

2016

Financial Statements And Auditors' Report

Fiscal Year Ending
June 30, 2016



School District No. 38
(Richmond)

School District No. 38 (Richmond)

June 30, 2016

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School District No. 38 (Richmond)

MANAGEMENT REPORT

Version: 3697-2951-9969

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)



Signature of the Chairperson of the Board of Education

SEPT. 6, 2016
Date Signed



Signature of the Superintendent

SEPT. 6, 2016
Date Signed



Signature of the Secretary Treasurer

SEPT. 6, 2016
Date Signed



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INDEPENDENT AUDITORS' REPORT

To the Board of Education, and
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, 2016, the statement of operations, changes in net financial assets (debt) and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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



Opinion

In our opinion, the financial statements of School District No. 38 (Richmond) as at and for the year ended June 30, 2016 are prepared, in all material respects, in accordance with the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 2 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.

KPMG LLP

Chartered Professional Accountants

September 6, 2016

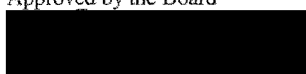


Burnaby, Canada

School District No. 38 (Richmond)

Statement 1

Statement of Financial Position

As at June 30, 2016

	2016 Actual	2015 Actual
	\$	\$
Financial Assets		
Cash and Cash Equivalents (Note 3)	117,762,207	112,903,473
Accounts Receivable		
Due from Province - Ministry of Education	235,318	600,065
Due from Province - Other	-	28,000
Other (Note 4)	5,816,710	6,500,028
Total Financial Assets	123,814,235	120,031,566
Liabilities		
Accounts Payable and Accrued Liabilities		
Due to Province - Other	1,227,014	1,227,014
Other (Note 5)	18,270,916	17,596,873
Unearned Revenue (Note 6)	17,859,454	14,847,292
Deferred Revenue (Note 7)	6,870,474	6,929,646
Deferred Capital Revenue (Note 8)	192,843,419	190,392,783
Employee Future Benefits (Note 9)	10,887,618	10,232,286
Capital Lease Obligations (Note 11)	4,226,639	3,496,881
Total Liabilities	252,185,534	244,722,775
Net Financial Assets (Debt)	(128,371,299)	(124,691,209)
Non-Financial Assets		
Tangible Capital Assets (Note 12)	299,996,371	301,261,313
Prepaid Expenses	297,139	280,530
Total Non-Financial Assets	300,293,510	301,541,843
Accumulated Surplus (Deficit) (Note 20)	171,922,211	176,850,634
Contractual Obligations and Contingencies (Note 17)		
Approved by the Board		
	SEPT. 6, 2016	
Signature of the Chairperson of the Board of Education	Date Signed	
	SEPT. 6, 2016	
Signature of the Superintendent	Date Signed	
	SEPT. 6, 2016	
Signature of the Secretary Treasurer	Date Signed	

School District No. 38 (Richmond)

Statement 2

Statement of Operations
Year Ended June 30, 2016

	2016 Budget (Note 16)	2016 Actual	2015 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	182,195,177	182,960,105	178,313,760
Other	5,000	3,500	19,627
Federal Grants	1,229,667	1,648,419	1,654,642
Tuition	13,857,214	16,065,493	13,488,162
Other Revenue (Note 21)	7,804,127	7,685,893	9,778,341
Rentals and Leases	833,936	1,016,563	928,142
Investment Income	1,075,750	1,469,962	1,268,427
Gain (Loss) on Disposal of Tangible Capital Assets			40,421,275
Amortization of Deferred Capital Revenue	8,127,944	8,083,724	8,067,292
Total Revenue	215,128,815	218,933,659	253,939,668
Expenses (Note 19)			
Instruction	174,090,285	178,034,959	167,154,531
District Administration	5,613,492	5,995,029	5,504,255
Operations and Maintenance	38,758,866	38,176,536	37,338,931
Transportation and Housing	1,414,689	1,498,158	1,379,704
Debt Services	95,954	157,400	175,784
Total Expense	219,973,286	223,862,082	211,553,205
Surplus (Deficit) for the year	(4,844,471)	(4,928,423)	42,386,463
Accumulated Surplus (Deficit) from Operations, beginning of year		176,850,634	134,464,171
Accumulated Surplus (Deficit) from Operations, end of year		171,922,211	176,850,634

School District No. 38 (Richmond)

Statement 4

Statement of Changes in Net Financial Assets (Debt)

Year Ended June 30, 2016

	2016 Budget (Note 16)	2016 Actual	2015 Actual
	\$	\$	\$
Surplus (Deficit) for the year	(4,844,471)	(4,928,423)	42,386,463
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(10,692,881)	(12,267,271)	(9,594,839)
Amortization of Tangible Capital Assets	12,991,360	13,532,213	13,037,680
Net carrying value of Tangible Capital Assets disposed of			703,725
Total Effect of change in Tangible Capital Assets	2,298,479	1,264,942	4,146,566
Acquisition of Prepaid Expenses	-	(297,139)	(280,530)
Use of Prepaid Expenses	-	280,530	67,581
Total Effect of change in Other Non-Financial Assets	-	(16,609)	(212,949)
(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)	(2,545,992)	(3,680,090)	46,320,080
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Financial Assets (Debt)		(3,680,090)	46,320,080
Net Financial Assets (Debt), beginning of year		(124,691,209)	(171,011,289)
Net Financial Assets (Debt), end of year		(128,371,299)	(124,691,209)

School District No. 38 (Richmond)

