

Audited Financial Statements of

School District No. 45 (West Vancouver)

June 30, 2016

School District No. 45 (West Vancouver)

June 30, 2016

Table of Contents

Management Report	1
Independent Auditors' Report	2-3
Statement of Financial Position - Statement 1	4
Statement of Operations - Statement 2	5
Statement of Changes in Net Financial Assets (Debt) - Statement 4	6
Statement of Cash Flows - Statement 5	7
Notes to the Financial Statements	8-25
Schedule of Changes in Accumulated Surplus (Deficit) by Fund - Schedule 1	26
Schedule of Operating Operations - Schedule 2	27
Schedule 2A - Schedule of Operating Revenue by Source	28
Schedule 2B - Schedule of Operating Expense by Object	29
Schedule 2C - Operating Expense by Function, Program and Object	30
Schedule of Special Purpose Operations - Schedule 3	32
Schedule 3A - Changes in Special Purpose Funds and Expense by Object	33
Schedule of Capital Operations - Schedule 4	35
Schedule 4A - Tangible Capital Assets	36
Schedule 4C - Deferred Capital Revenue	37
Schedule 4D - Changes in Unspent Deferred Capital Revenue	38

School District No. 45 (West Vancouver)

MANAGEMENT REPORT

Version: 5837-5091-3109

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 45 (West Vancouver) 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. 45 (West Vancouver) (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. 45 (West Vancouver) 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. 45 (West Vancouver)

Signature of the Chairperson of the Board of Education	Date Signed
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Signature of the Superintendent	Date Signed
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Signature of the Secretary Treasurer	Date Signed
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Telephone (604) 691-3000
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INDEPENDENT AUDITORS' REPORT

To the Board of Education of the School District No. 45 (West Vancouver)
To the Minister of Education, Province of British Columbia

We have audited the accompanying financial statements of School District No. 45 (West Vancouver), which comprise the statement of financial position as at June 30, 2016, the statement of operations, changes in net 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.



Page 2

Opinion

In our opinion, the financial statements of School District No. 45 (West Vancouver) 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.

Comparative Information

Without modifying our opinion, we draw attention to Note 3 to the financial statements which indicates that the comparative information presented as at and for the year ended June 30, 2015 has been restated.

The financial statements of School District No. 45 (West Vancouver) as at and for the year ended June 30, 2015, excluding the restatement described in Note 3 to the financial statements, were audited by another auditor who expressed an unmodified opinion on those financial statements on September 15, 2015.

As part of our audit of the financial statements as at and for the year ended June 30, 2016, we audited the restatement described in Note 3 to the financial statements that was applied to restate the comparative information as at and for the year ended June 30, 2015. In our opinion, the restatement is appropriate and has been properly applied.

We were not engaged to audit, review, or apply any procedures to the June 30, 2015 financial statements, other than with respect to the restatement described in Note 3 to the financial statements. Accordingly, we do not express an opinion or any other form of assurance on those financial statements taken as a whole.

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.

A handwritten signature in black ink that reads 'KPMG LLP' in a cursive, slightly slanted font. A horizontal line is drawn underneath the signature.

Chartered Professional Accountants

September 20, 2016
Vancouver, Canada

School District No. 45 (West Vancouver)

Statement 1

Statement of Financial Position

As at June 30, 2016

	2016 Actual	2015 Actual (Restated - Note 3)
	\$	\$
Financial Assets		
Cash and Cash Equivalents	17,711,867	20,655,608
Accounts Receivable		
Due from Province - Ministry of Education	79,237	42,261
Due from Province - Other	6,000	5,000
Other (Note 4)	1,384,234	1,427,321
Portfolio Investments (Note 5)	313,939	312,120
Total Financial Assets	<u>19,495,277</u>	<u>22,442,310</u>
Liabilities		
Accounts Payable and Accrued Liabilities		
Other (Note 6)	5,837,324	5,656,522
Unearned Revenue (Note 7)	8,671,158	8,884,792
Deferred Revenue (Note 8)	2,486,352	2,604,438
Deferred Capital Revenue (Note 9)	32,955,598	31,927,078
Employee Future Benefits (Note 10)	1,082,647	1,112,711
Total Liabilities	<u>51,033,079</u>	<u>50,185,541</u>
Net Financial Assets (Debt)	<u>(31,537,802)</u>	<u>(27,743,231)</u>
Non-Financial Assets		
Tangible Capital Assets (Note 11)	60,252,208	58,991,581
Prepaid Expenses (Note 12)	667,401	570,028
Total Non-Financial Assets	<u>60,919,609</u>	<u>59,561,609</u>
Accumulated Surplus (Deficit)	<u>29,381,807</u>	<u>31,818,378</u>

