

Audited Financial Statements of

School District No. 5 (Southeast Kootenay)

June 30, 2015

School District No. 5 (Southeast Kootenay)

June 30, 2015

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School District No. 5 (Southeast Kootenay)

MANAGEMENT REPORT

Version: 9037-8291-6309

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 5 (Southeast Kootenay) 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. 5 (Southeast Kootenay) (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', BDO CANADA 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. 5 (Southeast Kootenay) 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. 5 (Southeast Kootenay)



Signature of the Chairperson of the Board of Education

Sept 26 / 2015

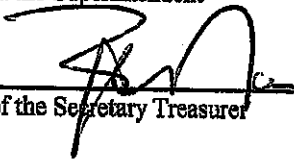
Date Signed



Signature of the Superintendent

Sept 24, 2015

Date Signed



Signature of the Secretary Treasurer

Sept 24, 2015

Date Signed



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BDO Canada LLP
35 10th Avenue South
Cranbrook BC V1C 2M9 Canada

Independent Auditor's Report

To the Board of Education of School District No. 5 (Southeast Kootenay) and
the Minister of Education of the Province of British Columbia

We have audited the accompanying financial statements of the School District No. 5 (Southeast Kootenay), which comprise the statement of financial position as at June 30, 2015 and the statements of operations, changes in net debt and cash flows for the years ended June 30, 2015, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and presentation of these financial statements in accordance with Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia, which requires Canadian public sector accounting standards modified by B.C. Regulation 198/2011 "Restricted Contributions", 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the 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 the auditor's 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, the auditor considers internal control relevant to the entity's preparation and presentation 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 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 the School District No. 5 (Southeast Kootenay) for the year ended June 30, 2015 are prepared, in all material respects, in accordance with 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 used in the preparation of these financial statements and the significant differences between such basis of accounting and Canadian public sector accounting standards.

BDO Canada LLP

Chartered Professional Accountants

Cranbrook, BC
September 15, 2015

School District No. 5 (Southeast Kootenay)

Statement 1

Statement of Financial Position

As at June 30, 2015

	2015 Actual	2014 Actual
	\$	\$
Financial Assets		
Cash and Cash Equivalents	8,712,033	9,589,387
Accounts Receivable		
Due from Province - Ministry of Education	729,932	543,955
Due from LEA/Direct Funding	206,622	167,001
Other (Note 3)	398,074	554,590
Total Financial Assets	<u>10,046,661</u>	<u>10,854,933</u>
Liabilities		
Accounts Payable and Accrued Liabilities		
Due to Province - Ministry of Education		1,312,434
Other (Note 4)	3,646,454	3,376,433
Unearned Revenue (Note 5)	615,177	599,610
Deferred Revenue (Note 6)	1,816,265	1,871,050
Deferred Capital Revenue (Note 7)	59,988,507	57,973,931
Employee Future Benefits (Note 8)	291,601	313,247
Total Liabilities	<u>66,358,004</u>	<u>65,446,705</u>
Net Financial Assets (Debt)	<u>(56,311,343)</u>	<u>(54,591,772)</u>
Non-Financial Assets		
Tangible Capital Assets (Note 9)	75,245,124	73,374,754
Prepaid Expenses	236,070	470,312
Total Non-Financial Assets	<u>75,481,194</u>	<u>73,845,066</u>
Accumulated Surplus (Deficit)	<u>19,169,851</u>	<u>19,253,294</u>

Contractual Obligations and Contingencies (Note 12,13)

Approved by the Board

	Sept 28, 2015
Signature of the Chairperson of the Board of Education	Date Signed
	Sept 24, 2015
Signature of the Superintendent	Date Signed
	Sept 24, 2015
Signature of the Secretary/Treasurer	Date Signed

School District No. 5 (Southeast Kootenay)

Statement 2

Statement of Operations
Year Ended June 30, 2015

	2015 Budget	2015 Actual	2014 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	52,538,624	52,055,264	50,222,716
Other	151,860	613,976	224,450
Tuition	1,293,690	1,129,115	1,407,115
Other Revenue	2,113,985	2,458,856	2,913,569
Rentals and Leases	95,000	133,990	126,646
Investment Income	50,000	90,171	77,615
Amortization of Deferred Capital Revenue	2,542,533	2,581,736	2,542,533
Total Revenue	58,785,692	59,063,108	57,514,644
Expenses			
Instruction	46,123,160	46,474,615	45,038,842
District Administration	1,920,823	2,034,481	1,741,704
Operations and Maintenance	9,436,643	8,835,273	9,022,168
Transportation and Housing	1,695,726	1,657,651	1,625,117
Scholarships	80,000	144,531	68,100
Total Expense	59,256,352	59,146,551	57,495,931
Surplus (Deficit) for the year	(470,660)	(83,443)	18,713
Accumulated Surplus (Deficit) from Operations, beginning of year		19,253,294	19,234,581
Accumulated Surplus (Deficit) from Operations, end of year		19,169,851	19,253,294

School District No. 5 (Southeast Kootenay)

Statement of Changes in Net Financial Assets (Debt)

