

2015

Financial Statements And Auditors' Report

Fiscal Year Ending
June 30, 2015



School District No. 38
(Richmond)

School District No. 38 (Richmond)

June 30, 2015

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School District No. 38 (Richmond)

MANAGEMENT REPORT

Version: 3256-2510-528

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 38 (Richmond) 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. 38 (Richmond) (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. 38 (Richmond) 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. 38 (Richmond)

	SEPT. 8, 2015
Signature of the Chairperson of the Board of Education	Date Signed
	SEPT. 8, 2015
Signature of the Superintendent	Date Signed
	SEPT. 8, 2015
Signature of the Secretary Treasurer	Date Signed



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INDEPENDENT AUDITORS' REPORT

To the Board of Education of the School District No. 38

To the Minister of Education, Province of British Columbia

We have audited the accompanying financial statements of School District No. 38 (Richmond), which comprise the statement of financial position as at June 30, 2015, the statements of operations, changes in net financial assets (debt) and cash flows for the year ended June 30, 2015, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

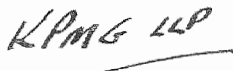
In our opinion, the financial statements of School District No. 38 (Richmond) as at and for the year ended June 30, 2015 are prepared, in all material respects, in accordance with the financial reporting provisions of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

Emphasis of Matter

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

Other Matter

Our audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The supplementary information included in Schedules 1 through 4D is presented for purposes of additional analysis and is not a required part of the financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.



Chartered Accountants

September 8, 2015


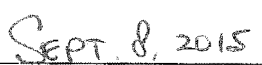

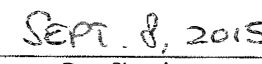

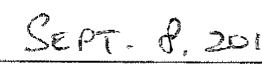
Burnaby, Canada

School District No. 38 (Richmond)

Statement 1

Statement of Financial Position

As at June 30, 2015

	2015 Actual \$	2014 Actual \$
Financial Assets		
Cash and Cash Equivalents (Note 4)	112,903,473	69,405,875
Accounts Receivable		
Due from Province - Ministry of Education	600,065	92,598
Due from Province - Other	28,000	55,189
Other (Note 5)	6,500,028	5,573,733
Total Financial Assets	120,031,566	75,127,395
Liabilities		
Accounts Payable and Accrued Liabilities		
Due to Province - Ministry of Education	-	5,307,758
Due to Province - Other	1,227,014	-
Other (Note 6)	17,596,873	13,901,154
Unearned Revenue (Note 7)	14,847,292	11,970,760
Deferred Revenue (Note 8)	6,929,646	7,872,201
Deferred Capital Revenue (Note 9)	190,392,783	193,569,508
Employee Future Benefits (Note 10)	10,232,286	9,968,304
Capital Lease Obligations (Note 12)	3,496,881	3,548,999
Total Liabilities	244,722,775	246,138,684
Net Financial Assets (Debt)	(124,691,209)	(171,011,289)
Non-Financial Assets		
Tangible Capital Assets (Note 13)	301,261,313	305,407,879
Prepaid Expenses	280,530	67,581
Total Non-Financial Assets	301,541,843	305,475,460
Accumulated Surplus (Deficit) (Note 22)	176,850,634	134,464,171
Contractual Obligations and Contingencies (Note 19)		
Approved by the Board		
		
Signature of the Chairperson of the Board of Education	Date Signed	
		
Signature of the Superintendent	Date Signed	
		
Signature of the Secretary Treasurer	Date Signed	

School District No. 38 (Richmond)

Statement of Operations
Year Ended June 30, 2015

Statement 2

	2015 Budget \$	2015 Actual \$	2014 Actual \$
Revenues			
Provincial Grants			
Ministry of Education	180,055,417	178,313,760	176,269,410
Other	21,989	19,627	1,784,396
Federal Grants	1,430,094	1,654,642	208,763
Tuition	12,326,225	13,488,162	11,700,720
Other Revenue (Note 23)	8,087,000	9,778,341	7,256,896
Rentals and Leases	907,686	928,142	890,338
Investment Income	546,687	1,268,427	756,190
Gain (Loss) on Disposal of Tangible Capital Assets (Note 14)	40,362,913	40,421,275	
Amortization of Deferred Capital Revenue	8,060,466	8,067,292	8,201,061
Total Revenue	<u>251,798,477</u>	<u>253,939,668</u>	<u>207,067,774</u>
Expenses (Note 21)			
Instruction	170,897,174	167,154,531	161,483,564
District Administration	5,558,200	5,504,255	5,043,182
Operations and Maintenance	37,481,932	37,338,931	36,253,415
Transportation and Housing	1,466,079	1,379,704	1,455,859
Debt Services	101,871	175,784	253,814
Total Expense	<u>215,505,256</u>	<u>211,553,205</u>	<u>204,489,834</u>
Surplus (Deficit) for the year	<u>36,293,221</u>	<u>42,386,463</u>	<u>2,577,940</u>
Accumulated Surplus (Deficit) from Operations, beginning of year		134,464,171	131,886,231
Accumulated Surplus (Deficit) from Operations, end of year		<u>176,850,634</u>	<u>134,464,171</u>

School District No. 38 (Richmond)

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	36,293,221	42,386,463	2,577,940
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(7,355,551)	(9,594,839)	(10,554,568)
Amortization of Tangible Capital Assets	12,000,127	13,037,680	12,468,200
Net carrying value of Tangible Capital Assets disposed of	762,087	703,725	-
Total Effect of change in Tangible Capital Assets	5,406,663	4,146,566	1,913,632
Acquisition of Prepaid Expenses	-	(280,530)	(67,581)
Use of Prepaid Expenses	-	67,581	318,305
Total Effect of change in Other Non-Financial Assets	-	(212,949)	250,724
(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)	41,699,884	46,320,080	4,742,296
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Financial Assets (Debt)		46,320,080	4,742,296
Net Financial Assets (Debt), beginning of year		(171,011,289)	(175,753,585)
Net Financial Assets (Debt), end of year		(124,691,209)	(171,011,289)

School District No. 38 (Richmond)

Statement 5

Statement of Cash Flows
Year Ended June 30, 2015

	2015 Actual	2014 Actual
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	42,386,463	2,577,940
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(1,406,573)	(1,181,096)
Prepaid Expenses	(212,949)	250,724
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	(385,025)	2,629,624
Unearned Revenue	2,876,532	2,790,714
Deferred Revenue	(942,555)	277,682
Employee Future Benefits	263,982	136,388
Loss (Gain) on Disposal of Tangible Capital Assets (Note 14)	(40,421,275)	-
Amortization of Tangible Capital Assets	13,037,680	12,468,200
Amortization of Deferred Capital Revenue	(8,067,292)	(8,201,061)
Insurance Claim Expenditures	(500,537)	-
Total Operating Transactions	6,628,451	11,749,115
Capital Transactions		
Tangible Capital Assets Purchased	(7,851,188)	(6,598,492)
District Portion of Proceeds on Disposal (Note 14)	41,125,000	-
Total Capital Transactions	33,273,812	(6,598,492)
Financing Transactions		
Capital Revenue Received	5,391,104	6,018,519
Capital Lease Payment	(1,795,769)	(1,192,745)
Total Financing Transactions	3,595,335	4,825,774
Net Increase (Decrease) in Cash and Cash Equivalents	43,497,598	9,976,397
Cash and Cash Equivalents, beginning of year (Note 4)	69,405,875	59,429,478
Cash and Cash Equivalents, end of year	112,903,473	69,405,875
Cash and Cash Equivalents, end of year, is made up of:		
Cash (Note 4)	31,087,082	34,605,651
Cash Equivalents (Note 4)	81,816,391	34,800,224
	112,903,473	69,405,875