Statement 5

Statement of Cash Flows

Year Ended June 30, 2016

	2016 Actual	2015 Actual
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	(4,928,423)	42,386,463
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	1,076,065	(1,406,573)
Prepaid Expenses	(16,609)	(212,949)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	674,043	(385,025)
Unearned Revenue	3,012,162	2,876,532
Deferred Revenue	(59,172)	(942,555)
Employee Future Benefits	655,332	263,982
Loss (Gain) on Disposal of Tangible Capital Assets	-	(40,421,275)
Amortization of Tangible Capital Assets	13,532,213	13,037,680
Amortization of Deferred Capital Revenue	(8,083,724)	(8,067,292)
Insurance Claim Expenditures	(120,000)	(500,537)
Total Operating Transactions	5,741,887	6,628,451
Capital Transactions		
Tangible Capital Assets Purchased	(9,191,625)	(7,851,188)
District Portion of Proceeds on Disposal	-	41,125,000
Total Capital Transactions	(9,191,625)	33,273,812
Financing Transactions		
Capital Revenue Received	10,654,360	5,391,104
Capital Lease Payment	(2,345,888)	(1,795,769)
Total Financing Transactions	8,308,472	3,595,335
Net Increase (Decrease) in Cash and Cash Equivalents	4,858,734	43,497,598
Cash and Cash Equivalents, beginning of year (Note 3)	112,903,473	69,405,875
Cash and Cash Equivalents, end of year	117,762,207	112,903,473
Cash and Cash Equivalents, end of year, is made up of:		
Cash (Note 3)	34,529,149	31,087,082
Cash Equivalents (Note 3)	83,233,058	81,816,391
	117,762,207	112,903,473

SCHOOL DISTRICT NO. 38 (RICHMOND)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

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 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 2(e) and 2(m).

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

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

SCHOOL DISTRICT NO. 38 (RICHMOND)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 2 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 2 (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, 2016

NOTE 2 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, 2016 and projected to March 31, 2019. The next valuation will be performed at March 31, 2019 for use at June 30, 2019. For the purposes of determining the financial position of the plans and the employee future benefit costs, a measurement date of March 31, adjusted for transactions to June 30, 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 for 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 and 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, 2016

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

g) Liability for 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, 2016

NOTE 2 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 a leased tangible capital 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, 2016

NOTE 2 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, 2016

NOTE 2 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, 2016

NOTE 2 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 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.

NOTE 3 CASH AND CASH EQUIVALENTS

	2016	2015
Cash – Operating Fund	\$ (33,186,113)	\$ (34,663,419)
Cash – Special Purpose Fund	4,644,676	5,745,439
Cash – Capital Fund	63,070,586	60,005,062
Cash Equivalent	83,151,618	81,731,952
Investments held by Richmond Community Foundation	81,440	84,439
	<u>\$117,762,207</u>	<u>\$112,903,473</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, 2016

NOTE 4 ACCOUNTS RECEIVABLE - OTHER

	2016	2015
Due from Federal Government	\$1,057,059	\$749,222
Due from Benefit Carrier - unrestricted deposit account	4,385,184	5,157,384
Other	374,467	593,422
	<u>\$5,816,710</u>	<u>\$6,500,028</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 5 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES - OTHER

	2016	2015
Trade payables	\$2,927,788	\$2,978,364
Salaries and benefits payable	12,454,538	11,608,021
Accrued vacation pay	2,407,717	2,498,146
Other	480,873	512,342
	<u>\$18,270,916</u>	<u>\$17,596,873</u>

SCHOOL DISTRICT NO. 38 (RICHMOND)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 6 UNEARNED REVENUE

	2016	2015
Balance, beginning of year	\$14,847,292	\$11,970,760
Tuition fees received	19,077,655	16,364,694
Tuition fees recognized as revenue	(16,065,493)	(13,488,162)
Balance, end of year	<u>\$17,859,454</u>	<u>\$14,847,292</u>

NOTE 7 DEFERRED REVENUE

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

	2016	2015
Balance, beginning of year	\$6,929,646	\$7,872,201
Changes for the year:		
Increase:		
Provincial grants - MOE	7,004,857	6,871,794
Federal grants	1,748,692	1,641,070
Other revenue	7,269,486	8,858,648
Investment income	13,990	17,032
	<u>16,037,025</u>	<u>17,388,544</u>
Decrease:		
Transfers to revenue	(16,096,197)	(17,168,761)
Transfer to Accounts Payable	-	(1,162,338)
	<u>(16,096,197)</u>	<u>(18,331,099)</u>
Balance, end of year	<u>\$6,870,474</u>	<u>\$6,929,646</u>

SCHOOL DISTRICT NO. 38 (RICHMOND)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 8 DEFERRED CAPITAL REVENUE

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

	2016	2015
Balance, beginning of year	\$190,392,783	\$193,569,508
Changes for the year:		
Increase:		
Transfer from DC - capital additions	5,944,479	2,977,443
Provincial grants - MOE	9,871,893	4,159,738
Other revenue	684,097	1,133,414
Investment income	98,370	97,952
	<u>16,598,839</u>	<u>8,368,547</u>
Decrease:		
Transfer to DCC - capital additions	(5,944,479)	(2,977,443)
Amortization	(8,083,724)	(8,067,292)
Insurance Claim Expenditures	(120,000)	(500,537)
	<u>(14,148,203)</u>	<u>(11,545,272)</u>
Balance, end of year	<u>\$192,843,419</u>	<u>\$190,392,783</u>

NOTE 9 EMPLOYEE FUTURE BENEFITS

Benefits include vested sick leave, accumulating non-vested sick leave, early retirement, retirement/severance, vacation, overtime and death benefits. Funding is provided when the benefits are paid and accordingly, there are no plan assets. Although no plan assets are uniquely identified, the School District has provided for the payment of these benefits. The portion of these benefits that have not been provided for is identified as Unfunded Accrued Employee Future Benefits and disclosed in Note 10.