Contractual Obligations and Contingencies (Note 16 and 17)

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. 45 (West Vancouver)

Statement of Operations
Year Ended June 30, 2016

	2016 Budget (Note 18) \$	2016 Actual \$	2015 Actual (Restated - Note 3) \$
Revenues			
Provincial Grants			
Ministry of Education	57,210,962	58,400,543	56,751,070
Other	33,000	58,827	48,560
Tuition	8,430,960	9,242,186	9,182,578
Other Revenue	4,245,283	6,707,998	5,620,388
Rentals and Leases	175,000	189,204	177,172
Investment Income	180,000	197,762	276,613
Amortization of Deferred Capital Revenue (Note 9)	1,579,018	1,542,370	1,577,542
Total Revenue	<u>71,854,223</u>	<u>76,338,890</u>	<u>73,633,923</u>
Expenses (Note 19)			
Instruction	58,480,041	65,338,853	61,613,732
District Administration	2,529,328	2,646,094	2,662,242
Operations and Maintenance	12,855,160	10,363,473	9,730,852
Transportation and Housing	446,037	427,041	441,417
Total Expense	<u>74,310,566</u>	<u>78,775,461</u>	<u>74,448,243</u>
Surplus (Deficit) for the year	<u>(2,456,343)</u>	<u>(2,436,571)</u>	<u>(814,320)</u>
Accumulated Surplus (Deficit) from Operations, beginning of year		31,818,378	32,632,698
Accumulated Surplus (Deficit) from Operations, end of year		<u>29,381,807</u>	<u>31,818,378</u>

School District No. 45 (West Vancouver)

Statement of Changes in Net Financial Assets (Debt)

Year Ended June 30, 2016

	2016 Budget (Note 18) \$	2016 Actual \$	2015 Actual (Restated - Note 3) \$
Surplus (Deficit) for the year	<u>(2,456,343)</u>	<u>(2,436,571)</u>	<u>(814,320)</u>
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(1,409,693)	(3,687,840)	(1,017,589)
Amortization of Tangible Capital Assets	2,410,786	2,427,213	2,483,032
Total Effect of change in Tangible Capital Assets	<u>1,001,093</u>	<u>(1,260,627)</u>	<u>1,465,443</u>
Acquisition of Prepaid Expenses		(667,401)	(570,028)
Use of Prepaid Expenses		570,028	598,643
Total Effect of change in Other Non-Financial Assets	<u>-</u>	<u>(97,373)</u>	<u>28,615</u>
(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)	<u>(1,455,250)</u>	<u>(3,794,571)</u>	679,738
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Financial Assets (Debt)		(3,794,571)	679,738
Net Financial Assets (Debt), beginning of year		(27,743,231)	(28,422,969)
Net Financial Assets (Debt), end of year		<u>(31,537,802)</u>	<u>(27,743,231)</u>

School District No. 45 (West Vancouver)

Statement 5

Statement of Cash Flows

Year Ended June 30, 2016

	2016 Actual	2015 Actual (Restated - Note 3)
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	(2,436,571)	(814,320)
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	5,111	611,888
Prepaid Expenses	(97,373)	28,615
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	180,802	(1,017,030)
Unearned Revenue	(213,634)	292,622
Deferred Revenue	(118,086)	(230,199)
Employee Future Benefits	(30,064)	17,451
Amortization of Tangible Capital Assets	2,427,213	2,483,032
Amortization of Deferred Capital Revenue	(1,542,370)	(1,577,542)
Total Operating Transactions	<u>(1,824,972)</u>	<u>(205,483)</u>
Capital Transactions		
Tangible Capital Assets Purchased	(3,687,840)	(1,017,589)
Total Capital Transactions	<u>(3,687,840)</u>	<u>(1,017,589)</u>
Financing Transactions		
Capital Revenue Received	2,570,890	792,562
Total Financing Transactions	<u>2,570,890</u>	<u>792,562</u>
Investing Transactions		
Proceeds on Disposal of Portfolio Investments	34,063	34,608
Investments in Portfolio Investments	(35,882)	(31,696)
Total Investing Transactions	<u>(1,819)</u>	<u>2,912</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(2,943,741)	(427,598)
Cash and Cash Equivalents, beginning of year	20,655,608	21,083,206
Cash and Cash Equivalents, end of year	<u>17,711,867</u>	<u>20,655,608</u>
Cash and Cash Equivalents, end of year, is made up of:		
Cash	17,669,675	20,616,825
Cash Equivalents	42,192	38,783
	<u>17,711,867</u>	<u>20,655,608</u>