SCHOOL DISTRICT NO. 38 (RICHMOND)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

NOTE 1 AUTHORITY AND PURPOSE

The School District, established on April 12, 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. 38 (Richmond)", and operates as "School District No. 38 (Richmond)." 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 ("MOE"). School District No. 38 (Richmond) is exempt from federal and provincial corporate income taxes.

NOTE 2 ADOPTION OF NEW ACCOUNTING POLICY

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

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting

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

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

As noted in Notes 3(e) and 3(m), Section 23.1 of the *Budget Transparency and Accountability Act* and its related regulations require the School District to recognize government transfers for the acquisition of capital assets into revenue on the same basis as the related amortization expense. As these transfers do not contain stipulations that create a liability, Canadian public sector accounting standards would require these grants to be fully recognized into revenue.

SCHOOL DISTRICT NO. 38 (RICHMOND)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

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

b) Cash and Cash Equivalents

Cash and cash equivalents include cash and highly liquid securities that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value. These cash equivalents generally have a maturity of three months or less at acquisition and are held for the purpose of meeting short-term cash commitments rather than for investing.

c) Accounts Receivable

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

d) Unearned Revenue

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

e) Deferred Revenue and Deferred Capital Revenue

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

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.

SCHOOL DISTRICT NO. 38 (RICHMOND)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

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

f) Employee Future Benefits

i) Post-Employment Benefits:

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

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

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

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

ii) Pension Plans:

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

g) Liability of Contaminated Sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of 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 standards;
- 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.

SCHOOL DISTRICT NO. 38 (RICHMOND)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

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

g) Liability of Contaminated Sites (Continued)

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.

h) 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 value on the date of donation, except in circumstances where fair value cannot be reasonably determined, in which case the assets are recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.
- Work-in-progress is recorded as an addition 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 is 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 indicate the need to revise. Estimated useful lives are as follows:

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

SCHOOL DISTRICT NO. 38 (RICHMOND)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

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

i) 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.

j) Capital Leases

Leases that, from the point of view of the lessee, transfer substantially all the benefits and risks incident to ownership of the property to the School District are considered capital leases. These are accounted for as an asset and an obligation. Capital lease obligations are recorded at the present value of the minimum lease payments excluding executor costs, e.g., insurance, maintenance costs, etc. The discount rate used to determine the present value of the lease payments is the lower of the School District's rate for incremental borrowing or the interest rate implicit in the lease.

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

k) Prepaid Expenses

Prepaid fees and dues, licenses, and rent are included as a prepaid expense and stated at acquisition cost and are charged to expense over the periods expected to benefit from it.

l) Funds and Reserves

Certain amounts, as approved by the Board, are set aside in accumulated surplus for future operating and capital purposes. Transfers to and from funds and reserves are an adjustment to the respective fund when approved.

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.

SCHOOL DISTRICT NO. 38 (RICHMOND)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

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

m) Revenue Recognition (Continued)

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

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

Donated tangible capital assets other than sites are recorded at fair 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.

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.

n) Expenditures

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year is expensed. Interest expense includes interest charged on leases.

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.

SCHOOL DISTRICT NO. 38 (RICHMOND)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

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

n) Expenditures (Continued)

Allocation of Costs

- Operating expenses are reported by function, program, and object. Whenever possible, expenditures are determined by actual identification. Additional costs pertaining to specific instructional programs, such as 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.

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.

Unless otherwise noted, it is management's opinion that the School District is not exposed to significant interest, currency or credit risks arising from its financial instruments. The fair values of these financial instruments approximate their carrying value, unless otherwise noted.

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

SCHOOL DISTRICT NO. 38 (RICHMOND)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

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

o) Financial Instruments (Continued)

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

p) Measurement Uncertainty

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

NOTE 4 CASH AND CASH EQUIVALENTS

	2015	2014
Cash – Operating Fund	\$(34,663,419)	\$8,118,780
Cash – Special Purpose Fund	5,745,439	6,951,667
Cash – Capital Fund	60,005,062	19,535,204
Cash Equivalent	81,731,952	34,722,413
Investments held by Richmond Community Foundation	84,439	77,811
	<u>\$112,903,473</u>	<u>\$69,405,875</u>

During fiscal 2012, the School District transferred scholarship funds to the Richmond Community Foundation. Richmond Community Foundation will retain, invest and have disbursed scholarships on behalf of the School District, in exchange for an administration fee. The funds will be invested in pooled funds with the Foundation's other assets. The funds will remain with the Foundation for a minimum of 10 years, before returning to the School District unless the agreement is extended.

SCHOOL DISTRICT NO. 38 (RICHMOND)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

NOTE 5 ACCOUNTS RECEIVABLE - OTHER

	2015	2014
Due from Federal Government	\$749,222	\$487,522
Due from Other School Districts	1,261	47,465
Due from Benefit Carrier – unrestricted deposit account	5,157,384	4,513,161
Other	592,161	525,585
	<u>\$6,500,028</u>	<u>\$5,573,733</u>

The amount due from the Benefit Carrier –Unrestricted Deposit Allowance represents surplus funds in excess of the required reserves held by the Benefit Carrier.

NOTE 6 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES - OTHER

	2015	2014
Trade payables	\$2,978,364	\$1,718,139
Salaries and benefits payable	11,608,021	9,477,276
Accrued vacation pay	2,498,146	2,369,422
Other	512,342	336,317
	<u>\$17,596,873</u>	<u>\$13,901,154</u>

SCHOOL DISTRICT NO. 38 (RICHMOND)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

NOTE 7 UNEARNED REVENUE

	2015	2014
Balance, beginning of year	\$11,970,760	\$9,180,046
Tuition fees received	16,364,694	14,491,434
Tuition fees recognized as revenue	(13,488,162)	(11,700,720)
Balance, end of year	<u>\$14,847,292</u>	<u>\$11,970,760</u>

NOTE 8 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.