Year Ended June 30, 2015

Statement 4

	2015 Budget \$	2015 Actual \$	2014 Actual \$
Surplus (Deficit) for the year	(470,660)	(83,443)	18,713
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(4,900,406)	(5,166,297)	(2,852,400)
Amortization of Tangible Capital Assets	3,442,620	3,295,927	3,173,128
Total Effect of change in Tangible Capital Assets	<u>(1,457,786)</u>	<u>(1,870,370)</u>	<u>320,728</u>
Acquisition of Prepaid Expenses	(267,452)	(236,070)	(470,312)
Use of Prepaid Expenses	267,452	470,312	297,724
Acquisition of Supplies Inventory			
Total Effect of change in Other Non-Financial Assets	<u>-</u>	<u>234,242</u>	<u>(172,588)</u>
(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)	<u>(1,928,446)</u>	<u>(1,719,571)</u>	166,853
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Financial Assets (Debt)		<u>(1,719,571)</u>	166,853
Net Financial Assets (Debt), beginning of year		<u>(54,591,772)</u>	<u>(54,758,625)</u>
Net Financial Assets (Debt), end of year		<u>(56,311,343)</u>	<u>(54,591,772)</u>

School District No. 5 (Southeast Kootenay)

Statement 5

Statement of Cash Flows
Year Ended June 30, 2015

	2015 Actual	2014 Actual
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	(83,443)	18,713
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(69,082)	(27,950)
Prepaid Expenses	234,242	(172,589)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	(1,042,413)	688,470
Unearned Revenue	15,567	(38,109)
Deferred Revenue	(54,785)	(47,684)
Employee Future Benefits	(21,646)	(24,944)
Amortization of Tangible Capital Assets	3,295,927	3,173,128
Amortization of Deferred Capital Revenue	(2,581,736)	(2,542,533)
Total Operating Transactions	<u>(307,369)</u>	<u>1,026,502</u>
Capital Transactions		
Tangible Capital Assets Purchased	(5,166,297)	(2,852,400)
Total Capital Transactions	<u>(5,166,297)</u>	<u>(2,852,400)</u>
Financing Transactions		
Capital Revenue Received (Note 7)	4,596,312	2,232,631
Total Financing Transactions	<u>4,596,312</u>	<u>2,232,631</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(877,354)	406,733
Cash and Cash Equivalents, beginning of year	9,589,387	9,182,654
Cash and Cash Equivalents, end of year	<u>8,712,033</u>	<u>9,589,387</u>
Cash and Cash Equivalents, end of year, is made up of:		
Cash	4,458,458	4,704,605
Cash Equivalents	4,253,575	4,884,782
	<u>8,712,033</u>	<u>9,589,387</u>

SCHOOL DISTRICT NO. 5 (SOUTHEAST KOOTENAY)

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2015

NOTE 1 AUTHORITY AND PURPOSE

The School District operates under authority of the *School Act* of British Columbia as a corporation under the name of "The Board of Education of School District No. 5 (Southeast Kootenay)", and operates as "School District No. 5 (Southeast Kootenay)." 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.

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(e) and 2(j).

In September 2010, the Province of British Columbia Treasury Board ("Treasury Board") provided directive through Government Organization Accounting Standards Regulation 257/2010 requiring all tax-payer supported organizations in the Schools, Universities, Colleges and Hospitals sector to adopt PSA standards of the Canadian Institute of Chartered Accountants ("CICA") without not-for-profit provisions from their first fiscal year commencing after January 1, 2012. In March 2011, PSAB released a new *Section PS 3410 "Government Transfers"*. 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. The Treasury Board direction on the accounting treatment of restricted contributions is as described in Notes 2(e) and 2(j).

As noted in notes 2 (e) and 2 (j), 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, 2014 - overstatement of revenue and annual surplus of \$465,570

June 30, 2014 - understatement of accumulated surplus and an overstatement of deferred capital revenue by \$57,121,938

June 30, 2015

SCHOOL DISTRICT NO. 5 (SOUTHEAST KOOTENAY)

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2015

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Year-ended June 30, 2015 - understatement of revenue and annual surplus of \$2,062,312

June 30, 2015 - understatement of accumulated surplus and an overstatement of deferred capital revenue by \$59,184,250

b) Cash and Cash Equivalents

Cash and cash equivalents include highly liquid investments 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) Unearned Revenue

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

e) Deferred Revenue and Deferred Capital Revenue

Deferred revenue includes contributions received with stipulations that meet the description of restricted contributions in the Restricted Contributions Regulation 198/2011 issued by Treasury Board. When restrictions are met, deferred revenue is recognized as revenue in the fiscal year in a manner consistent with the circumstances and evidence used to support the initial recognition of the contributions received as a liability as detailed in Note 2 (j).

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.

June 30, 2015

SCHOOL DISTRICT NO. 5 (SOUTHEAST KOOTENAY)

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2015

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f) 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 (EARS�) 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 NO. 5 (SOUTHEAST KOOTENAY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

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

g) 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.
- 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.
- The cost, less residual value, of tangible capital assets (excluding sites), is amortized on a straight-line basis over the estimated useful life of the asset. It is management's responsibility to determine the appropriate useful lives for tangible capital assets. These useful lives are reviewed on a regular basis or if significant events initiate the need to revise. Estimated useful life is as follows:

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

h) Prepaid Expenses

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

i) 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 within accumulated surplus when approved (see Note 15 – Internally Restricted Surplus).

June 30, 2015

SCHOOL DISTRICT NO. 5 (SOUTHEAST KOOTENAY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

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

j) 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 restricted 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.

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.

June 30, 2015

SCHOOL DISTRICT NO. 5 (SOUTHEAST KOOTENAY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

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

k) Expenditures

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

- 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.

Categories of Salaries

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

SCHOOL DISTRICT NO. 5 (SOUTHEAST KOOTENAY)

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2015

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

l) 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.