SCHOOL DISTRICT NO. 45 (WEST VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 1 AUTHORITY AND PURPOSE

The School District operates under authority of the *School Act* of British Columbia as a corporation under the name of "The Board of Education of School District No. 45 (West Vancouver)", and operates as "School District No. 45 (West Vancouver)." A board of education ("Board") elected for a four-year term governs the School District. The School District provides educational programs to students enrolled in schools in the district, and is principally funded by the Province of British Columbia through the Ministry of Education. School District No. 45 (West Vancouver) is exempt from federal and provincial corporate income taxes.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting

These financial statements have been prepared in accordance with Section 23.1 of the *Budget Transparency and Accountability Act of the Province of British Columbia* supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board. The Budget Transparency and Accountability Act requires that the financial statements be prepared in accordance with the set of standards and guidelines that comprise generally accepted accounting principles for senior governments in Canada, or if the Treasury Board makes a regulation, the set of standards and guidelines that comprise generally accepted accounting principles for senior governments in Canada as modified by the alternate standards or guidelines or part thereof adopted in the regulation.

Regulation 257/2010 requires all tax-payer supported organizations in the Schools, Universities, Colleges and Hospitals sectors to adopt Canadian public sector accounting standards without any PS4200 elections effective their firsts fiscal commencing after January, 2013.

Regulations 198/2011 requires that restricted contributions received or receivable for acquiring or developing a depreciable tangible capital asset or contributions in the form of a depreciable tangible capital asset are to be deferred and recognized in revenue at the same rate that amortization of the related capital asset is recorded.

For British Columbia tax-payer supported organizations, these contributions include government transfers and externally restricted contributions.

The accounting policy requirements under Regulation 198/2011 are significantly different from the requirements of Canadian public sector accounting standards which require that;

- government transfers, which do not contain a stipulation that creates a liability, be recognized as revenue by the recipient when approved by the transferor and the
- eligibility criteria have been met in accordance with public sector accounting standards PS3140 and

SCHOOL DISTRICT NO. 45 (WEST VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

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

a) Basis of Accounting *(continued)*

- externally restricted contributions be recognized as revenue in the period in which the resources are used for the purpose or purposes specified in accordance with public sector accounting standard PS3100.

As a result, revenue is recognized in the Statement of operations and certain related deferred capital revenue would be recorded differently under Canadian Public Sector Accounting Standards.

b) Basis of Consolidation

These financial statements reflect the assets, liabilities, revenues, and expenses of the reporting entity, which is comprised of all controlled entities. Inter-departmental balances and organizational transactions have been eliminated

The School District does not control any significant external entities and accordingly no entities have been consolidated with the financial statements.

The School District does not administer any trust activities on behalf of external parties.

c) 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.

d) Accounts Receivable

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

e) Portfolio Investments

The School District has investments in GIC's and mutual funds that either have no maturity dates or have a maturity of greater than 3 months at the time of acquisition. GIC's and other investments not quoted in an active market are reported at cost or amortized cost.

Detailed information regarding portfolio investments is disclosed in Note 5.

SCHOOL DISTRICT NO. 45 (WEST VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

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

f) 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.

g) 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 (n).

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 transfers contain stipulation that creates a liability in which case the transfer is recognized as revenue over the period that the liability is extinguished.

h) Employee Future Benefits

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

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

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

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

SCHOOL DISTRICT NO. 45 (WEST VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

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

h) Employee Future Benefits *(continued)*

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

i) 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, and a reasonable estimate can be made.