	2016	2015
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation - April 1	\$11,666,385	\$10,983,850
Service Cost	1,041,007	922,206
Interest Cost	271,123	364,620
Benefit Payments	(1,178,243)	(1,361,008)
Actuarial (Gain) Loss	65,164	756,717
Accrued Benefit Obligation - March 31	<u>\$11,865,436</u>	<u>\$11,666,385</u>

SCHOOL DISTRICT NO. 38 (RICHMOND)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 9 EMPLOYEE FUTURE BENEFITS (Continued)

	2016	2015
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation - March 31	\$11,865,436	\$11,666,385
Market Value of Plan Assets - March 31	-	-
Funded Status - Deficit	(11,865,436)	(11,666,385)
Employer Contributions After Measurement Date	54,493	454,653
Benefit Expense After Measurement Date	(305,421)	(328,033)
Unamortized Net Actuarial Loss	1,228,746	1,307,479
Accrued Benefit Liability - June 30	<u><u>\$(10,887,618)</u></u>	<u><u>\$(10,232,286)</u></u>

Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability - July 1	\$10,232,286	\$9,968,304
Net Expense for Fiscal Year	1,433,415	1,366,327
Employer Contributions	(778,083)	(1,102,345)
Accrued Benefit Liability - June 30	<u><u>\$10,887,618</u></u>	<u><u>\$10,232,286</u></u>

Components of Net Benefit Expense		
Service Cost	\$1,011,797	\$951,906
Interest Cost	277,722	341,246
Amortization of Net Actuarial Loss	143,896	73,175
Net Benefit Expense	<u><u>\$1,433,415</u></u>	<u><u>\$1,366,327</u></u>

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

	2016	2015
Discount Rate - April 1	2.25%	3.25%
Discount Rate - March 31	2.50%	2.25%
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	10.5	10.7

NOTE 10 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 0.7 years (2015: 1.7 years).

Unfunded liability, as at July 1, 2015	\$347,795
Reductions during the year	(200,000)
Unfunded liability, as at June 30, 2016	<u><u>\$147,795</u></u>

SCHOOL DISTRICT NO. 38 (RICHMOND)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 11 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:

	2016	2015
IOS Financial Services, with interest at 3.21%, expires October 1, 2017	\$75,134	\$155,047
RFS Canada, with interest at 5.26%, expires December 1, 2016	96,982	283,507
RFS Canada, with interest at 3.21%, expires December 1, 2016, repaid prior to June 30, 2016	-	18,815
Macquarie Financial, with interest at 4.86%, expires September 2, 2016	91,111	923,195
Macquarie Financial, with interest at 3.54%, expires January 22, 2017	276,171	633,216
Macquarie Financial, with interest at 3.03%, expires November 24, 2016	13,567	40,093
Macquarie Financial, with interest at 4.15%, expires June 2, 2017	143,447	281,092
Macquarie Financial, with interest at 4.98%, expires September 1, 2017	29,987	52,675
Macquarie Financial, with interest at 3.20%, expires October 1, 2018	360,068	590,718
Macquarie Financial, with interest at 3.17%, expires March 30, 2018	53,495	82,763
Macquarie Financial, with interest at 3.24%, expires August 30, 2018	284,500	435,760
Macquarie Financial, with interest at 3.05%, expires July 31, 2018	121,535	-
Macquarie Financial, with interest at 3.56%, expires March 1, 2019	12,366	-
Macquarie Financial, with interest at 3.56%, expires March 1, 2019	89,422	-
Macquarie Financial, with interest at 3.79%, expires May 31, 2020	486,854	-
Macquarie Financial, with interest at 3.81%, expires June 1, 2019	2,092,000	-
	<u>\$4,226,639</u>	<u>\$3,496,881</u>

Repayments are due as follows:

	2016
2017	\$2,168,443
2018	1,275,435
2019	891,066
2020	104,922
Total minimum lease payments	\$4,439,866
Less amounts representing interest	213,227
Present value of net minimum capital lease payments	<u>\$4,226,639</u>

Total interest on leases for the year was \$157,400 (2015 - \$175,784).

SCHOOL DISTRICT NO. 38 (RICHMOND)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 12 TANGIBLE CAPITAL ASSETS

Net Book Value:

	Net Book Value 2016	Net Book Value 2015
Sites	\$55,169,613	\$55,169,613
Buildings	228,441,073	231,274,065
Furniture & Equipment	4,682,167	4,893,231
Vehicles	1,970,334	2,085,103
Computer Software	1,354,284	899,346
Computer Hardware	8,378,900	6,939,955
Total	\$299,996,371	\$301,261,313

June 30, 2016

Cost:	Opening Cost	Additions	Disposals	Total 2016
Sites	\$55,169,613	\$ -	\$ -	\$55,169,613
Buildings	411,402,104	6,681,319	-	418,083,423
Furniture & Equipment	10,004,933	782,724	(609,582)	10,178,075
Vehicles	3,408,493	232,062	(175,925)	3,464,630
Computer Software	1,492,120	823,842	(193,032)	2,122,930
Computer Hardware	11,427,387	3,747,324	(1,131,484)	14,043,227
Total	\$492,904,650	\$12,267,271	\$(2,110,023)	\$503,061,898

Accumulated Amortization:	Opening Accumulated Amortization	Additions	Disposals	Total 2016
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	180,128,039	9,514,311	-	189,642,350
Furniture & Equipment	5,111,702	993,788	(609,582)	5,495,908
Vehicles	1,323,390	346,831	(175,925)	1,494,296
Computer Software	592,774	368,904	(193,032)	768,646
Computer Hardware	4,487,432	2,308,379	(1,131,484)	5,664,327
Total	\$191,643,337	\$13,532,213	\$(2,110,023)	\$203,065,527

SCHOOL DISTRICT NO. 38 (RICHMOND)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 12 TANGIBLE CAPITAL ASSETS (Continued)

June 30, 2015

Cost:	Opening Cost	Additions	Disposals	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

- Included in capital assets is equipment under capital lease with a cost of \$9,921,866 (2015 - \$6,845,620) and accumulated amortization of \$3,266,472 (2015 - \$1,738,773).