	2015	2014
Balance, beginning of year	\$7,872,201	\$7,594,519
Changes for the year:		
Increase:		
Provincial grants - MOE	6,871,794	4,785,248
Provincial grants - Other	-	1,575,784
Federal grants	1,641,070	222,335
Other revenue	8,858,648	6,807,023
Investment income	17,032	11,920
	<u>17,388,544</u>	<u>13,402,310</u>
Decrease:		
Transfers to revenue	(17,168,761)	(13,124,628)
Transfer to Accounts Payable	(1,162,338)	-
	<u>(18,331,099)</u>	<u>(13,124,628)</u>
Balance, end of year	<u>\$6,929,646</u>	<u>\$7,872,201</u>

SCHOOL DISTRICT NO. 38 (RICHMOND)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

NOTE 9 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.

	2015	2014
Balance, beginning of year	\$193,569,508	\$195,752,050
Changes for the year:		
Increase:		
Transfer from DC-capital additions	2,977,443	4,030,013
Provincial grants - MOE	4,159,738	4,954,632
Other revenue	1,133,414	1,005,491
Investment income	97,952	58,396
Transferred from Deferred Revenue-WIP	-	1,217,647
	<u>8,368,547</u>	<u>11,266,179</u>
Decrease:		
Transfer to DCC-capital additions	(2,977,443)	(5,247,660)
Amortization	(8,067,292)	(8,201,061)
Insurance Claim Expenditures	(500,537)	-
	<u>(11,545,272)</u>	<u>(13,448,721)</u>
Balance, end of year	<u>\$190,392,783</u>	<u>\$193,569,508</u>

NOTE 10 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. The portion of these benefits that have not been provided for is identified as Unfunded Accrued Employee Future Benefits and disclosed in Note 11.

	2015	2014
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation - April 1	\$10,983,850	\$11,640,870
Service Cost	922,206	921,186
Interest Cost	364,620	350,666
Benefit Payments	(1,361,008)	(1,113,920)
Increase in obligation due to Plan Amendment	-	-
Actuarial (Gain) Loss	756,717	(814,952)
Accrued Benefit Obligation - March 31	<u>\$11,666,385</u>	<u>\$10,983,850</u>

SCHOOL DISTRICT NO. 38 (RICHMOND)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

NOTE 10 EMPLOYEE FUTURE BENEFITS *(Continued)*

	2015	2014
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation - March 31	\$11,666,385	\$10,983,850
Market Value of Plan Assets - March 31	-	-
Funded Status - Deficit	(11,666,385)	(10,983,850)
Employer Contributions After Measurement Date	454,653	713,316
Benefit Expense After Measurement Date	(328,033)	(321,707)
Unamortized Net Actuarial Loss	1,307,479	623,937
Accrued Benefit Liability - June 30	<u>\$(10,232,286)</u>	<u>\$(9,968,304)</u>

Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability-July 1	\$9,968,304	\$9,831,916
Net Expense for Fiscal Year	1,366,327	1,424,935
Employer Contributions	(1,102,345)	(1,288,547)
Accrued Benefit Liability - June 30	<u>\$10,232,286</u>	<u>\$9,968,304</u>

Components of Net Benefit Expense		
Service Cost	\$951,906	\$921,441
Interest Cost	341,246	354,155
Amortization of Net Actuarial (Gain)/Loss	73,175	149,339
Net Benefit Expense (Income)	<u>\$1,366,327</u>	<u>\$1,424,935</u>

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

	2015	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
EARS - March 31	10.7	10.7

SCHOOL DISTRICT NO. 38 (RICHMOND)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

NOTE 11 UNFUNDED ACCRUED EMPLOYEE FUTURE BENEFITS

It is planned that the initial unfunded liability for accrued employee future benefits upon adoption of accrual accounting and PSA standards will be eliminated in 1.7 years (2014: 2.7 years).

Unfunded liability, as at July 1, 2014	\$547,795
Reductions during the year	<u>(200,000)</u>
Unfunded liability, as at June 30, 2015	<u>\$347,795</u>

NOTE 12 CAPITAL LEASE OBLIGATIONS

The School District has obligations under capital leases. The present value of future minimum lease payments, rates of interest and end dates of these leases are shown below:

	2015	2014
IOS Financial Services, with interest at 3.82%, expires December 1, 2015	\$ 155,047	\$ 84,422
RFS Canada, with interest at 5.26%, expires December 1, 2016	283,507	472,376
RFS Canada, with interest at 3.21%, expires December 1, 2016	18,815	232,445
Macquarie Financial, with interest at 4.86%, expires May 28, 2016	923,195	1,716,039
Macquarie Financial, with interest at 3.54%, expires January 22, 2017	633,216	977,888
Macquarie Financial, with interest at 3.03%, expires November 24, 2016	40,093	65,829
Macquarie Financial, with interest at 4.15%, expires June 2, 2017	281,092	-
Macquarie Financial, with interest at 4.98%, expires September 1, 2017	52,675	-
Macquarie Financial, with interest at 3.20%, expires October 1, 2018	590,718	-
Macquarie Financial, with interest at 3.17%, expires March 30, 2018	82,763	-
Macquarie Financial, with interest at 3.24%, expires August 30, 2018	435,760	-
	<u>\$3,496,881</u>	<u>\$3,548,999</u>

Repayments are due as follows:

	2015
2016	\$2,160,535
2017	1,158,131
2018	298,504
2019	24,506
Total minimum lease payments	<u>\$3,641,676</u>
Less amounts representing interest	<u>144,795</u>
Present value of net minimum capital lease payments	<u>\$3,496,881</u>

Total interest on leases for the year was \$175,784 (2014 - \$253,814).

SCHOOL DISTRICT NO. 38 (RICHMOND)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

NOTE 13 TANGIBLE CAPITAL ASSETS

Net Book Value:

	Net Book Value 2015	Net Book Value 2014
Sites	\$55,169,613	\$55,354,650
Buildings	231,274,065	237,263,358
Buildings – work in progress	-	-
Furniture & Equipment	4,893,231	4,602,452
Vehicles	2,085,103	1,529,677
Computer Software	899,346	517,339
Computer Hardware	6,939,955	6,140,403
Total	\$301,261,313	\$305,407,879

June 30, 2015

Cost:	Opening Cost	Additions	Disposals	Transfers (WIP)	Total 2015
Sites	\$55,354,650	\$ -	\$(185,037)	\$ -	\$55,169,613
Buildings	410,892,494	3,947,867	(3,438,257)		411,402,104
Furniture & Equipment	9,853,082	1,283,680	(1,131,829)		10,004,933
Vehicles	2,550,444	858,049	-		3,408,493
Computer Software	974,936	631,898	(114,714)		1,492,120
Computer Hardware	9,319,532	2,873,345	(765,490)		11,427,387
Total	\$488,945,138	\$9,594,839	\$(5,635,327)	\$ -	\$492,904,650

Accumulated Amortization:	Opening Accumulated Amortization	Additions	Disposals	Total 2015
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	173,629,136	9,418,472	(2,919,569)	180,128,039
Furniture & Equipment	5,250,630	992,901	(1,131,829)	5,111,702
Vehicles	1,020,767	302,623	-	1,323,390
Computer Software	457,597	249,891	(114,714)	592,774
Computer Hardware	3,179,129	2,073,793	(765,490)	4,487,432
Total	\$183,537,259	\$13,037,680	\$(4,931,602)	\$191,643,337