Legal liabilities may exist for the removal/disposal of asbestos in schools that will undergo major renovations or demolition. The fair value of the liability for asbestos removal or disposal will be recognized when management determines a reasonable estimate of the fair value can be made. As at June 30, 2016, the liability is not reasonably determinable.

j) Liability for Contaminated Sites

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

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

The School District had no sites not in productive use as at June 30, 2016; therefore no liability existed as at these dates.

k) 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

SCHOOL DISTRICT NO. 45 (WEST VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

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

k) Tangible Capital Assets *(continued)*

attributable to construction as well as interest costs that are directly attributable to the acquisition or construction of the asset.

- Donated tangible capital assets are recorded at their fair market value on the date of donation, except in circumstances where fair value cannot be reasonably determined, which are then recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.
- Work-in-progress is recorded as an acquisition to the applicable asset class at substantial completion.
- Tangible capital assets are written down to residual value when conditions indicate they no longer contribute to the ability of the School District to provide services or when the value of future economic benefits associated with the sites and buildings are less than their net book value. The write-downs are accounted for as expenses in the Statement of Operations.
- Buildings that are demolished or destroyed are written-off.
- Works of art, historic assets and other intangible assets are not recorded as assets in these financial statements.
- The cost, less residual value, of tangible capital assets (excluding sites), is amortized on a straight-line basis over the estimated useful life of the asset. It is management's responsibility to determine the appropriate useful lives for tangible capital assets. These useful lives are reviewed on a regular basis or if significant events initiate the need to revise. Estimated useful life is as follows:

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

l) Prepaid Expenses

Prepaid software licenses, memberships and subscriptions, prepaid international student homestay fees and prepaid insurance are included as a prepaid expense and stated at acquisition cost and are charged to expense over the periods expected to benefit from it.

m) Funds and Reserves

Certain amounts, as approved by the Board, are set aside in accumulated surplus for future operating and capital purposes. Transfers to and from funds and reserves are an adjustment to the respective fund when approved (see Notes 14 – Interfund Transfers and Note 20 – Internally Restricted Surplus).

SCHOOL DISTRICT NO. 45 (WEST VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

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

n) Revenue Recognition

Revenues are recognized in the period in which the transactions or events occur that give 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.

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

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

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

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

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.

Rental and lease income from operating leases is recognized on a straight line basis over the period of the lease.

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.

o) Expenditures

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

SCHOOL DISTRICT NO. 45 (WEST VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

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

o) Expenditures *(continued)*

Categories of Salaries

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

Allocation of Costs

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

p) Endowment Contributions

Endowment contributions are reported as revenue on the Statement of Operations when received. Investment income earned on endowment principal is recorded as a deferred revenue if it meets the definition of a liability and is recognized as revenue in the year related expenses (disbursements) are incurred. If the investment income earned does not meet the definition of a liability, it is recognized as revenue in the year earned. Endowment assets are reported as restricted non-financial assets on the Statement of Financial Position.

q) 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, portfolio investments, and 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

SCHOOL DISTRICT NO. 45 (WEST VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

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

q) Financial Instruments *(continued)*

initial recognition. Transaction costs are incremental costs directly attributable to the acquisition or issue of a financial asset or a financial liability.

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. Interest and dividends attributable to financial instruments are reported in the statement of operations.

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

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

r) 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 period. Significant areas requiring the use of management estimates relate to the useful lives of tangible capital assets, and estimated employee future benefits. Actual results could differ from those estimates.

NOTE 3 PRIOR PERIOD RESTATEMENT

The District has certain self-insured group benefit plans for various employee groups. The District is required to maintain a specified surplus amount with the benefit carrier to mitigate the effects of stop loss claims. Any amounts in excess of this are considered unrestricted and owned by the District.