SCHOOL DISTRICT NO. 38 (RICHMOND)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 13 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, 2014, the Teachers' Pension Plan has about 45,000 active members and approximately 35,000 retired members. As at December 31, 2014, the Municipal Pension Plan has about 185,000 active members, of which approximately 24,000 are from school districts.

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

The most recent actuarial valuation of the Teachers' Pension Plan as at December 31, 2014 indicated a \$449 million funding surplus for basic pension benefits on a going concern basis. The next valuation will be as at December 31, 2017 with results available in 2018.

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2012 indicated a \$1,370 million funding deficit for basic pension benefits on a going concern basis. 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 \$19,432,173 (2015 - \$18,310,437) for employer contributions to these plans in the year ended June 30, 2016.

SCHOOL DISTRICT NO. 38 (RICHMOND)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 14 INTERFUND TRANSFERS

Interfund transfers between the operating, special purpose and capital funds for the year ended June 30, 2016, were as follows:

	Operating Fund		Special Purpose Funds		Capital Fund	
	2016	2015	2016	2015	2016	2015
Funding Local Capital Reserve						
as permitted under School Act	\$(1,974,835)	\$(2,533,195)	-	-	\$1,974,835	\$2,533,195
Capital assets purchased	-	-	(334,009)	(817,597)	334,009	817,597
	<u>\$(1,974,835)</u>	<u>\$(2,533,195)</u>	<u>\$(334,009)</u>	<u>\$(817,597)</u>	<u>\$2,308,844</u>	<u>\$3,350,792</u>

NOTE 15 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 (2015 - \$240,000) from School District #93, the Conseil Scolaire Francophone, for the rental of facilities.

NOTE 16 BUDGET FIGURES

Budget figures included in the financial statements, were approved by the Board through adoption of an Annual Budget on June 15, 2015.

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 15, 2016, is not reported in these financial statements.

SCHOOL DISTRICT NO. 38 (RICHMOND)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 17 CONTRACTUAL OBLIGATIONS AND CONTINGENCIES

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 18 ASSET RETIREMENT OBLIGATION

Legal liabilities may exist for the removal or disposal of asbestos in schools that will undergo major renovations or demolition. The 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, 2016, the liability is not reasonably determinable and hence no liability is recognized.

NOTE 19 EXPENSE BY OBJECT

	2016	2015
Salaries and benefits	\$185,073,133	\$171,012,440
Services and supplies	25,099,336	27,327,301
Interest	157,400	175,784
Amortization	13,532,213	13,037,680
	<u>\$223,862,082</u>	<u>\$211,553,205</u>

SCHOOL DISTRICT NO. 38 (RICHMOND)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 20 ACCUMULATED SURPLUS

Accumulated surplus balances are comprised of:

	2016	2015
Invested in Tangible Capital Assets	\$116,012,956	\$116,075,999
Local Capital Internally Restricted by Board for:		
Restricted - Capital Leases	4,226,839	3,496,881
Restricted - City Centre Elementary School	38,957,158	41,125,000
Restricted - Anderson Elementary - 8 Classroom		
Addition - Board Portion	2,167,842	-
Restricted - Board Approved	855,892	833,291
Restricted - Under Review by Board	38,728	3,182,514
Annual Local Capital Expense	2,346,000	2,346,000
Subtotal Internally Restricted	48,592,459	50,983,686
Capital Surplus	\$164,605,415	\$167,059,685
Internally Restricted (Appropriated) by Board for:		
2016/17 Budget Appropriation	2,000,000	810,000
School/Staff Account Balances	3,521,581	4,012,753
Outstanding Purchase Orders	195,215	100,008
School Generated Funds	1,600,000	1,600,000
Subtotal Internally Restricted	\$7,316,796	\$6,522,761
Unrestricted Operating Surplus	147,795	3,615,983
Unfunded Accrued Employee Future Benefits (Note 10)	(147,795)	(347,795)
Total Operating Surplus, Restricted and Unrestricted	\$7,316,796	\$9,790,949
Total Accumulated Surplus	\$171,922,211	\$176,850,634

SCHOOL DISTRICT NO. 38 (RICHMOND)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 21 OTHER REVENUE

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

	2016	2015
Operating Fund:		
Other School District/Education Authorities	\$240,000	\$240,000
Miscellaneous:		
Cafeteria	348,533	291,567
Miscellaneous	11,874	16,280
Recognition of School Generated Funds -		
Unrestricted	-	230,000
	<u>\$600,407</u>	<u>\$777,847</u>
Special Purpose Funds:		
School Generated Funds	6,602,146	8,525,760
Educational Trust Funds	391,468	302,401
Scholarships and Bursaries	51	19,968
Strong Start	8,772	8,905
	<u>\$7,002,437</u>	<u>\$8,857,034</u>
Capital Fund:		
Fortis Rebate	50,000	119,801
BC Hydro Rebate	33,049	23,659
	<u>83,049</u>	<u>\$143,460</u>
 Total Other Revenue	 <u><u>\$7,685,893</u></u>	 <u><u>\$9,778,341</u></u>

SCHOOL DISTRICT NO. 38 (RICHMOND)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 22 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, 2016 \$	Total June 30, 2015 \$
Financial Assets					
Cash and Cash Equivalents	49,158,567	5,533,054	63,070,586	117,762,207	112,903,473
Accounts Receivable					
Due from Province - Ministry of Education	142,720	92,598	-	235,318	600,065
Due from Province - Other	-	-	-	-	28,000
Other	5,191,022	625,688	-	5,816,710	6,500,028
Total Financial Assets	54,492,309	6,251,340	63,070,586	123,814,235	120,031,566
Liabilities					
Accounts Payable and Accrued Liabilities					
Due to Province - Other	1,227,014	-	-	1,227,014	1,227,014
Other	18,098,380	23,361	149,175	18,270,916	17,596,873
Due To/From	(599,814)	(642,495)	1,242,309	-	-
Unearned Revenue	17,859,454	-	-	17,859,454	14,847,292
Deferred Revenue	-	6,870,474	-	6,870,474	6,929,646
Deferred Capital Revenue	-	-	192,843,419	192,843,419	190,392,783
Employee Future Benefits	10,887,618	-	-	10,887,618	10,232,286
Capital Lease Obligations	-	-	4,226,639	4,226,639	3,496,881
Total Liabilities	47,472,652	6,251,340	198,461,542	252,185,534	244,722,775
Net Financial Assets (Debt)	7,019,657	-	(135,390,956)	(128,371,299)	(124,691,209)
Non-Financial Assets					
Tangible Capital Assets	-	-	299,996,371	299,996,371	301,261,313
Prepaid Expenses	297,139	-	-	297,139	280,530
Total Non-Financial Assets	297,139	-	299,996,371	300,293,510	301,541,843
Accumulated Surplus (Deficit)	7,316,796	-	164,605,415	171,922,211	176,850,634