SCHOOL DISTRICT NO. 38 (RICHMOND)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

NOTE 13 TANGIBLE CAPITAL ASSETS (Continued)

June 30, 2014

Cost:	Opening Cost	Additions	Disposals	Transfers (WIP)	Total 2014
Sites	\$55,354,650	\$ -	\$ -	\$ -	\$55,354,650
Buildings	404,554,806	4,935,894	-	1,401,794	410,892,494
Buildings – work in progress	1,401,794	-	-	(1,401,794)	-
Furniture & Equipment	10,708,748	793,556	(1,649,222)		9,853,082
Vehicles	2,347,478	385,844	(182,878)		2,550,444
Computer Software	1,037,713	167,978	(230,755)		974,936
Computer Hardware	6,419,412	4,271,296	(1,371,176)		9,319,532
Total	\$481,824,601	\$10,554,568	\$(3,434,031)	\$ -	\$488,945,138

Accumulated Amortization:	Opening Accumulated Amortization	Additions	Disposals	Total 2014
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	164,306,772	9,322,364	-	173,629,136
Furniture & Equipment	5,789,299	1,110,553	(1,649,222)	5,250,630
Vehicles	944,907	258,738	(182,878)	1,020,767
Computer Software	486,404	201,948	(230,755)	457,597
Computer Hardware	2,975,708	1,574,597	(1,371,176)	3,179,129
Total	\$174,503,090	\$12,468,200	\$(3,434,031)	\$183,537,259

- Included in capital assets is equipment under capital lease with a cost of \$6,845,620 (2014 - \$5,101,969) and accumulated amortization of \$1,738,773 (2014 - \$693,003).

NOTE 14 DISPOSALS OF SITES AND BUILDINGS

The sale of Steveston Secondary School took place during the year.

Asset Description	Cost and Accumulated Amortization	Sale Proceeds	Gain on Sale	School District Portion of Sale Proceeds
Site Cost	\$185,037			
Building	3,438,257			
Accumulated Amortization	(2,919,569)			
Total	\$703,725	\$41,125,000	\$40,421,275	\$41,125,000

SCHOOL DISTRICT NO. 38 (RICHMOND)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

NOTE 15 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 contributory pension plans. Basic pension benefits provided are based on a formula. As at December 31, 2013, the Teachers' Pension Plan has about 45,000 active members and approximately 33,000 retired members. As at December 31, 2013, the Municipal Pension Plan has about 182,000 active members, of which approximately 24,000 are from school districts.

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

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

School District #38 (Richmond) paid \$18,310,437 (2014 - \$17,900,730) for employer contributions to these plans in the year ended June 30, 2015.

NOTE 16 INTERFUND TRANSFERS

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

	Operating Fund		Special Purpose Funds		Capital Fund	
	2015	2014	2015	2014	2015	2014
Funding Local Capital Reserve as permitted under School Act	\$(2,533,195)	\$(5,007,438)	-	-	\$2,533,195	\$5,007,438
Capital assets purchased	-	-	(817,597)	(222,458)	817,597	222,458
	<u>\$(2,533,195)</u>	<u>\$(5,007,438)</u>	<u>\$(817,597)</u>	<u>\$(222,458)</u>	<u>\$3,350,792</u>	<u>\$5,229,896</u>

SCHOOL DISTRICT NO. 38 (RICHMOND)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

NOTE 17 RELATED PARTY TRANSACTIONS

The School District is related through common control 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.

During the year, the School District received \$240,000 (2014 - \$240,000) from School District #93, the Conseil Scolaire Francophone, for the rental of facilities.

NOTE 18 BUDGET FIGURES

Budget figures, included in the financial statements, were approved by the Board through the adoption of an Annual Budget on June 2, 2014.

While PSA financial reporting requires the District's Annual Budget be used as the comparator, an Amended Budget based upon revised enrolment is filed with the Ministry of Education by the end of February of each year. While the filing of the Amended Budget satisfies a legislative requirement, it also serves as the basis for the District's revised estimates to the end of the fiscal year. However, the Amended Budget, approved by the Board on February 16, 2015, is not reported in these financial statements.

NOTE 19 CONTRACTUAL OBLIGATIONS AND CONTINGENCIES

Ongoing legal proceedings: In the ordinary course of operations, the School District has legal proceedings brought against it. It is the opinion of management that final determination of these claims will not have a material effect on the financial position or operations of the School District.

NOTE 20 ASSET RETIREMENT OBLIGATION

Legal liabilities may exist for the removal or disposal of asbestos in schools that will undergo major renovations or demolition. The value of the liability for asbestos removal or disposal will be recognized in the period in which a reasonable estimate of fair value can be made. As at June 30, 2015, the liability is not reasonable determinable and hence no liability is recognized.

SCHOOL DISTRICT NO. 38 (RICHMOND)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

NOTE 21 EXPENSE BY OBJECT

	2015	2014
Salaries and benefits	\$171,012,440	\$167,999,095
Services and supplies	27,327,301	23,768,725
Interest	175,784	253,814
Amortization	13,037,680	12,468,200
	<u>\$211,553,205</u>	<u>\$204,489,834</u>

NOTE 22 ACCUMULATED SURPLUS

Accumulated surplus balances are comprised of:

	2015	2014
Invested in Tangible Capital Assets	<u>\$116,075,999</u>	<u>\$115,080,598</u>
Local Capital Internally Restricted by Board for:		
Restricted – Capital Leases	3,496,881	3,548,999
Restricted-City Centre Elementary School	41,125,000	-
Restricted – Board Approved	833,291	2,779,174
Restricted – Under Review by Board	3,182,514	3,942,700
Annual Local Capital Expense	<u>2,346,000</u>	<u>2,346,000</u>
Subtotal Internally Restricted	50,983,686	12,616,873
Capital Surplus	<u>\$167,059,685</u>	<u>\$127,697,471</u>
Internally Restricted (Appropriated) by Board for:		
2015/16 Budget Appropriation	810,000	1,300,000
School/Staff Account Balances	4,012,753	2,695,336
Outstanding Purchase Orders	100,008	136,020
School Generated Funds	<u>1,600,000</u>	<u>1,370,000</u>
Subtotal Internally Restricted	\$6,522,761	\$5,501,356
Unrestricted Operating Surplus	3,615,983	1,813,139
Unfunded Accrued Employee Future Benefits (note 11)	<u>(347,795)</u>	<u>(547,795)</u>
Operating Surplus - Available for Future Operations	\$9,790,949	\$6,766,700
Total Accumulated Surplus	<u>\$176,850,634</u>	<u>\$134,464,171</u>

SCHOOL DISTRICT NO. 38 (RICHMOND)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

NOTE 23 OTHER REVENUE

Other Revenue, shown on Statement 2, comprises the following:

	2015	2014
<u>Operating Fund:</u>		
Other School District/Education Authorities	\$240,000	\$240,000
Miscellaneous:		
Cafeteria	291,567	303,785
Miscellaneous	16,280	23,100
Recognition of School Generated Funds –		
Unrestricted	230,000	-
Continuing Ed-Textbook	-	219,790
	<u>\$777,847</u>	<u>\$786,675</u>
<u>Special Purpose Funds:</u>		
School Generated Funds	8,525,760	6,123,040
Educational Trust Funds	302,401	321,741
Scholarships and Bursaries	19,968	-
Strong Start	8,905	-
	<u>\$8,857,034</u>	<u>\$6,444,781</u>
<u>Capital Fund:</u>		
Fortis Rebate	119,801	25,440
BC Hydro Rebate	23,659	-
	<u>\$143,460</u>	<u>\$25,440</u>
 Total Other Revenue	 <u>\$9,778,341</u>	 <u>\$7,256,896</u>

SCHOOL DISTRICT NO. 38 (RICHMOND)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

NOTE 24 FINANCIAL STATEMENT PRESENTATION – BY FUND

While Canadian public sector accounting standards (“PSA Standards”) require that financial information for each fund be presented separately within the unaudited Schedules to these financial statements, there is no reporting requirement to provide segmented summary information.

Thus, for the reader’s ease of use of these financial statements, this information is presented below, for both the Statement of Financial Position and the Statement of Operations.

i) Statement of Financial Position by Fund

	Operating Fund	Special Purpose Funds	Capital Fund	Total June 30, 2015	June 30, 2014
				\$	\$
Financial Assets					
Cash and Cash Equivalents	46,285,461	6,612,950	60,005,062	112,903,473	69,405,875
Accounts Receivable					
Due from Province - Ministry of Education	6,930	92,598	500,537	600,065	92,598
Due from Province - Other	28,000			28,000	55,189
Other	5,757,581	516,445	226,002	6,500,028	5,573,733
Total Financial Assets	52,077,972	7,221,993	60,731,601	120,031,566	75,127,395
Liabilities					
Accounts Payable and Accrued Liabilities					
Due to Province - Ministry of Education				-	5,307,758
Due to Province - Other	1,227,014			1,227,014	-
Other	16,260,961	292,347	1,043,565	17,596,873	13,901,154
Unearned Revenue	14,847,292			14,847,292	11,970,760
Deferred Revenue		6,929,646		6,929,646	7,872,201
Deferred Capital Revenue			190,392,783	190,392,783	193,569,508
Employee Future Benefits	10,232,286			10,232,286	9,968,304
Capital Lease Obligations			3,496,881	3,496,881	3,548,999
Total Liabilities	42,567,553	7,221,993	194,933,229	244,722,775	246,138,684
Net Financial Assets (Debt)	9,510,419	-	(134,201,628)	(124,691,209)	(171,011,289)
Non-Financial Assets					
Tangible Capital Assets			301,261,313	301,261,313	305,407,879
Prepaid Expenses	280,530			280,530	67,581
Total Non-Financial Assets	280,530	-	301,261,313	301,541,843	305,475,460
Accumulated Surplus (Deficit)	9,790,949	-	167,059,685	176,850,634	134,464,171

SCHOOL DISTRICT NO. 38 (RICHMOND)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

NOTE 24 FINANCIAL STATEMENT PRESENTATION – BY FUND (Continued)

ii) Statement of Operations by Fund

	2015 Budget (Total)	Operating Fund	Special Purpose Funds	Capital Fund	2015 Actual Total	2014 Actual Total
	\$				\$	\$
Revenues						
Provincial Grants						
Ministry of Education	180,055,417	171,179,797	6,633,426	500,537	178,313,760	176,269,410
Other	21,989	13,000	6,627		19,627	1,784,396
Federal Grants	1,430,094		1,654,642		1,654,642	208,763
Tuition	12,326,225	13,488,162			13,488,162	11,700,720
Other Revenue	8,087,000	777,847	8,857,034	143,460	9,778,341	7,256,896
Rentals and Leases	907,686	928,142			928,142	890,338
Investment Income	546,687	658,536	17,032	592,859	1,268,427	756,190
Gain on Disposal of Tangible Capital Assets	40,362,913			40,421,275	40,421,275	-
Amortization of Deferred Capital Revenue	8,060,466			8,067,292	8,067,292	8,201,061
Total Revenue	251,798,477	187,045,484	17,168,761	49,725,423	253,939,668	207,067,774
Expenses						
Instruction	170,897,174	151,606,784	15,547,747		167,154,531	161,483,564
District Administration	5,558,200	4,886,172	618,083		5,504,255	5,043,182
Operations and Maintenance	37,481,932	23,918,003	185,334	13,235,594	37,338,931	36,253,415
Transportation and Housing	1,466,079	1,077,081		302,623	1,379,704	1,455,859
Debt Services	101,871			175,784	175,784	253,814
Total Expense	215,505,256	181,488,040	16,351,164	13,714,001	211,553,205	204,489,834
Surplus (Deficit) for the year	36,293,221	5,557,444	817,597	36,011,422	42,386,463	2,577,940
Accumulated Surplus (Deficit) from Operations, beginning of year		6,766,700	-	127,697,471	134,464,171	131,886,231
Interfund Transfers		(2,533,195)	(817,597)	3,350,792	-	-
Accumulated Surplus (Deficit) from Operations, end of year		9,790,949	-	167,059,685	176,850,634	134,464,171

SCHOOL DISTRICT NO. 38 (RICHMOND)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

NOTE 25 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 26 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 and the School District invests solely in guaranteed investment certificates and term deposits.

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 as they invest solely in guaranteed investment certificates and term deposits that have a maturity date of no more than 3 years.

SCHOOL DISTRICT NO. 38 (RICHMOND)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

NOTE 26 RISK MANAGEMENT *(Continued)*

c) **Liquidity risk**

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

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

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

School District No. 38 (Richmond)

Schedule 1 (Unaudited)

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

	Operating Fund	Special Purpose Fund	Capital Fund	2015 Actual	2014 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	6,766,700		127,697,471	134,464,171	131,886,231
Changes for the year					
Surplus (Deficit) for the year	5,557,444	817,597	36,011,422	42,386,463	2,577,940
Interfund Transfers					
Tangible Capital Assets Purchased		(817,597)	817,597	-	
Local Capital	(2,533,195)		2,533,195	-	
Net Changes for the year	3,024,249	-	39,362,214	42,386,463	2,577,940
Accumulated Surplus (Deficit), end of year - Statement 2	9,790,949	-	167,059,685	176,850,634	134,464,171

School District No. 38 (Richmond)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2015