During fiscal 2016, the School District determined that net surpluses accumulated in prior years in the group benefit deposits held that were not previously recognized should be recorded as assets on the financial statements. The School District has made the adjustment on a retroactive basis restating the 2015 comparative financial statements. This adjustment had the impact of increasing 2015 accounts receivable by \$1,084,402, prepaid expenses by \$448,561, deficit for the year by \$2,210 and opening accumulated surplus by \$1,535,173. The reconciliation of the restated amounts are as follows:

SCHOOL DISTRICT NO. 45 (WEST VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 3 PRIOR PERIOD RESTATEMENT (Continued)

Statement of Financial Position	<u>As at June 30, 2015</u>
Accounts Receivable – Other, as previously reported	\$ 342,919
Adjustment	1,084,402
Accounts Receivable – Other, as restated	<u>\$1,427,321</u>

	<u>As at June 30, 2015</u>
Prepaid Expenses – as previously reported	\$ 121,467
Adjustment	448,561
Prepaid Expenses – as restated	<u>\$ 570,028</u>

Statement of Operations and Accumulated Surplus	<u>Year Ended June 30, 2015</u>
2015 Opening Accumulated Surplus, as previously reported	\$31,097,525
Adjustment	1,535,173
2015 Opening Accumulated Surplus, as restated	<u>\$32,632,698</u>

Annual Deficit for the year, as previously stated	(812,110)
Adjustment to Instruction Expenses	(2,210)
Annual Deficit for the year, as restated	<u>\$(814,320)</u>

Accumulated Surplus, as at June 30, 2015, as restated	<u>\$31,818,378</u>
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NOTE 4 ACCOUNTS RECEIVABLE - OTHER

	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Due from Federal Government	\$ 45,534	\$ 83,784
Group Benefit Deposit Surplus	1,079,152	1,084,402
Other Trade Receivables	296,548	259,135
	<u>\$1,421,234</u>	<u>\$1,427,321</u>

NOTE 5 PORTFOLIO INVESTMENTS

	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Investments in the cost and amortized cost category:		
Guaranteed Investment Certificates (GIC's)	\$ 98,700	\$ 98,700
Mutual Funds	215,239	213,420
	<u>\$313,939</u>	<u>\$312,120</u>

SCHOOL DISTRICT NO. 45 (WEST VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 6 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	June 30, 2016	June 30, 2015
Trade payables	987,530	1,105,877
Salaries and benefits payable	4,432,123	4,095,933
Accrued vacation pay	417,671	454,712
	\$5,837,324	\$5,656,552

NOTE 7 UNEARNED REVENUE

	June 30, 2016	June 30, 2015
Balance, beginning of year	\$8,884,792	\$8,592,170
Changes for the year:		
Increase:		
Tuition fees	8,210,815	8,563,387
Revenue generation programs	460,343	321,405
	\$8,671,158	\$8,884,792
Decrease:		
Tuition fees	(8,563,387)	(8,219,330)
Revenue generation programs	(321,405)	(372,840)
	\$(8,884,792)	\$(8,529,170)
Net changes for the year	\$ (213,634)	\$ (292,622)
Balance, end of year	\$8,671,158	\$8,884,792

SCHOOL DISTRICT NO. 45 (WEST VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

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. Detailed information about the changes in deferred revenue is provided below.

	Special Purpose Fund	Capital Fund	June 30, 2016 Total	June 30, 2015 Total
Balance, beginning of year	\$ 2,604,438	\$ -	\$ 2,604,438	\$ 2,834,637
Increases:				
Provincial Grants - Ministry of Education	4,505,922	-	4,505,922	2,786,484
Investment Income	18,885	-	18,885	26,430
Other (fees, donations, fundraising)	4,335,259	-	4,335,259	3,805,522
	<u>\$ 8,860,066</u>	<u>\$ -</u>	<u>\$ 8,860,066</u>	<u>\$ 6,618,436</u>
Decreases:				
Transfers to Revenue	6,407,262	-	6,407,262	6,056,073
Transfers to Deferred Capital Revenue	2,570,890	-	2,570,890	792,562
	<u>\$ 8,978,152</u>	<u>\$ -</u>	<u>\$ 8,978,152</u>	<u>\$ 6,848,635</u>
Net Changes for the year	<u>\$ (118,086)</u>	<u>\$ -</u>	<u>\$ (118,086)</u>	<u>\$ (220,355)</u>
Balance, end of the year	<u>\$ 2,486,352</u>	<u>\$ -</u>	<u>\$ 2,486,352</u>	<u>\$ 2,604,438</u>

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. Detailed information about the changes in deferred capital revenue is included below.