SCHOOL DISTRICT NO. 38 (RICHMOND)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 22 FINANCIAL STATEMENT PRESENTATION – BY FUND (Continued)

ii) Statement of Operations by Fund

	2016 Budget (Total)	Operating Fund	Special Purpose Funds	Capital Fund	2016 Actual Total	2015 Actual Total
	\$				\$	\$
Revenues						
Provincial Grants						
Ministry of Education	182,195,177	175,408,754	7,431,351	120,000	182,960,105	178,313,760
Other	5,000	3,500	-	-	3,500	19,627
Federal Grants	1,229,667	-	1,648,419	-	1,648,419	1,654,642
Tuition	13,857,214	16,065,493	-	-	16,065,493	13,488,162
Other Revenue	7,804,127	600,407	7,002,437	83,049	7,685,893	9,778,341
Rentals and Leases	833,936	1,016,563	-	-	1,016,563	928,142
Investment Income	1,075,750	696,246	13,990	759,726	1,469,962	1,268,427
Gain on Disposal of Tangible Capital Assets	-	-	-	-	-	40,421,275
Amortization of Deferred Capital Revenue	8,127,944	-	-	8,083,724	8,083,724	8,067,292
Total Revenue	215,128,815	193,790,963	16,096,197	9,046,499	218,933,659	253,939,668
Expenses						
Instruction	174,090,285	163,276,011	14,758,948	-	178,034,959	167,154,531
District Administration	5,613,492	5,254,548	740,481	-	5,995,029	5,504,255
Operations and Maintenance	38,758,866	24,608,394	262,759	13,305,383	38,176,536	37,338,931
Transportation and Housing	1,414,689	1,151,328	-	346,830	1,498,158	1,379,704
Debt Services	95,954	-	-	157,400	157,400	175,784
Total Expense	219,973,286	194,290,281	15,762,188	13,809,613	223,862,082	211,553,205
Surplus (Deficit) for the year	(4,844,471)	(499,318)	334,009	(4,763,114)	(4,928,423)	42,386,463
Accumulated Surplus (Deficit) from Operations, beginning of year		9,790,949	-	167,059,685	176,850,634	134,464,171
Interfund Transfers (Note 14)		(1,974,835)	(334,009)	2,308,844	-	-
Accumulated Surplus (Deficit) from Operations, end of year		7,316,796	-	164,605,415	171,922,211	176,850,634

SCHOOL DISTRICT NO. 38 (RICHMOND)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 23 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 24 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 receivables 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, 2016

NOTE 24 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, 2016

	Operating Fund	Special Purpose Fund	Capital Fund	2016 Actual	2015 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	9,790,949		167,059,685	176,850,634	134,464,171
Changes for the year					
Surplus (Deficit) for the year	(499,318)	334,009	(4,763,114)	(4,928,423)	42,386,463
Interfund Transfers					
Tangible Capital Assets Purchased		(334,009)	334,009	-	
Local Capital	(1,974,835)		1,974,835	-	
Net Changes for the year	(2,474,153)	-	(2,454,270)	(4,928,423)	42,386,463
Accumulated Surplus (Deficit), end of year - Statement 2	7,316,796	-	164,605,415	171,922,211	176,850,634

School District No. 38 (Richmond)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2016

	2016 Budget (Note 16)	2016 Actual	2015 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	174,818,505	175,408,754	171,179,797
Other		3,500	13,000
Tuition	13,857,214	16,065,493	13,488,162
Other Revenue	498,478	600,407	777,847
Rentals and Leases	833,936	1,016,563	928,142
Investment Income	656,000	696,246	658,536
Total Revenue	190,664,133	193,790,963	187,045,484
Expenses			
Instruction	159,408,909	163,276,011	151,606,784
District Administration	5,374,650	5,254,548	4,886,172
Operations and Maintenance	25,387,300	24,608,394	23,918,003
Transportation and Housing	1,103,274	1,151,328	1,077,081
Total Expense	191,274,133	194,290,281	181,488,040
Operating Surplus (Deficit) for the year	(610,000)	(499,318)	5,557,444
Budgeted Appropriation (Retirement) of Surplus (Deficit)	810,000		
Budgeted Reduction of Unfunded Accrued Employee Future Benefits	(200,000)		
Net Transfers (to) from other funds			
Local Capital		(1,974,835)	(2,533,195)
Total Net Transfers	-	(1,974,835)	(2,533,195)
Total Operating Surplus (Deficit), for the year	-	(2,474,153)	3,024,249
Operating Surplus (Deficit), beginning of year		9,790,949	6,766,700
Operating Surplus (Deficit), end of year		7,316,796	9,790,949
Operating Surplus (Deficit), end of year			
Internally Restricted (Note 20)		7,316,796	6,522,761
Unrestricted		147,795	3,615,983
Unfunded Accrued Employee Future Benefits (Note 10)		(147,795)	(347,795)
Total Operating Surplus (Deficit), end of year		7,316,796	9,790,949

School District No. 38 (Richmond)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2016