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 are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations.

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

Financial instruments have been accounted for prospectively since June 30, 2013 in accordance with public sector accounting standards as described above.

m) Measurement Uncertainty

Preparation of financial statements in accordance with the basis of accounting described in Note 2 (a) requires management to make estimates and assumptions that impact reported amounts of assets and liabilities at the date of the financial statements and revenues and expenses during the reporting periods. Significant areas requiring the use of management estimates relate to the potential impairment of assets, liabilities for contaminated sites, rates for amortization and estimated employee future benefits. Actual results could differ from those estimates.

June 30, 2015

SCHOOL DISTRICT NO. 5 (SOUTHEAST KOOTENAY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

NOTE 3 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	June 30, 2015	June 30, 2014
Due from Federal Government	\$148,932	\$172,483
Other	249,142	382,107
	<u>\$398,074</u>	<u>\$554,590</u>

NOTE 4 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES - OTHER

	June 30, 2015	June 30, 2014
Trade payables	\$325,397	\$777,314
Salaries and benefits payable	3,321,057	1,988,581
Other		610,538
	<u>\$3,646,454</u>	<u>\$3,376,433</u>

NOTE 5 UNEARNED REVENUE

	June 30, 2015	June 30, 2014
Balance, beginning of year	\$599,610	\$637,720
Changes for the year:		
Increase:		
Tuition fees received	1,144,682	1,369,005
Decrease:		
Tuition fees recognized	(1,129,115)	(1,407,115)
Balance, end of year	<u>\$615,177</u>	<u>\$599,610</u>

June 30, 2015

SCHOOL DISTRICT NO. 5 (SOUTHEAST KOOTENAY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

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.

	June 30, 2015	June 30, 2014
Ministry of Education Grants	\$130,865	\$242,634
Province of BC Grants	78,674	61,386
School Generated	1,052,364	833,811
Federal French	82,452	137,810
Scholarships	471,910	595,409
	<u>\$1,816,265</u>	<u>\$1,871,050</u>

	June 30, 2015	June 30, 2014
Balance, beginning of year	<u>\$1,871,050</u>	<u>\$1,918,734</u>
Changes for the year:		
Increase: Grants and contributions received		
Provincial	1,998,259	1,476,980
Other	2,138,370	2,381,341
Decrease: Grants and contributions recognized		
Provincial	(2,148,098)	(1,527,307)
Other	(2,043,316)	(2,378,698)
Balance, end of year	<u>\$1,816,265</u>	<u>\$1,871,050</u>

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.

	June 30, 2015	June 30, 2014
Balance, beginning of year	<u>\$57,973,931</u>	<u>\$58,283,833</u>
Changes for the year:		
Increase:		
Grants and contributions received	4,596,312	2,232,631
Decrease:		
Amortization of deferred capital revenue	(2,581,736)	(2,542,533)
Balance, end of year	<u>\$59,988,507</u>	<u>\$57,973,931</u>

June 30, 2015

SCHOOL DISTRICT NO. 5 (SOUTHEAST KOOTENAY)**NOTES TO FINANCIAL STATEMENTS****YEAR ENDED JUNE 30, 2015****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.

	June 30, 2015	June 30, 2014
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	501,140	547,490
Service Cost	28,797	28,822
Interest Cost	16,048	16,042
Benefit Payments	(97,520)	(92,863)
Actuarial (Gain) Loss	58,189	(1,649)
Accrued Benefit Obligation – March 31	<u>506,654</u>	<u>501,140</u>
Reconciliation of Funded Status at End of Fiscal Year		
Funded Status - Surplus (Deficit)	(506,654)	(501,140)
Employer Contributions After Measurement Date		48,229
Benefit Expenses After Measurement Date	(11,057)	(11,211)
Unamortized Net Actuarial (Gain) Loss	226,110	150,875
Accrued Benefit Asset (Liability) - June 30	<u>(291,601)</u>	<u>(313,247)</u>
Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability (Asset) - July 1	313,247	338,191
Net Expense for Fiscal Year	66,286	77,507
Employer Contributions	(87,932)	(102,451)
Accrued Benefit Liability (Asset) - June 30	<u>291,601</u>	<u>313,247</u>
Components of Net Benefit Expense		
Adjusted expense April to June 2014		11,216
Service Cost	29,785	28,815
Interest Cost	14,906	16,044
Amortization of Net Actuarial (Gain)/Loss	21,595	21,432
Net Benefit Expense (Income)	<u>66,286</u>	<u>77,507</u>

June 30, 2015

SCHOOL DISTRICT NO. 5 (SOUTHEAST KOOTENAY)

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2015

NOTE 8 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	10.1	10.1

NOTE 9 TANGIBLE CAPITAL ASSETS

June 30, 2015

Cost:	Balance at June 30, 2014	Additions	Disposals	Balance at June 30, 2015
Sites	\$ 5,987,977	\$	\$	\$5,987,977
Buildings	124,546,183	4,065,655		128,611,838
Furniture & Equipment	1,176,968	907,066		2,084,034
Vehicles	3,783,933	168,599	53,600	3,898,932
Computer Hardware	1,478,513	24,977	39,999	1,463,491
Total	\$136,973,574	\$5,166,297	\$93,599	\$142,046,272