	June 30, 2016	June 30, 2015
Balance, beginning of year	\$31,927,078	\$32,712,058
Increases:		
Transfers from Deferred Revenue – Capital Additions	2,570,890	792,562
Decreases:		
Amortization of Deferred Capital Revenue	1,542,370	1,577,542
Net Changes for the year	<u>\$ 1,028,520</u>	<u>\$ (784,980)</u>
Balance, end of the year	<u>\$32,955,598</u>	<u>\$31,927,078</u>

SCHOOL DISTRICT NO. 45 (WEST VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

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.

	2016	2015
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	\$1,600,484	\$1,535,645
Service Cost	126,997	112,819
Interest Cost	36,579	50,429
Benefit Payments	(177,626)	(146,584)
Actuarial (Gain) Loss	570,821	48,175
Accrued Benefit Obligation – March 31	\$2,157,255	\$1,600,484

Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation – March 31	\$2,157,255	\$1,600,484
Market Value of Plan Assets – March 31	-	-
Funded Status – Surplus (Deficit)	(2,157,255)	(1,600,484)
Employer Contributions After Measurement Date	166,423	73,837
Benefits Expense After Measurement Date	(59,905)	(40,894)
Unamortized Net Actuarial (Gain) Loss	968,090	454,830
Accrued Benefit Asset (Liability) – June 30	\$(1,082,647)	\$(1,112,711)

Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability – July 1	\$1,112,711	\$1,095,260
Net expense for Fiscal Year	240,148	215,925
Employer Contributions	(270,212)	(198,474)
Accrued Benefit Liability – June 30	\$1,082,647	\$1,112,711

	2016	2015
Components of Net Benefit Expense		
Service Cost	\$141,469	\$116,364
Interest Cost	41,118	46,966
Amortization of Net Actuarial Loss	57,561	52,595
Net Benefit Expense	\$240,148	\$215,925

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

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	10.3	9.7

SCHOOL DISTRICT NO. 45 (WEST VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 11 TANGIBLE CAPITAL ASSETS

Net Book Value:

	Net Book Value 2016	Net Book Value 2015
Sites	\$7,721,557	\$ 7,721,557
Buildings	51,070,676	49,641,493
Furniture & Equipment	1,061,576	1,211,336
Vehicles	220,522	245,381
Computer Software	78,065	104,086
Computer Hardware	99,812	67,728
Total	\$60,252,208	\$58,991,581

June 30, 2016	Opening Cost	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2016
Sites	\$ 7,721,557	\$ -	\$ -	\$ -	\$ 7,721,557
Buildings	94,626,676	3,494,042	-	-	98,120,718
Furniture & Equipment	2,661,849	116,425	409,539	-	2,368,735
Vehicles	330,483	8,190	37,661	-	301,012
Computer Software	130,107	-	-	-	130,107
Computer Hardware	185,497	69,183	134,447	-	120,233
Total	\$105,656,169	\$3,687,840	\$581,647	\$ -	\$108,762,362

	Opening Accumulated Amortization	Additions	Disposals	Balance at June 30, 2016
Buildings	\$44,985,183	\$2,064,859	\$ -	\$47,050,042
Furniture & Equipment	1,450,513	266,185	409,539	1,307,159
Vehicles	85,102	33,049	37,661	80,490
Computer Software	26,021	26,021	-	52,042
Computer Hardware	117,769	37,099	134,447	20,421
Total	\$46,664,588	\$2,427,213	\$581,647	\$48,510,154

SCHOOL DISTRICT NO. 45 (WEST VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 11 TANGIBLE CAPITAL ASSETS *(Continued)*

June 30, 2015	Opening Cost	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2015
Sites	\$7,721,557	\$ -	\$ -	\$ -	\$ 7,721,557
Buildings	93,845,762	780,914	-	-	94,626,676
Furniture & Equipment	3,031,849	145,761	515,761	-	2,661,849
Vehicles	244,777	90,914	5,208	-	330,483
Computer Software	130,107	-	-	-	130,107
Computer Hardware	368,202	-	182,705	-	185,497
Total	\$105,342,254	\$1,017,589	\$703,674	\$ -	\$105,656,169

	Opening Accumulated Amortization	Additions	Disposals	Balance at June 30, 2015
Buildings	42,929,475	2,055,708	-	44,985,183
Furniture & Equipment	1,663,089	303,182	515,761	1,450,513
Vehicles	65,832	24,478	5,208	85,102
Computer Software	-	26,021	-	26,021
Computer Hardware	226,834	73,640	182,705	117,769
Total	\$44,885,230	\$2,483,032	\$703,674	\$46,664,588