	2016 Budget (Note 16)	2016 Actual	2015 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education			
Operating Grant, Ministry of Education	172,393,811	172,770,305	170,845,887
Strike Savings Recovery			(5,989,000)
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	70,000	36,235	99,399
Economic Stability Dividend	-	151,470	
Carbon Tax Rebate	110,000	140,000	152,543
FSA Scorer	28,988	28,988	28,988
ELL Tool Research, Planning and Implementation	-	10,500	14,000
Curriculum Implementation Support	-	25,550	-
Skills Training Shoulder Tappers	-	25,000	-
Skills Training Access Support for School-Aged Secondary Students	-	5,000	-
Total Provincial Grants - Ministry of Education	174,818,505	175,408,754	171,179,797
Provincial Grants - Other	-	3,500	13,000
Tuition			
Summer School Fees	235,900	349,235	-
Continuing Education	494,424	721,603	552,959
Offshore Tuition Fees	13,126,890	14,994,655	12,935,203
Total Tuition	13,857,214	16,065,493	13,488,162
Other Revenues			
Other School District/Education Authorities	240,000	240,000	240,000
Miscellaneous			
Cafeteria	250,478	348,533	291,567
Miscellaneous	8,000	11,874	16,280
Recognition of Unrestricted School Generated Funds	-	-	230,000
Total Other Revenue	498,478	600,407	777,847
Rentals and Leases	833,936	1,016,563	928,142
Investment Income	656,000	696,246	658,536
Total Operating Revenue	190,664,133	193,790,963	187,045,484

School District No. 38 (Richmond)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2016

	2016 Budget (Note 16)	2016 Actual	2015 Actual
	\$	\$	\$
Salaries			
Teachers	87,316,575	89,370,852	82,720,804
Principals and Vice Principals	9,582,243	10,206,808	9,417,300
Educational Assistants	10,747,112	10,300,964	9,803,961
Support Staff	18,589,707	18,887,507	18,485,738
Other Professionals	4,215,043	3,978,028	3,864,236
Substitutes	5,093,320	6,391,672	5,784,552
Total Salaries	135,544,000	139,135,831	130,076,591
Employee Benefits	37,616,314	39,050,509	35,223,319
Total Salaries and Benefits	173,160,314	178,186,340	165,299,910
Services and Supplies			
Services	6,161,434	7,364,380	6,504,885
Student Transportation	10,300	4,865	9,012
Professional Development and Travel	890,281	736,288	408,070
Rentals and Leases	179,750	198,759	185,104
Dues and Fees	119,400	109,408	122,926
Insurance	503,500	397,445	456,122
Supplies	6,799,987	4,300,883	5,726,626
Utilities	3,449,167	2,991,913	2,775,385
Total Services and Supplies	18,113,819	16,103,941	16,188,130
Total Operating Expense	191,274,133	194,290,281	181,488,040

School District No. 38 (Richmond)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2016

	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	64,797,432	1,128,067		1,021,954		4,707,597	71,655,050
1.03 Career Programs	166,890			391,558			558,448
1.07 Library Services	1,898,222			540,669			2,438,891
1.08 Counselling	3,151,231						3,151,231
1.10 Special Education	8,429,706	342,732	10,300,964			508,845	19,582,247
1.30 English Language Learning	5,144,234	490,690		109,221		1,956	5,746,101
1.31 Aboriginal Education	319,555			20,634			340,189
1.41 School Administration		7,492,766		3,831,184		251,257	11,575,207
1.60 Summer School	669,206	76,006				17,508	762,720
1.61 Continuing Education	372,205	228,650		110,706		339,973	1,051,534
1.62 Offshore Students	4,422,171	321,968		165,726	445,002	7,948	5,362,815
1.64 Other							-
Total Function 1	89,370,852	10,080,879	10,300,964	6,191,652	445,002	5,835,084	122,224,433
4 District Administration							
4.11 Educational Administration				299,487	1,183,914	2,177	1,485,578
4.40 School District Governance					161,478		161,478
4.41 Business Administration		125,929		986,694	1,063,594	19,969	2,196,186
Total Function 4	-	125,929	-	1,286,181	2,408,986	22,146	3,843,242
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				109,380	1,124,040	955	1,234,375
5.50 Maintenance Operations				10,215,330		496,033	10,711,363
5.52 Maintenance of Grounds				571,074			571,074
5.56 Utilities							-
Total Function 5	-	-	-	10,895,784	1,124,040	496,988	12,516,812
7 Transportation and Housing							
7.70 Student Transportation				513,890		37,454	551,344
Total Function 7	-	-	-	513,890	-	37,454	551,344
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	89,370,852	10,206,808	10,300,964	18,887,507	3,978,028	6,391,672	139,135,831

School District No. 38 (Richmond)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2016