	2015 Budget	2015 Actual	2014 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	173,512,854	171,179,797	171,592,154
Other		13,000	
Tuition	12,326,225	13,488,162	11,700,720
Other Revenue	503,801	777,847	786,675
Rentals and Leases	907,686	928,142	890,338
Investment Income	435,745	658,536	622,245
Total Revenue	187,686,311	187,045,484	185,592,132
Expenses			
Instruction	157,036,739	151,606,784	149,357,389
District Administration	5,315,678	4,886,172	4,904,427
Operations and Maintenance	25,205,844	23,918,003	23,406,713
Transportation and Housing	1,228,050	1,077,081	1,197,121
Total Expense	188,786,311	181,488,040	178,865,650
Operating Surplus (Deficit) for the year	(1,100,000)	5,557,444	6,726,482
Budgeted Appropriation (Retirement) of Surplus (Deficit)	1,300,000		
Budgeted Reduction of Unfunded Accrued Employee Future Benefits	(200,000)		
Net Transfers (to) from other funds			
Local Capital		(2,533,195)	(5,007,438)
Total Net Transfers	-	(2,533,195)	(5,007,438)
Total Operating Surplus (Deficit), for the year	-	3,024,249	1,719,044
Operating Surplus (Deficit), beginning of year		6,766,700	5,047,656
Operating Surplus (Deficit), end of year		9,790,949	6,766,700
Operating Surplus (Deficit), end of year			
Internally Restricted (Note 22)		6,522,761	5,501,356
Unrestricted		3,615,983	1,813,139
Unfunded Accrued Employee Future Benefits (Note 11)		(347,795)	(547,795)
Total Operating Surplus (Deficit), end of year		9,790,949	6,766,700

School District No. 38 (Richmond)

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	171,082,167	170,845,887	174,755,588
Strike Savings Recovery		(5,989,000)	(5,682,635)
Other Ministry of Education Grants			
Labour Settlement Funding		3,812,274	
Pay Equity	2,215,706	2,215,706	2,215,706
Funding for Graduated Adults	75,993	99,399	70,187
Carbon Tax Rebate	110,000	152,543	180,320
FSA Scorer	28,988	28,988	28,988
ELL Tool Research, Planning and Implementation		14,000	-
Grad Exam Results		-	10,000
Quality Teaching		-	10,000
Curriculum Redesign: Focused Review		-	4,000
Total Provincial Grants - Ministry of Education	173,512,854	171,179,797	171,592,154
Provincial Grants - Other		13,000	-
Tuition			
Summer School Fees	139,320	-	217,099
Continuing Education	701,331	552,959	686,896
Offshore Tuition Fees	11,485,574	12,935,203	10,796,725
Total Tuition	12,326,225	13,488,162	11,700,720
Other Revenues			
Other School District/Education Authorities	240,000	240,000	240,000
Miscellaneous			
Cafeteria	242,607	291,567	303,785
Miscellaneous	21,194	16,280	23,100
Continuing Education Textbooks		-	219,790
Recognition of Unrestricted School Generated Funds		230,000	-
Total Other Revenue	503,801	777,847	786,675
Rentals and Leases	907,686	928,142	890,338
Investment Income	435,745	658,536	622,245
Total Operating Revenue	187,686,311	187,045,484	185,592,132

School District No. 38 (Richmond)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2015

	2015 Budget	2015 Actual	2014 Actual
	\$	\$	\$
Salaries			
Teachers	85,900,292	82,720,804	80,754,884
Principals and Vice Principals	9,818,791	9,417,300	9,801,008
Educational Assistants	10,407,508	9,803,961	10,385,870
Support Staff	18,762,004	18,485,738	19,028,608
Other Professionals	4,099,789	3,864,236	3,934,290
Substitutes	4,956,086	5,784,552	4,663,248
Total Salaries	133,944,470	130,076,591	128,567,908
Employee Benefits	36,841,148	35,223,319	34,697,955
Total Salaries and Benefits	170,785,618	165,299,910	163,265,863
Services and Supplies			
Services	6,087,103	6,504,885	6,416,810
Student Transportation	10,300	9,012	9,049
Professional Development and Travel	568,931	408,070	531,295
Rentals and Leases	179,750	185,104	172,126
Dues and Fees	124,600	122,926	120,339
Insurance	468,807	456,122	398,308
Supplies	6,563,197	5,726,626	4,806,025
Utilities	3,998,005	2,775,385	3,145,835
Total Services and Supplies	18,000,693	16,188,130	15,599,787
Total Operating Expense	188,786,311	181,488,040	178,865,650

School District No. 38 (Richmond)

Schedule 2C (Unaudited)

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	61,084,532	1,277,922		1,007,687		3,874,127	67,244,268
1.03 Career Programs	88,516			361,783			450,299
1.07 Library Services	1,683,901	21,419		513,421		1,843	2,220,584
1.08 Counselling	2,872,057						2,872,057
1.10 Special Education	8,116,878	110,949	9,803,961			698,702	18,730,490
1.30 English Language Learning	4,815,655	257,936		129,984			5,203,575
1.31 Aboriginal Education	275,117			21,574			296,691
1.41 School Administration		7,299,415		3,668,854		249,511	11,217,780
1.60 Summer School							-
1.61 Continuing Education	339,954	106,508		144,881	190,589	376,806	1,158,738
1.62 Off Shore Students	3,444,194	236,643		152,766	479,755	10,029	4,323,387
1.64 Other							-
Total Function 1	82,720,804	9,310,792	9,803,961	6,000,950	670,344	5,211,018	113,717,869
4 District Administration							
4.11 Educational Administration				313,703	1,092,258		1,405,961
4.40 School District Governance					156,464		156,464
4.41 Business Administration		106,508		938,252	873,308	188,734	2,106,802
Total Function 4	-	106,508	-	1,251,955	2,122,030	188,734	3,669,227
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				105,400	1,071,862	644	1,177,906
5.50 Maintenance Operations				9,959,372		347,991	10,307,363
5.52 Maintenance of Grounds				640,296			640,296
5.56 Utilities							-
Total Function 5	-	-	-	10,705,068	1,071,862	348,635	12,125,565
7 Transportation and Housing							
7.70 Student Transportation				527,765		36,165	563,930
Total Function 7	-	-	-	527,765	-	36,165	563,930
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	82,720,804	9,417,300	9,803,961	18,485,738	3,864,236	5,784,552	130,076,591

School District No. 38 (Richmond)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object
Year Ended June 30, 2015