NOTE 12 PREPAID EXPENSES

	June 30, 2016	June 30, 2015
Software Licenses	\$86,229	\$38,004
Homestay Fees	-	36,825
Membership/Subscriptions	41,360	6,505
PEBT Benefits	382,819	448,561
Other Prepaid Expenses	156,993	40,133
Total	\$667,401	\$570,028

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 boards of trustees for these plans represent plan members and employers and are responsible for managing the pension plans including investing assets and administration of benefits. The pension plans are multi-employer defined benefit pension plans. Basic pension benefits provided are based on a formula. As at June 30, 2016, the Teachers' Pension Plan has about 44,800 active members and approximately 34,600 retired members. As at June 30, 2016, the Municipal Pension Plan has about 188,000 active members.

Every three years, an actuarial valuation is performed to assess the financial position of the plans and 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

SCHOOL DISTRICT NO. 45 (WEST VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 13 EMPLOYEE PENSION PLANS *(Continued)*

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. 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. The next valuation will be as at December 31, 2015 with results available in 2016.

Employers participating in the plans record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plans record accrued liabilities and accrued assets for the plans in aggregate with the result that there is no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plans.

The School District paid \$6,610,733 for employer contributions to these plans in the year ended June 30, 2016 (\$6,188,017 – June 30, 2015).

NOTE 14 INTERFUND TRANSFERS

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

- A transfer in the amount of \$780,375 was made from the operating fund to the capital fund for capital assets purchased.
- A transfer in the amount of \$336,575 was made from the special purpose fund to the capital fund for capital assets purchased.
- A transfer in the amount of \$29,307 was made from the operating fund to the capital fund to provide for capital renewal with respect to rental activities.

NOTE 15 RELATED PARTY TRANSACTIONS

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

SCHOOL DISTRICT NO. 45 (WEST VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 16 CONTRACTUAL OBLIGATIONS

The School District has entered into a number of contracts for the delivery of services. These contractual obligations will become liabilities in the future when the terms of the contracts are met. Disclosure relates to the unperformed portion of the contracts. There are no contractual liabilities after 2018/2019.

Contractual obligations	2016/17	2017/18	2018/19
Operating Leases	\$220,537	\$ -	\$ -
Transportation	492,401	492,401	492,401
	<u>\$712,938</u>	<u>\$492,401</u>	<u>\$492,401</u>

NOTE 17 CONTINGENCIES

In the normal course of operations, the School District is subject to various legal proceedings being brought against it. The amounts are not reasonably estimable due to uncertainty as to the final outcome, and management does not believe these proceedings in aggregate will have a material effect on the School District's financial statements and, accordingly, no provision for losses has been reflected in these financial statements.

NOTE 18 BUDGET FIGURES

Budget figures, included in the financial statements, were approved by the Board through the adoption of an Annual Budget on May 19, 2015.

While PSA financial reporting requires the District's Annual Budget to 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 through the adoption of an Amended Budget on February 16, 2016, is not reported in these financial statements.

NOTE 19 EXPENSES BY OBJECT

	2016	2015
Salaries and benefits	\$62,709,823	\$58,587,605
Services and supplies	13,638,425	13,377,606
Amortization	2,427,213	2,483,032
	<u>\$78,775,461</u>	<u>\$74,448,243</u>

SCHOOL DISTRICT NO. 45 (WEST VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 20 INTERNALLY RESTRICTED SURPLUS – OPERATING FUND

	June 30, 2016	June 30, 2015
Internally Restricted (appropriated) by Board for		
Budget Appropriation	\$1,554,342	\$1,943,028
Future Capital Projects	-	700,000
Unrestricted Operating Surplus (Deficit)	1,098,205	2,707,504
Total Available for Future Operations	\$2,652,547	\$5,350,532

NOTE 21 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 22 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 and cash equivalents, accounts receivable and investments.

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 with the Province and 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.

SCHOOL DISTRICT NO. 45 (WEST VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 22 RISK MANAGEMENT *(Continued)*

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 that have a maturity date of no more than 3 years and mutual funds whose underlying securities have a short term to maturity.