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2016 Actual	2016 Budget (Note 16)	2015 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	71,655,050	21,160,570	92,815,620	2,019,529	94,835,149	92,308,133	89,346,354
1.03 Career Programs	558,448	184,459	742,907	313,635	1,056,542	813,966	869,356
1.07 Library Services	2,438,891	673,855	3,112,746	344,980	3,457,726	3,294,390	3,092,005
1.08 Counselling	3,151,231	803,859	3,955,090	6,383	3,961,473	3,913,566	3,590,100
1.10 Special Education	19,582,247	5,678,281	25,260,528	836,952	26,097,480	26,198,484	24,600,232
1.30 English Language Learning	5,746,101	1,573,838	7,319,939	22,983	7,342,922	7,039,368	6,631,998
1.31 Aboriginal Education	340,189	92,249	432,438	52,733	485,171	506,043	414,624
1.41 School Administration	11,575,207	2,955,286	14,530,493	277,646	14,808,139	14,321,005	14,190,896
1.60 Summer School	762,720	148,316	911,036	26,527	937,563	984,585	-
1.61 Continuing Education	1,051,534	197,858	1,249,392	187,265	1,436,657	1,713,084	1,586,751
1.62 Offshore Students	5,362,815	1,345,798	6,708,613	2,122,133	8,830,746	8,293,480	7,274,400
1.64 Other	-	-	-	26,443	26,443	22,805	10,068
Total Function 1	122,224,433	34,814,369	157,038,802	6,237,209	163,276,011	159,408,909	151,606,784
4 District Administration							
4.11 Educational Administration	1,485,578	373,522	1,859,100	120,285	1,979,385	1,972,847	1,839,939
4.40 School District Governance	161,478	4,123	165,601	136,346	301,947	299,419	291,693
4.41 Business Administration	2,196,186	500,043	2,696,229	276,987	2,973,216	3,102,384	2,754,540
Total Function 4	3,843,242	877,688	4,720,930	533,618	5,254,548	5,374,650	4,886,172
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	1,234,375	287,807	1,522,182	679,977	2,202,159	2,516,124	2,056,770
5.50 Maintenance Operations	10,711,363	2,716,210	13,427,573	5,083,332	18,510,905	18,142,380	18,061,461
5.52 Maintenance of Grounds	571,074	123,728	694,802	208,615	903,417	1,279,629	1,024,387
5.56 Utilities	-	-	-	2,991,913	2,991,913	3,449,167	2,775,385
Total Function 5	12,516,812	3,127,745	15,644,557	8,963,837	24,608,394	25,387,300	23,918,003
7 Transportation and Housing							
7.70 Student Transportation	551,344	230,707	782,051	369,277	1,151,328	1,103,274	1,077,081
Total Function 7	551,344	230,707	782,051	369,277	1,151,328	1,103,274	1,077,081
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	139,135,831	39,050,509	178,186,340	16,103,941	194,290,281	191,274,133	181,488,040

School District No. 38 (Richmond)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2016

	2016 Budget (Note 16)	2016 Actual	2015 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	7,376,672	7,431,351	6,633,426
Other	5,000		6,627
Federal Grants	1,229,667	1,648,419	1,654,642
Other Revenue	7,305,649	7,002,437	8,857,034
Investment Income	9,750	13,990	17,032
Total Revenue	15,926,738	16,096,197	17,168,761
Expenses			
Instruction	14,681,376	14,758,948	15,547,747
District Administration	238,842	740,481	618,083
Operations and Maintenance	691,621	262,759	185,334
Total Expense	15,611,839	15,762,188	16,351,164
Special Purpose Surplus (Deficit) for the year	314,899	334,009	817,597
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(314,899)	(334,009)	(817,597)
Total Net Transfers	(314,899)	(334,009)	(817,597)
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, 2016

	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	\$ -	\$ 757,713	\$ 29,692	\$ 895,527	\$ 4,040,302	\$ 216,579	\$ 235,274	\$ 231,661	\$ 26,629
Add: Restricted Grants									
Provincial Grants - Ministry of Education	899,711	3,618,415	6,498			224,000	93,100	308,660	730,518
Federal Grants									
Other				33,000	6,879,158	8,772			
Investment Income				11,875					
	899,711	3,618,415	6,498	44,875	6,879,158	232,772	93,100	308,660	730,518
Less: Allocated to Revenue	899,711	3,882,774	24,232	11,926	6,602,146	308,847	111,704	337,793	757,147
Deferred Revenue, end of year	-	493,354	11,958	928,476	4,317,314	140,504	216,670	202,528	-
Revenues									
Provincial Grants - Ministry of Education	899,711	3,882,774	24,232			300,075	111,704	337,793	757,147
Federal Grants									
Other Revenue				51	6,602,146	8,772			
Investment Income				11,875					
	899,711	3,882,774	24,232	11,926	6,602,146	308,847	111,704	337,793	757,147
Expenses									
Salaries									
Teachers		2,660,189					42,959	60,541	99,160
Principals and Vice Principals									
Educational Assistants		430,444				146,752	25,208		302,189
Support Staff									
Other Professionals									
Substitutes							4,263	70,200	
	-	3,090,633	-	-	-	146,752	72,430	130,741	401,349
Employee Benefits		792,141				42,632	16,419	15,738	122,361
Services and Supplies	573,851		24,232	11,926	6,602,146	119,463	22,855	189,551	233,437
	573,851	3,882,774	24,232	11,926	6,602,146	308,847	111,704	336,030	757,147
Net Revenue (Expense) before Interfund Transfers	325,860	-	-	-	-	-	-	1,763	-
Interfund Transfers									
Tangible Capital Assets Purchased	(325,860)							(1,763)	
	(325,860)	-	-	-	-	-	-	(1,763)	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 38 (Richmond)

Schedule 3A (Unaudited)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2016

	Service Delivery Transformation	Provincial Resource Program	AVID Program	Community Literacy	Early Learning	Provincial Early Intervention	Educational Trust Fund	LINC/ ESWIS	TOTAL
Deferred Revenue, beginning of year	\$ 130,078	\$ 2,713	\$ 24,725	\$ 10,000	\$ 102	\$ 11,791	\$ 316,860	\$ -	\$ 6,929,646
Add: Restricted Grants									
Provincial Grants - Ministry of Education		703,138				420,817			7,004,857
Federal Grants								1,748,692	1,748,692
Other							348,556		7,269,486
Investment Income							2,115		13,990
	-	703,138	-	-	-	420,817	350,671	1,748,692	16,037,025
Less: Allocated to Revenue	-	705,851	13,479	-	102	398,483	393,583	1,648,419	16,096,197
Deferred Revenue, end of year	130,078	-	11,246	10,000	-	34,125	273,948	100,273	6,870,474
Revenues									
Provincial Grants - Ministry of Education		705,851	13,479		102	398,483			7,431,351
Federal Grants								1,648,419	1,648,419
Other Revenue							391,468		7,002,437
Investment Income							2,115		13,990
	-	705,851	13,479	-	102	398,483	393,583	1,648,419	16,096,197
Expenses									
Salaries									
Teachers		397,639				164,313		77,050	3,501,851
Principals and Vice Principals								32,464	32,464
Educational Assistants									904,593
Support Staff		16,676				57,204		488,222	562,102
Other Professionals								71,798	71,798
Substitutes								359,796	434,259
	-	414,315	-	-	-	221,517	-	1,029,330	5,507,067
Employee Benefits		109,480				54,412		226,543	1,379,726
Services and Supplies		175,670	13,479		102	122,554	393,583	392,546	8,875,395
	-	699,465	13,479	-	102	398,483	393,583	1,648,419	15,762,188
Net Revenue (Expense) before Interfund Transfers	-	6,386	-	-	-	-	-	-	334,009
Interfund Transfers									
Tangible Capital Assets Purchased		(6,386)							(334,009)
	-	(6,386)	-	-	-	-	-	-	(334,009)
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 38 (Richmond)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2016