Accumulated Amortization:	Balance at June 30, 2014	Additions	Disposals	Balance at June 30, 2015
Sites	\$	\$	\$	\$
Buildings	61,335,442	2,504,133		63,839,575
Furniture & Equipment	528,399	117,698		646,097
Vehicles	1,458,337	378,393	53,600	1,783,130
Computer Hardware	276,642	295,703	39,999	532,346
Total	\$63,598,820	\$3,295,927	\$93,599	\$66,801,148

Net Book Value	Net Book Value June 30, 2014	Net Book Value June 30, 2015
Sites	\$5,987,977	\$5,987,977
Buildings	63,210,741	64,772,263
Furniture & Equipment	648,569	1,437,937
Vehicles	2,325,596	2,115,802
Computer Hardware	1,201,871	931,145
Total	\$73,374,754	\$75,245,124

June 30, 2015

SCHOOL DISTRICT NO. 5 (SOUTHEAST KOOTENAY)**NOTES TO FINANCIAL STATEMENTS****YEAR ENDED JUNE 30, 2015****NOTE 9 TANGIBLE CAPITAL ASSETS (Continued)****June 30, 2014**

Cost:	Balance at July 1, 2013	Additions	Disposals	Balance at June 30, 2014
Sites	\$5,987,977	\$	\$	\$5,987,977
Buildings	122,629,381	1,916,802		124,546,183
Furniture & Equipment	1,154,767	23,249	1,048	1,176,968
Vehicles	3,458,230	594,147	268,444	3,783,933
Computer Hardware	1,160,311	318,202		1,478,513
Total	\$134,390,666	\$2,852,400	\$269,492	\$136,973,574

Accumulated Amortization:	Balance at July 1, 2013	Additions	Disposals	Balance at June 30, 2014
Sites	\$	\$	\$	\$
Buildings	58,855,676	2,479,766		61,335,442
Furniture & Equipment	413,970	115,477	1,048	528,399
Vehicles	1,380,958	345,823	268,444	1,458,337
Computer Hardware	44,580	232,062		276,642
Total	\$60,695,184	\$3,173,128	\$269,492	\$63,598,820

Net Book Value	Net Book Value July 1, 2013	Net Book Value June 30, 2014
Sites	\$5,987,977	\$5,987,977
Buildings	63,773,705	63,210,741
Furniture & Equipment	740,797	648,569
Vehicles	2,077,272	2,325,596
Computer Hardware	1,115,731	1,201,871
Total	\$73,695,482	\$73,374,754

June 30, 2015

SCHOOL DISTRICT NO. 5 (SOUTHEAST KOOTENAY)

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2015

NOTE 10 EMPLOYEE PENSION PLANS

The school district and its employees contribute to the Teachers' Pension Plan and Municipal Pension Plan, jointly trustee pension Plans. The board of trustees for these plans represents plan members and employers and is responsible for the management of the pension plan including investment of the assets and administration of benefits. The pension plans are multi-employer 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 from school districts, and approximately 35,000 retired members from school districts. As of December 31, 2014 the Municipal Pension Plan has about 185,000 active members, of which approximately 24,000 are from school districts.

Every three years, an actuarial valuation is performed to assess the financial position of the plans and the adequacy of plan funding. The 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. Defined contribution plan accounting is applied to the plan as the plan exposes the participating entities to actuarial risks associated with the current and former employees of other entities, with the result that there is no consistent and reliable basis for allocating the obligation, plan assets and cost to individual entities participating in the plan.

School District No. 5 (Southeast Kootenay) paid \$4,804,235.87 (2014 - \$ 4,612,469) for employer contributions to these plans in the year ended June 30, 2015.

NOTE 11 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 12 CONTRACTUAL OBLIGATIONS

Lease Commitments:

The School District has equipment under operating leases. Lease commitments over the next five years are due as follows:

Fiscal Year	Amount
2015-16	\$116,320
2016-17	\$116,320
2017-18	\$ 9,693

June 30, 2015

SCHOOL DISTRICT NO. 5 (SOUTHEAST KOOTENAY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

NOTE 13 CONTINGENCIES

In the ordinary course of operations, the School District has legal proceedings brought against it which remain outstanding at the year end. It is the opinion of management that final determination of these claims will not have material effect on the financial position or operations of the School District.

NOTE 14 EXPENSE BY OBJECT

	June 30, 2015	June 30, 2014
Salaries and benefits	\$46,819,096	\$45,242,477
Services and supplies	9,031,528	9,080,326
Amortization	<u>3,295,927</u>	<u>3,173,128</u>
	<u>\$59,146,551</u>	<u>\$57,495,931</u>

June 30, 2015

SCHOOL DISTRICT NO. 5 (SOUTHEAST KOOTENAY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

NOTE 15 INTERNALLY RESTRICTED SURPLUS – OPERATING FUND

Appropriations June 30

Summary	<u>June 2015</u>	<u>June 2014</u>
Admin Pro-D	\$ 91,223	\$ 88,287
Aboriginal Education	118,556	181,273
<u>Special Education</u>		
District Summary	191,282	94,152
Itinerant Summary 707	(219,454)	8,608
February 2015 Recalc grant	68,700	
	<hr/> 40,528	<hr/> 372,320
<u>Schools</u>		
Operating	197,871	233,934
Learning Resources	130,467	96,613
Special Education	46,595	66,988
Growth Plans	62,191	76,079
	<hr/> 437,124	<hr/> 473,614
Operating Projects	190,006	144,179
Resource Centre 704	2,457	12,322
International Education 162		8,814
Technology Plan 701 Yr. 4	475,000	589,123
Communication VOIP	80,000	60,000
Software Upgrades		
Education Accounts 703	134,917	283,156
Education Plan 708	116,160	
Exempt Compensation 3%	171,834	
Funds Allocated to Operating Appropriations - Restricted	<hr/> 1,857,805	<hr/> 1,943,528
<u>Surplus Summary 2015</u>		
Surplus Beginning of year	2,341,663	2,244,213
Surplus/Deficit for year	212,932	377,450
Transfer to local Capital	(100,000)	(280,000)
Accumulated Surplus/(Deficit)	<hr/> 2,454,595	<hr/> 2,341,663
Appropriations – Restricted	1,857,805	1,943,528
Appropriations – Unrestricted	596,790	398,135
Accumulated Surplus/(Deficit)	<hr/> 2,454,595	<hr/> 2,341,663