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2015 Actual	2015 Budget	2014 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	67,244,268	19,375,847	86,620,115	2,726,239	89,346,354	90,261,085	85,337,331
1.03 Career Programs	450,299	146,940	597,239	272,117	869,356	998,838	954,164
1.07 Library Services	2,220,584	589,243	2,809,827	282,178	3,092,005	3,739,850	3,460,489
1.08 Counselling	2,872,057	710,339	3,582,396	7,704	3,590,100	4,045,396	3,638,365
1.10 Special Education	18,730,490	5,224,902	23,955,392	644,840	24,600,232	25,339,182	24,919,691
1.30 English Language Learning	5,203,575	1,385,752	6,589,327	42,671	6,631,998	7,499,852	6,825,395
1.31 Aboriginal Education	296,691	80,283	376,974	37,650	414,624	468,281	397,562
1.41 School Administration	11,217,780	2,711,502	13,929,282	261,614	14,190,896	14,389,007	14,193,612
1.60 Summer School	-	-	-	-	-	993,949	989,470
1.61 Continuing Education	1,158,738	173,647	1,332,385	254,366	1,586,751	1,819,418	1,818,919
1.62 Off Shore Students	4,323,387	1,000,449	5,323,836	1,950,564	7,274,400	7,459,076	6,810,229
1.64 Other	-	-	-	10,068	10,068	22,805	12,162
Total Function 1	113,717,869	31,398,904	145,116,773	6,490,011	151,606,784	157,036,739	149,357,389
4 District Administration							
4.11 Educational Administration	1,405,961	319,444	1,725,405	114,534	1,839,939	1,879,378	1,753,767
4.40 School District Governance	156,464	3,394	159,858	131,835	291,693	331,932	307,841
4.41 Business Administration	2,106,802	450,562	2,557,364	197,176	2,754,540	3,104,368	2,842,819
Total Function 4	3,669,227	773,400	4,442,627	443,545	4,886,172	5,315,678	4,904,427
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	1,177,906	234,542	1,412,448	644,322	2,056,770	2,451,181	2,089,087
5.50 Maintenance Operations	10,307,363	2,455,527	12,762,890	5,298,571	18,061,461	17,444,761	17,174,842
5.52 Maintenance of Grounds	640,296	164,277	804,573	219,814	1,024,387	1,311,897	996,950
5.56 Utilities	-	-	-	2,775,385	2,775,385	3,998,005	3,145,834
Total Function 5	12,125,565	2,854,346	14,979,911	8,938,092	23,918,003	25,205,844	23,406,713
7 Transportation and Housing							
7.70 Student Transportation	563,930	196,669	760,599	316,482	1,077,081	1,228,050	1,197,121
Total Function 7	563,930	196,669	760,599	316,482	1,077,081	1,228,050	1,197,121
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	130,076,591	35,223,319	165,299,910	16,188,130	181,488,040	188,786,311	178,865,650

School District No. 38 (Richmond)

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	6,542,563	6,633,426	4,677,256
Other	21,989	6,627	1,784,396
Federal Grants	1,430,094	1,654,642	208,763
Other Revenue	7,583,199	8,857,034	6,444,781
Investment Income	9,062	17,032	9,432
Total Revenue	15,586,907	17,168,761	13,124,628
Expenses			
Instruction	13,860,435	15,547,747	12,126,175
District Administration	242,522	618,083	138,755
Operations and Maintenance	513,990	185,334	637,240
Total Expense	14,616,947	16,351,164	12,902,170
Special Purpose Surplus (Deficit) for the year	969,960	817,597	222,458
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(969,960)	(817,597)	(222,458)
Total Net Transfers	(969,960)	(817,597)	(222,458)
Total Special Purpose Surplus (Deficit) for the year	-	-	-
Special Purpose Surplus (Deficit), beginning of year			-
Special Purpose Surplus (Deficit), end of year		-	-

School District No. 38 (Richmond)

Schedule 3A (Unaudited)

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

	Annual Facility Grant	Learning Improvement Fund	Special Education Equipment	Scholarships and Bursaries	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	Community- LINK
Deferred Revenue, beginning of year	\$ 94,265	\$ 226,536	\$ 9,623	\$ 873,228	\$ 4,177,364	\$ 220,157	\$ 237,230	\$ 484,925	\$ 931
Add: Restricted Grants									
Provincial Grants - Ministry of Education	899,711	3,452,477	38,614			224,000	93,100	308,660	722,162
Federal Grants				42,267	8,388,698	8,905			
Other				13,498					
Investment Income									
	899,711	3,452,477	38,614	55,765	8,388,698	232,905	93,100	308,660	722,162
Less: Allocated to Revenue	993,976	2,921,300	18,545	33,466	8,525,760	236,483	91,886	558,118	696,464
Recovered							3,170	3,806	
Fund Closed to Operating Fund Liability									
Deferred Revenue, end of year	-	757,713	29,692	895,527	4,040,302	216,579	235,274	231,661	26,629
Revenues									
Provincial Grants - Ministry of Education	993,976	2,921,300	18,545			227,578	91,886	558,118	696,464
Provincial Grants - Other									
Federal Grants				19,968	8,525,760	8,905			
Other Revenue				13,498					
Investment Income									
	993,976	2,921,300	18,545	33,466	8,525,760	236,483	91,886	558,118	696,464
Expenses									
Salaries									
Teachers		1,983,345					39,953	32,513	85,100
Principals and Vice Principals									
Educational Assistants		376,251				134,330	24,439		281,524
Support Staff									
Other Professionals									
Substitutes								20,782	
	-	2,359,596	-	-	-	134,330	64,392	53,295	366,624
Employee Benefits		561,704				39,941	17,505	8,107	112,309
Services and Supplies	350,033		18,545	33,466	8,525,760	62,212	9,989	323,062	217,531
	350,033	2,921,300	18,545	33,466	8,525,760	236,483	91,886	384,464	696,464
Net Revenue (Expense) before Interfund Transfers	643,943	-	-	-	-	-	-	173,654	-
Interfund Transfers									
Tangible Capital Assets Purchased	(643,943)							(173,654)	-
	(643,943)	-	-	-	-	-	-	(173,654)	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 38 (Richmond)

Schedule 3A (Unaudited)

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

	Service Delivery Transformation	Provincial Resource Program	English Language Service for Adults	AVID Program	Community Literacy	Enhanced Settlement Workers	Settlement Workers In Schools	Early Learning	Provincial Early Intervention
Deferred Revenue, beginning of year	\$ -	\$ 3,004	\$ 542,942	\$ 24,725	\$ 10,000	\$ 91,330	\$ 534,693	\$ 56,092	\$ 71,101
Add: Restricted Grants									
Provincial Grants - Ministry of Education	130,078	693,254							425,139
Federal Grants									
Other									
Investment Income									
	130,078	693,254	-	-	-	-	-	-	425,139
Less: Allocated to Revenue	-	668,855	-	-	-	6,627	-	55,990	400,714
Recovered		24,690							83,735
Fund Closed to Operating Fund Liability			542,942			84,703	534,693		
Deferred Revenue, end of year	<u>130,078</u>	<u>2,713</u>	<u>-</u>	<u>24,725</u>	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>102</u>	<u>11,791</u>
Revenues									
Provincial Grants - Ministry of Education		668,855						55,990	400,714
Provincial Grants - Other						6,627			
Federal Grants									
Other Revenue									
Investment Income									
	-	668,855	-	-	-	6,627	-	55,990	400,714
Expenses									
Salaries									
Teachers		364,817							152,815
Principals and Vice Principals									
Educational Assistants									
Support Staff		13,099							69,903
Other Professionals						5,319			
Substitutes								3,764	
	-	377,916	-	-	-	5,319	-	3,764	222,718
Employee Benefits		103,131				1,308		790	58,484
Services and Supplies		187,808						51,436	119,512
	-	668,855	-	-	-	6,627	-	55,990	400,714
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers									
Tangible Capital Assets Purchased									
	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

