
Year Ended June 30, 2017

Schedule 4C (Unaudited)

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
<b>Deferred Capital Revenue, beginning of year</b>	\$ 43,121,499	\$ 354,000	\$ 2,233,595	\$ 45,709,094
<b>Changes for the Year</b>				
Increase:				
Transferred from Deferred Revenue - Capital Additions	3,483,889	68,980	47,484	3,600,353
	<u>3,483,889</u>	<u>68,980</u>	<u>47,484</u>	<u>3,600,353</u>
Decrease:				
Amortization of Deferred Capital Revenue	2,310,377	8,850	60,838	2,380,065
	<u>2,310,377</u>	<u>8,850</u>	<u>60,838</u>	<u>2,380,065</u>
<b>Net Changes for the Year</b>	<u>1,173,512</u>	<u>60,130</u>	<u>(13,354)</u>	<u>1,220,288</u>
<b>Deferred Capital Revenue, end of year</b>	<u>44,295,011</u>	<u>414,130</u>	<u>2,220,241</u>	<u>46,929,382</u>
<b>Work in Progress, beginning of year</b>	417,066		231,974	649,040
<b>Changes for the Year</b>				
Increase				
Transferred from Deferred Revenue - Work in Progress	9,737,358			9,737,358
	<u>9,737,358</u>	<u>-</u>	<u>-</u>	<u>9,737,358</u>
<b>Net Changes for the Year</b>	<u>9,737,358</u>	<u>-</u>	<u>-</u>	<u>9,737,358</u>
<b>Work in Progress, end of year</b>	<u>10,154,424</u>	<u>-</u>	<u>231,974</u>	<u>10,386,398</u>
<b>Total Deferred Capital Revenue, end of year</b>	<u>54,449,435</u>	<u>414,130</u>	<u>2,452,215</u>	<u>57,315,780</u>

# School District No. 60 (Peace River North)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2017

	Bylaw Capital	MEd Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
<b>Balance, beginning of year</b>	699,481	28,626	-	112,797	3,215,510	4,056,414
<b>Changes for the Year</b>						
Increase:						
Provincial Grants - Ministry of Education	14,592,859		68,980			14,592,859
Provincial Grants - Other				58,637	900,000	958,637
Other	14,592,859	-	68,980	58,637	900,000	15,620,476
Decrease:						
Transferred to DCR - Capital Additions	3,483,889		68,980		47,484	3,600,353
Transferred to DCR - Work in Progress	9,737,358					9,737,358
	13,221,247	-	68,980	-	47,484	13,337,711
<b>Net Changes for the Year</b>	1,371,612	-	-	58,637	852,516	2,282,765
<b>Balance, end of year</b>	<b>2,071,093</b>	<b>28,626</b>	<b>-</b>	<b>171,434</b>	<b>4,068,026</b>	<b>6,339,179</b>