June 30, 2015

SCHOOL DISTRICT NO. 5 (SOUTHEAST KOOTENAY)**NOTES TO FINANCIAL STATEMENTS****YEAR ENDED JUNE 30, 2015****NOTE 15 INTERNALLY RESTRICTED SURPLUS – OPERATING FUND***(Continued)***Appropriations
Operating Projects
June 30, 2015**

	<u>June 2015</u>	<u>June 2014</u>
450 Hockey School		5,156
452 Ready Set Learn		
456 Found Skill Asst - FSA	17,531	16,901
464 At Risk Erase	37,477	
469 Growing Innovations	80,213	
534 Speech to Text		
540 WIATT-III Level 2		
545 Literacy Innovation 08/09		
546 Sound Connections	11,214	5,857
548 Literacy Resources		5,561
560 Climate Action	17,564	
563 Non-Violent Crisis Intervention	27,348	
566 Wild Voices for Kids	513	5,702
569 Reference and Regulate	(2,881)	1,597
570 Teck Coal AED Units		
571 District Student Adv Council	98	
621 Ace-It Training	(8,471)	
622 Roots of Empathy		
805 Art Starts in Schools	(1,315)	(528)
807 One to One Reading	966	543
460 CES SEC School Appr		
463 Non-violent Crisis Intervention		49,336
464 At Risk ERASE		38,650
468 Dist Stud Adv Council		386
539 Strong Start Centres		
561 SSEAC		
830 Elementary Band	9,749	15,018
	<u>190,006</u>	<u>\$144,179</u>

June 30, 2015

SCHOOL DISTRICT NO. 5 (SOUTHEAST KOOTENAY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

NOTE 16 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 17 RISK MANAGEMENT

The School District has exposure to the following risks from its use of financial instruments: credit 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 and the School District invests solely in term deposits.

b) 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.

June 30, 2015



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BDO Canada LLP
35 10th Avenue South
Cranbrook BC V1C 2M9 Canada

Independent Auditor's Comments on Supplementary Financial Information

To the Board of Education of School District No. 5 (Southeast Kootenay) and the Minister of Education of the Province of British Columbia

We have audited the financial statements of School District No.5 (Southeast Kootenay), which comprise the statement of financial position as at June 30, 2015 and the statement of operations, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, and have issued our report thereon dated September 15, 2015 which contained an unmodified opinion on those financial statements. The audit was performed to form an opinion on the financial statements as a whole. The supplementary schedules presented hereinafter are for the purposes of additional analysis and are not a required part of the financial statements. Such supplementary information is the responsibility of management and was derived from the underlying accounting and other records used to prepare the financial statements.

The supplementary information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such supplementary information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves.

BDO Canada LLP

Chartered Professional Accountants

Cranbrook, BC
September 15, 2015

School District No. 5 (Southeast Kootenay)
 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	2,341,663		16,911,631	19,253,294	19,234,581
Changes for the year					
Surplus (Deficit) for the year	212,932	352,730	(649,105)	(83,443)	18,713
Interfund Transfers		(352,730)	352,730	-	-
Tangible Capital Assets Purchased	(100,000)		100,000	-	-
Local Capital	112,932	-	(196,375)	(83,443)	18,713
Net Changes for the year	2,454,595	-	16,715,256	19,169,851	19,253,294
Accumulated Surplus (Deficit), end of year - Statement 2					

School District No. 5 (Southeast Kootenay)

Schedule of Operating Operations

Year Ended June 30, 2015

Schedule 2 (Unaudited)

	2015 Budget	2015 Actual	2014 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	50,607,930	50,521,142	48,919,859
Tuition	1,293,690	1,129,115	1,407,115
Other Revenue	360,985	365,444	461,928
Rentals and Leases	95,000	133,990	126,646
Investment Income	40,000	75,181	67,414
Total Revenue	52,397,605	52,224,872	50,982,962
Expenses			
Instruction	42,702,033	42,792,462	41,402,458
District Administration	1,920,823	2,034,481	1,741,704
Operations and Maintenance	5,979,023	5,527,346	5,836,233
Transportation and Housing	1,695,726	1,657,651	1,625,117
Total Expense	52,297,605	52,011,940	50,605,512
Operating Surplus (Deficit) for the year	100,000	212,932	377,450
Net Transfers (to) from other funds			
Local Capital	(100,000)	(100,000)	(280,000)
Total Net Transfers	(100,000)	(100,000)	(280,000)
Total Operating Surplus (Deficit), for the year	-	112,932	97,450
Operating Surplus (Deficit), beginning of year		2,341,663	2,244,213
Operating Surplus (Deficit), end of year		2,454,595	2,341,663
Operating Surplus (Deficit), end of year			
Internally Restricted		1,857,805	1,943,528
Unrestricted		596,790	398,135
Total Operating Surplus (Deficit), end of year		2,454,595	2,341,663