School District No. 38 (Richmond)

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

Schedule 3A (Unaudited)

	Educational Trust Fund	LINC/ ESWIS	TOTAL
	\$	\$	\$
Deferred Revenue, beginning of year	200,483	13,572	7,872,201
Add: Restricted Grants			
Provincial Grants - Ministry of Education			6,987,195
Federal Grants		1,641,070	1,641,070
Other	418,778		8,858,648
Investment Income	3,534		17,032
	422,312	1,641,070	17,503,945
Less: Allocated to Revenue	305,935	1,654,642	17,168,761
Recovered			115,401
Fund Closed to Operating Fund Liability			1,162,338
Deferred Revenue, end of year	316,860	-	6,929,646
Revenues			
Provincial Grants - Ministry of Education			6,633,426
Provincial Grants - Other			6,627
Federal Grants		1,654,642	1,654,642
Other Revenue	302,401		8,857,034
Investment Income	3,534		17,032
	305,935	1,654,642	17,168,761
Expenses			
Salaries			
Teachers		65,212	2,723,755
Principals and Vice Principals		36,969	36,969
Educational Assistants			816,544
Support Staff		450,990	533,992
Other Professionals		63,698	69,017
Substitutes		387,365	411,911
	-	1,004,234	4,592,188
Employee Benefits		217,063	1,120,342
Services and Supplies	305,935	433,345	10,638,634
	305,935	1,654,642	16,351,164
Net Revenue (Expense) before Interfund Transfers	-	-	817,597
Interfund Transfers			
Tangible Capital Assets Purchased			(817,597)
	-	-	(817,597)
Net Revenue (Expense)	-	-	-

School District No. 38 (Richmond)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2015

	2015	2015 Actual			2014
	Budget	Invested in Tangible	Local	Fund	Actual
	\$	Capital Assets	Capital	Balance	\$
Revenues					
Provincial Grants					
Ministry of Education		500,537		500,537	-
Other Revenue			143,460	143,460	25,440
Investment Income	101,880		592,859	592,859	124,513
Gain (Loss) on Disposal of Tangible Capital Assets	40,362,913	40,421,275		40,421,275	-
Amortization of Deferred Capital Revenue	8,060,466	8,067,292		8,067,292	8,201,061
Total Revenue	48,525,259	48,989,104	736,319	49,725,423	8,351,014
Expenses					
Operations and Maintenance		500,537		500,537	-
Amortization of Tangible Capital Assets					
Operations and Maintenance	11,762,098	12,735,057		12,735,057	12,209,462
Transportation and Housing	238,029	302,623		302,623	258,738
Debt services					
Capital Lease Interest	101,871		175,784	175,784	253,814
Total Expense	12,101,998	13,538,217	175,784	13,714,001	12,722,014
Capital Surplus (Deficit) for the year	36,423,261	35,450,887	560,535	36,011,422	(4,371,000)
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	969,960	817,597		817,597	222,458
Local Capital			2,533,195	2,533,195	5,007,438
Total Net Transfers	969,960	817,597	2,533,195	3,350,792	5,229,896
Other Adjustments to Fund Balances					
District Portion of Proceeds on Disposal		(41,125,000)	41,125,000	-	
Tangible Capital Assets Purchased from Local Capital		4,056,148	(4,056,148)	-	
Principal Payment					
Capital Lease		1,795,769	(1,795,769)	-	
Total Other Adjustments to Fund Balances		(35,273,083)	35,273,083	-	
Total Capital Surplus (Deficit) for the year	37,393,221	995,401	38,366,813	39,362,214	858,896
Capital Surplus (Deficit), beginning of year		115,080,598	12,616,873	127,697,471	126,838,575
Capital Surplus (Deficit), end of year		116,075,999	50,983,686	167,059,685	127,697,471

School District No. 38 (Richmond)

Schedule 4A (Unaudited)

Tangible Capital Assets
Year Ended June 30, 2015

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	55,354,650	410,892,494	9,853,082	2,550,444	974,936	9,319,532	488,945,138
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		2,883,070		94,373			2,977,443
Special Purpose Funds		643,943				173,654	817,597
Local Capital		420,854	1,283,680	763,676	631,898	956,040	4,056,148
Additional under Capital Lease						1,743,651	1,743,651
	-	3,947,867	1,283,680	858,049	631,898	2,873,345	9,594,839
Decrease:							
Disposed of	185,037	3,438,257					3,623,294
Deemed Disposals			1,131,829		114,714	765,490	2,012,033
	185,037	3,438,257	1,131,829	-	114,714	765,490	5,635,327
Cost, end of year	55,169,613	411,402,104	10,004,933	3,408,493	1,492,120	11,427,387	492,904,650
Work in Progress, end of year							-
Cost and Work in Progress, end of year	55,169,613	411,402,104	10,004,933	3,408,493	1,492,120	11,427,387	492,904,650
Accumulated Amortization, beginning of year		173,629,136	5,250,630	1,020,767	457,597	3,179,129	183,537,259
Changes for the Year							
Increase: Amortization for the Year		9,418,472	992,901	302,623	249,891	2,073,793	13,037,680
Decrease:							
Disposed of		2,919,569					2,919,569
Deemed Disposals			1,131,829		114,714	765,490	2,012,033
		2,919,569	1,131,829	-	114,714	765,490	4,931,602
Accumulated Amortization, end of year		180,128,039	5,111,702	1,323,390	592,774	4,487,432	191,643,337
Tangible Capital Assets - Net	55,169,613	231,274,065	4,893,231	2,085,103	899,346	6,939,955	301,261,313

School District No. 38 (Richmond)

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	185,039,077	1,310,327	428,877	186,778,281
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	2,977,443			2,977,443
	2,977,443	-	-	2,977,443
Decrease:				
Amortization of Deferred Capital Revenue	8,014,371	39,768	13,153	8,067,292
	8,014,371	39,768	13,153	8,067,292
Net Changes for the Year	(5,036,928)	(39,768)	(13,153)	(5,089,849)
Deferred Capital Revenue, end of year	180,002,149	1,270,559	415,724	181,688,432
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	180,002,149	1,270,559	415,724	181,688,432

School District No. 38 (Richmond)

Schedule 4D (Unaudited)

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

	Bylaw Capital	MEd Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	1,470,842	93,099		5,227,286		6,791,227
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	4,159,738					4,159,738
Investment Income		1,581		96,371		97,952
Local Government Site Fees				1,133,414		1,133,414
	4,159,738	1,581	-	1,229,785	-	5,391,104
Decrease:						
Transferred to DCR - Capital Additions	2,977,443					2,977,443
Insurance Claim Expenditures	500,537					500,537
	3,477,980	-	-	-	-	3,477,980
Net Changes for the Year	681,758	1,581	-	1,229,785	-	1,913,124
Balance, end of year	2,152,600	94,680	-	6,457,071	-	8,704,351