	2016 Budget (Note 16)	2016 Actual			2015 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Provincial Grants					
Ministry of Education		120,000		120,000	500,537
Other Revenue			83,049	83,049	143,460
Investment Income	410,000		759,726	759,726	592,859
Gain (Loss) on Disposal of Tangible Capital Assets				-	40,421,275
Amortization of Deferred Capital Revenue	8,127,944	8,083,724		8,083,724	8,067,292
Total Revenue	8,537,944	8,203,724	842,775	9,046,499	49,725,423
Expenses					
Operations and Maintenance		120,000		120,000	500,537
Amortization of Tangible Capital Assets					
Operations and Maintenance	12,679,945	13,185,383		13,185,383	12,735,057
Transportation and Housing	311,415	346,830		346,830	302,623
Debt Services					
Capital Lease Interest	95,954		157,400	157,400	175,784
Total Expense	13,087,314	13,652,213	157,400	13,809,613	13,714,001
Capital Surplus (Deficit) for the year	(4,549,370)	(5,448,489)	685,375	(4,763,114)	36,011,422
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	314,899	334,009		334,009	817,597
Local Capital			1,974,835	1,974,835	2,533,195
Total Net Transfers	314,899	334,009	1,974,835	2,308,844	3,350,792
Other Adjustments to Fund Balances					
Tangible Capital Assets Purchased from Local Capital		2,994,879	(2,994,879)	-	
Principal Payment					
Capital Lease		2,345,888	(2,345,888)	-	
Total Other Adjustments to Fund Balances		5,340,767	(5,340,767)	-	
Total Capital Surplus (Deficit) for the year	(4,234,471)	226,287	(2,680,557)	(2,454,270)	39,362,214
Capital Surplus (Deficit), beginning of year		116,075,999	50,983,686	167,059,685	127,697,471
Capital Surplus (Deficit), end of year		116,302,286	48,303,129	164,605,415	167,059,685

School District No. 38 (Richmond)

Schedule 4A (Unaudited)

Tangible Capital Assets

Year Ended June 30, 2016

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	55,169,613	411,402,104	10,004,933	3,408,493	1,492,120	11,427,387	492,904,650
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		5,862,737					5,862,737
Special Purpose Funds		325,860				8,149	334,009
Local Capital		492,722	782,724	232,062	823,842	663,529	2,994,879
Additions under Capital Lease						3,075,646	3,075,646
	-	6,681,319	782,724	232,062	823,842	3,747,324	12,267,271
Decrease:							
Deemed Disposals			609,582	175,925	193,032	1,131,484	2,110,023
	-	-	609,582	175,925	193,032	1,131,484	2,110,023
Cost, end of year	55,169,613	418,083,423	10,178,075	3,464,630	2,122,930	14,043,227	503,061,898
Work in Progress, end of year							-
Cost and Work in Progress, end of year	55,169,613	418,083,423	10,178,075	3,464,630	2,122,930	14,043,227	503,061,898
Accumulated Amortization, beginning of year		180,128,039	5,111,702	1,323,390	592,774	4,487,432	191,643,337
Changes for the Year							
Increase: Amortization for the Year		9,514,311	993,788	346,831	368,904	2,308,379	13,532,213
Decrease:							
Deemed Disposals			609,582	175,925	193,032	1,131,484	2,110,023
		-	609,582	175,925	193,032	1,131,484	2,110,023
Accumulated Amortization, end of year		189,642,350	5,495,908	1,494,296	768,646	5,664,327	203,065,527
Tangible Capital Assets - Net	55,169,613	228,441,073	4,682,167	1,970,334	1,354,284	8,378,900	299,996,371

School District No. 38 (Richmond)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2016

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	180,002,149	1,270,559	415,724	181,688,432
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	5,862,737			5,862,737
	5,862,737	-	-	5,862,737
Decrease:				
Amortization of Deferred Capital Revenue	8,044,033	29,826	9,865	8,083,724
	8,044,033	29,826	9,865	8,083,724
Net Changes for the Year	(2,181,296)	(29,826)	(9,865)	(2,220,987)
Deferred Capital Revenue, end of year	177,820,853	1,240,733	405,859	179,467,445
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	177,820,853	1,240,733	405,859	179,467,445

School District No. 38 (Richmond)

Schedule 4D (Unaudited)

Changes in Unspent Deferred Capital Revenue
 Year Ended June 30, 2016

	Bylaw Capital	MEd Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	2,152,600	94,680	-	6,457,071	-	8,704,351
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	9,871,893					9,871,893
Investment Income		1,391		96,979		98,370
Local Government Site Fees				684,097		684,097
	9,871,893	1,391	-	781,076	-	10,654,360
Decrease:						
Transferred to DCR - Capital Additions	5,862,737					5,862,737
Non-Capital Expenditures	120,000					120,000
	5,982,737	-	-	-	-	5,982,737
Net Changes for the Year	3,889,156	1,391	-	781,076	-	4,671,623
Balance, end of year	6,041,756	96,071	-	7,238,147	-	13,375,974