School District No. 5 (Southeast Kootenay)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2015

	2015 Budget	2015 Actual	2014 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education			
Operating Grant, Ministry of Education	50,394,964	50,481,417	50,048,928
AANDC/LEA Recovery	(329,205)	(261,218)	(261,218)
Strike Savings Recovery		(1,448,167)	
Other Ministry of Education Grants			
Labour Settlement Funding		994,779	
Pay Equity	457,171	457,171	457,171
Education Guarantee			7,199
Carbon Tax Rebate	85,000	95,716	92,054
FSA Scorer		8,696	8,696
BCTF Job Action Recovery			(1,432,971)
Teacher Extended Health Plan		39,908	
Growing Innovations		147,000	
DASC		5,840	
Total Provincial Grants - Ministry of Education	50,607,930	50,521,142	48,919,859
Tuition			
Offshore Tuition Fees	1,293,690	1,129,115	1,407,115
Total Tuition	1,293,690	1,129,115	1,407,115
Other Revenues			
LEA/Direct Funding from First Nations	329,205	214,148	233,355
Miscellaneous			
Hockey School	21,780	24,317	22,995
Miscellaneous	10,000	35,387	147,500
Industry Training Authority		72,759	47,278
Courtesy Riders		7,633	
Art Starts		11,200	10,800
Total Other Revenue	360,985	365,444	461,928
Rentals and Leases	95,000	133,990	126,646
Investment Income	40,000	75,181	67,414
Total Operating Revenue	52,397,605	52,224,872	50,982,962

School District No. 5 (Southeast Kootenay)

Schedule of Operating Expense by Object

Year Ended June 30, 2015

Schedule 2B (Unaudited)

	2015 Budget	2015 Actual	2014 Actual
	\$	\$	\$
Salaries			
Teachers	21,709,311	20,354,513	20,098,825
Principals and Vice Principals	2,833,392	3,331,591	2,991,146
Educational Assistants	3,512,848	3,639,603	3,638,376
Support Staff	4,975,510	4,742,312	4,983,235
Other Professionals	1,887,433	1,784,491	1,891,072
Substitutes	1,844,962	2,015,215	1,475,073
Total Salaries	36,763,456	35,867,725	35,077,727
Employee Benefits	9,527,487	9,472,564	9,068,972
Total Salaries and Benefits	46,290,943	45,340,289	44,146,699
Services and Supplies			
Services	1,533,917	2,029,479	1,781,842
Student Transportation	37,500	58,585	53,268
Professional Development and Travel	532,266	608,323	557,167
Rentals and Leases	54,500	53,703	59,167
Dues and Fees	72,800	68,088	63,133
Insurance	219,100	176,332	219,404
Supplies	2,374,579	2,590,559	2,599,701
Utilities	1,182,000	1,086,582	1,125,131
Total Services and Supplies	6,006,662	6,671,651	6,458,813
Total Operating Expense	52,297,605	52,011,940	50,605,512

School District No. 5 (Southeast Kootenay)

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	16,757,542	1,165,938		263,101	18,038	1,322,139	19,526,758
1.03 Career Programs	75,848					3,796	79,644
1.07 Library Services	502,907			120,289		28,367	651,563
1.08 Counseling	656,916					32,863	689,779
1.10 Special Education	2,303,725	104,185	3,184,193	20,132	369,756	324,070	6,306,061
1.30 English Language Learning	15,956					25,608	41,564
1.31 Aboriginal Education	32,514	61,226	429,669		67,959	1,802	593,170
1.41 School Administration		1,870,586				134,462	2,838,849
1.60 Summer School			25,741		194,407	631	229,884
1.62 Off Shore Students					650,160		650,160
Total Function 1	20,354,513	3,201,935	3,639,603	1,237,323	1,873,738	1,873,738	30,957,272
4 District Administration							
4.11 Educational Administration		129,656			194,987		324,643
4.40 School District Governance					116,001		116,001
4.41 Business Administration				209,798	560,447	8,742	778,987
Total Function 4		129,656		209,798	871,435	8,742	1,219,631
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				58,518	125,234	998	184,750
5.50 Maintenance Operations				2,319,367		94,871	2,414,238
5.52 Maintenance of Grounds				104,817		264	105,081
5.56 Utilities							
Total Function 5				2,482,702	125,234	96,133	2,704,069
7 Transportation and Housing							
7.41 Transportation and Housing Administration					137,662		137,662
7.70 Student Transportation				812,489		35,602	849,091
Total Function 7				812,489	137,662	36,602	986,753
9 Debt Services							
Total Function 9							
Total Functions 1 - 9	20,354,513	3,331,591	3,639,603	4,742,312	1,784,491	2,015,215	35,867,725

School District No. 5 (Southeast Kootenay)

Operating Expense by Function, Program and Object

Year Ended June 30, 2015

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2015 Actual	2015 Budget	2014 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	19,526,758	5,044,435	24,571,193	2,621,092	27,192,285	27,561,967	26,303,576
1.03 Career Programs	79,644	20,356	100,000	62,234	162,234	176,619	150,111
1.07 Library Services	651,563	172,768	824,331	102,188	926,519	875,382	896,613
1.08 Counselling	689,779	176,246	866,025	3,159	869,184	858,660	856,502
1.10 Special Education	6,306,061	1,721,125	8,027,186	216,005	8,243,191	7,918,831	8,010,821
1.30 English Language Learning	41,564	8,436	50,000	289	50,289	51,550	49,850
1.31 Aboriginal Education	593,170	184,892	778,062	141,516	919,578	841,000	909,451
1.41 School Administration	2,838,849	784,306	3,623,155	11,531	3,634,686	3,528,309	3,284,986
1.60 Summer School					34,000		24,319
1.62 Off Shore Students	229,884	58,953	288,837	505,659	794,496	855,715	916,229
Total Function 1	30,957,272	8,171,517	39,128,789	3,663,673	42,792,462	42,702,033	41,402,458
4 District Administration							
4.11 Educational Administration	324,643	79,108	403,751	91,198	494,949	477,492	291,286
4.40 School District Governance	116,001	1,929	117,930	135,260	253,190	240,877	202,584
4.41 Business Administration	778,987	198,780	977,767	308,575	1,286,342	1,202,454	1,247,834
Total Function 4	1,219,631	279,817	1,499,448	535,033	2,034,481	1,920,823	1,741,704
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	184,750	40,390	225,140	115,704	340,844	352,470	412,692
5.50 Maintenance Operations	2,414,238	669,543	3,083,781	747,002	3,830,783	4,103,121	3,956,063
5.52 Maintenance of Grounds	105,061	28,692	133,753	135,364	269,137	326,432	342,347
5.56 Utilities				1,086,582	1,086,582	1,197,000	1,125,131
Total Function 5	2,704,049	738,625	3,442,674	2,084,652	5,527,346	5,979,023	5,836,233
7 Transportation and Housing							
7.41 Transportation and Housing Administration	137,662	22,028	159,690	5,665	165,355	127,700	89,983
7.70 Student Transportation	849,091	260,577	1,109,668	382,628	1,492,296	1,568,026	1,535,134
Total Function 7	986,753	282,605	1,269,358	388,293	1,657,651	1,695,726	1,625,117
9 Debt Services							
Total Function 9							
Total Functions 1 - 9	35,867,725	9,472,564	45,340,289	6,671,651	52,011,940	52,297,605	50,605,512

School District No. 5 (Southeast Kootenay)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2015

	2015 Budget	2015 Actual	2014 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	1,930,694	1,534,122	1,302,857
Other	151,860	613,976	224,450
Other Revenue	1,745,000	2,039,665	2,378,698
Investment Income		3,651	
Total Revenue	<u>3,827,554</u>	<u>4,191,414</u>	<u>3,906,005</u>
Expenses			
Instruction	3,421,127	3,682,153	3,636,384
Operations and Maintenance	15,000	12,000	12,807
Scholarships	80,000	144,531	68,100
Total Expense	<u>3,516,127</u>	<u>3,838,684</u>	<u>3,717,291</u>
Special Purpose Surplus (Deficit) for the year	<u>311,427</u>	<u>352,730</u>	<u>188,714</u>
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(311,427)	(352,730)	(188,714)
Total Net Transfers	<u>(311,427)</u>	<u>(352,730)</u>	<u>(188,714)</u>
Total Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>-</u>	<u>-</u>
Special Purpose Surplus (Deficit), beginning of year			
Special Purpose Surplus (Deficit), end of year	<u>-</u>	<u>-</u>	<u>-</u>

School District No. 5 (Southeast Kootenay)
 Changes in Special Purpose Funds and Expense by Object
 Year Ended June 30, 2015

Schedule 3A (Unaudited)

	Annual Facility Grant	Learning Improvement Fund	Special Education Equipment	Scholarships and Bursaries	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	Community-LINK
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	183,691	2,987	22,772	595,409	833,811	-	32,551	137,810	633
Add: Restricted Grants									
Provincial Grants - Ministry of Education	200,271	1,008,915	12,828	-	128,000	128,000	26,950	140,602	348,001
Provincial Grants - Other	3,651	-	-	10,532	2,096,737	-	-	140,602	348,001
Investment Income	203,922	1,008,915	12,828	10,500	-	128,000	26,950	140,602	348,001
Less: Allocated to Revenue	352,730	1,011,882	3,640	21,052	1,878,184	128,000	41,521	195,960	335,944
Deferred Revenue, end of year	34,983	-	31,960	471,910	1,052,364	-	17,980	82,452	12,710
Revenues									
Provincial Grants - Ministry of Education	349,079	1,011,882	3,640	-	128,000	128,000	41,521	195,960	335,944
Provincial Grants - Other	3,651	-	-	144,531	1,878,184	-	-	-	-
Other Revenue	-	-	-	-	-	-	-	-	-
Investment Income	-	-	-	-	-	-	-	-	-
Expenses									
Salaries									
Teachers	-	608,447	-	-	-	-	-	30,342	-
Educational Assistants	-	144,363	-	-	-	-	-	31,022	-
Other Professionals	-	-	-	-	-	-	-	-	1,708
Substitutes	-	39,814	-	-	-	-	-	1,518	-
Employee Benefits	-	792,624	-	-	-	-	-	62,882	228,678
Services and Supplies	-	219,258	-	-	-	-	-	22,976	74,567
Net Revenue (Expense) before Interfund Transfers									
Interfund Transfers	-	-	-	-	-	-	-	-	-
Tangible Capital Assets Purchased	(352,730)	-	-	-	-	-	-	-	-
Net Revenue (Expense)									
	(352,730)	-	-	-	-	-	-	-	-

School District No. 5 (Southeast Kootenay)
 Changes in Special Purpose Funds and Expense by Object
 Year Ended June 30, 2015

	Key City Theatre	MCF Programs	Attendance Support	TOTAL
	\$	\$	\$	\$
Deferred Revenue, beginning of year	-	61,386	-	1,871,050
Add: Restricted Grants				
Provincial Grants - Ministry of Education			33,332	1,410,296
Provincial Grants - Other	12,000	99,360		587,963
Other		4,950		2,124,219
Investment Income				14,151
Less: Allocated to Revenue	12,000	104,310	33,332	4,136,639
Deferred Revenue, end of year	12,000	87,022	-	4,191,414
	-	78,674	33,332	1,816,265
Revenues				
Provincial Grants - Ministry of Education				1,534,122
Provincial Grants - Other	12,000	82,072		613,976
Other Revenue		4,950		2,039,663
Investment Income	12,000	87,022		3,651
				4,191,414
Expenses				
Salaries				638,789
Teachers				402,355
Educational Assistants				63,466
Other Professionals		63,466		43,040
Substitutes				1,147,650
Employee Benefits		63,466		331,157
Services and Supplies	12,000	14,356		2,359,877
	12,000	9,200		3,838,684
		87,022		
				352,730
Net Revenue (Expense) before Interfund Transfers				
Interfund Transfers				(352,730)
Tangible Capital Assets Purchased				(352,730)
Net Revenue (Expense)				

School District No. 5 (Southeast Kootenay)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2015

	2015 Budget	2015 Actual			2014 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Provincial Grants					
Other Revenue	8,000		53,747	53,747	72,943
Investment Income	10,000		11,339	11,339	10,201
Amortization of Deferred Capital Revenue	2,542,533	2,581,736		2,581,736	2,542,533
Total Revenue	2,560,533	2,581,736	65,086	2,646,822	2,625,677
Expenses					
Amortization of Tangible Capital Assets					
Operations and Maintenance	3,442,620	3,295,927		3,295,927	3,173,128
Total Expense	3,442,620	3,295,927	-	3,295,927	3,173,128
Capital Surplus (Deficit) for the year	(882,087)	(714,191)	65,086	(649,105)	(547,451)
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	311,427	352,730		352,730	188,714
Local Capital	100,000		100,000	100,000	280,000
Total Net Transfers	411,427	352,730	100,000	452,730	468,714
Other Adjustments to Fund Balances					
Tangible Capital Assets Purchased from Local Capital		169,519	(169,519)	-	
Total Other Adjustments to Fund Balances		169,519	(169,519)	-	
Total Capital Surplus (Deficit) for the year	(470,660)	(191,942)	(4,433)	(196,375)	(78,737)
Capital Surplus (Deficit), beginning of year		16,252,816	658,815	16,911,631	16,990,368
Capital Surplus (Deficit), end of year		16,060,874	654,382	16,715,256	16,911,631

School District No. 5 (Southeast Kootenay)

Tangible Capital Assets

Year Ended June 30, 2015

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	5,987,977	124,546,183	1,176,968	3,783,933	-	1,478,513	136,973,574
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		3,592,257	868,716	157,107			4,618,080
Deferred Capital Revenue - Other			25,968				25,968
Special Purpose Funds		352,730					352,730
Local Capital		120,668	12,382	11,492		24,977	169,519
Decrease:							
Deemed Disposals		4,065,655	907,066	168,599		24,977	5,166,297
Cost, end of year	5,987,977	128,611,838	2,084,034	3,898,932	-	1,463,491	142,046,272
Work in Progress, end of year							
Cost and Work in Progress, end of year	5,987,977	128,611,838	2,084,034	3,898,932	-	1,463,491	142,046,272
Accumulated Amortization, beginning of year							
Changes for the Year							
Increase: Amortization for the Year		61,335,442	528,399	1,458,337		276,642	63,598,820
Decrease:							
Deemed Disposals		2,504,133	117,698	378,393		295,703	3,295,927
Accumulated Amortization, end of year		63,839,575	646,097	1,783,130		532,346	66,801,148
Tangible Capital Assets - Net	5,987,977	64,772,263	1,437,937	2,115,802	-	931,145	75,245,124

School District No. 5 (Southeast Kootenay)

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	54,899,327	1,834,356	388,255	57,121,938
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	4,618,080		25,968	4,644,048
	4,618,080	-	25,968	4,644,048
Decrease:				
Amortization of Deferred Capital Revenue	2,459,772	48,936	73,028	2,581,736
	2,459,772	48,936	73,028	2,581,736
Net Changes for the Year	2,158,308	(48,936)	(47,060)	2,062,312
Deferred Capital Revenue, end of year	57,057,635	1,785,420	341,195	59,184,250
Work in Progress, beginning of year				-
Changes for the Year				
Net Changes for the Year				
Work in Progress, end of year				-
Total Deferred Capital Revenue, end of year	57,057,635	1,785,420	341,195	59,184,250

School District No. 5 (Southeast Kootenay)
Changes in Unspent Deferred Capital Revenue
Year Ended June 30, 2015

	Bylaw Capital	MED Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	202,266	649,727				851,993
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	4,557,266	13,078				4,570,344
Investment Income			25,968			25,968
District Entered	4,557,266	13,078	25,968			4,596,312
Decrease:						
Transferred to DCR - Capital Additions	4,618,080		25,968			4,644,048
	4,618,080		25,968			4,644,048
	(60,814)	13,078				(47,736)
Net Changes for the Year	141,452	662,805				804,257
Balance, end of year						