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. 45 (West Vancouver)

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 (Restated - Note 3)
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	5,350,532		26,467,846	31,818,378	31,097,525
Prior Period Adjustments					1,535,173
Accumulated Surplus (Deficit), beginning of year, as restated	5,350,532	-	26,467,846	31,818,378	32,632,698
Changes for the year					
Surplus (Deficit) for the year	(1,888,303)	336,575	(884,843)	(2,436,571)	(814,320)
Interfund Transfers					
Tangible Capital Assets Purchased	(780,375)	(336,575)	1,116,950	-	
Local Capital	(29,307)		29,307	-	
Net Changes for the year	(2,697,985)	-	261,414	(2,436,571)	(814,320)
Accumulated Surplus (Deficit), end of year - Statement 2	2,652,547	-	26,729,260	29,381,807	31,818,378

School District No. 45 (West Vancouver)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2016

	2016 Budget (Note 18) \$	2016 Actual \$	2015 Actual (Restated - Note 3) \$
Revenues			
Provincial Grants			
Ministry of Education	55,293,025	56,359,454	54,515,947
Other	33,000	58,827	48,560
Tuition	8,430,960	9,242,186	9,182,578
Other Revenue	1,180,283	2,341,825	1,695,879
Rentals and Leases	175,000	189,204	177,172
Investment Income	180,000	197,762	276,613
Total Revenue	<u>65,292,268</u>	<u>68,389,258</u>	<u>65,896,749</u>
Expenses			
Instruction	57,062,507	59,414,856	55,778,014
District Administration	2,529,328	2,646,094	2,662,242
Operations and Maintenance	7,197,424	7,789,570	7,144,261
Transportation and Housing	446,037	427,041	441,417
Total Expense	<u>67,235,296</u>	<u>70,277,561</u>	<u>66,025,934</u>
Operating Surplus (Deficit) for the year	<u>(1,943,028)</u>	<u>(1,888,303)</u>	<u>(129,185)</u>
Budgeted Appropriation (Retirement) of Surplus (Deficit)	<u>1,943,028</u>		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased		(780,375)	(130,827)
Local Capital		(29,307)	(27,272)
Total Net Transfers	<u>-</u>	<u>(809,682)</u>	<u>(158,099)</u>
Total Operating Surplus (Deficit), for the year	<u>-</u>	<u>(2,697,985)</u>	<u>(287,284)</u>
Operating Surplus (Deficit), beginning of year		5,350,532	4,102,643
Prior Period Adjustments			
Benefits Accumulated Surplus			1,535,173
Operating Surplus (Deficit), beginning of year, as restated		<u>5,350,532</u>	<u>5,637,816</u>
Operating Surplus (Deficit), end of year		<u>2,652,547</u>	<u>5,350,532</u>
Operating Surplus (Deficit), end of year			
Internally Restricted		1,554,342	2,643,028
Unrestricted		1,098,205	2,707,504
Total Operating Surplus (Deficit), end of year		<u>2,652,547</u>	<u>5,350,532</u>

School District No. 45 (West Vancouver)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2016

	2016 Budget (Note 18) \$	2016 Actual \$	2015 Actual (Restated - Note 3) \$
Provincial Grants - Ministry of Education			
Operating Grant, Ministry of Education	54,817,606	55,572,103	54,119,534
Strike Savings Recovery			(1,664,503)
Other Ministry of Education Grants			
Labour Settlement Funding			1,326,690
Pay Equity	678,422	678,422	678,422
Economic Stability Dividend	-	50,983	
FSA	8,696	8,696	8,696
Carbon Tax	-	37,000	37,108
Quality Teaching	-	-	10,000
Budgeted Enrolment Decrease	(211,699)	-	-
Curriculum Implementation	-	12,250	-
Total Provincial Grants - Ministry of Education	55,293,025	56,359,454	54,515,947
Provincial Grants - Other	33,000	58,827	48,560
Tuition			
Offshore Tuition Fees	8,430,960	9,242,186	9,182,578
Total Tuition	8,430,960	9,242,186	9,182,578
Other Revenues			
Miscellaneous			
Revenue Generation Programs	1,160,283	2,256,170	1,567,345
Miscellaneous Revenue	20,000	85,655	128,534
Total Other Revenue	1,180,283	2,341,825	1,695,879
Rentals and Leases	175,000	189,204	177,172
Investment Income	180,000	197,762	276,613
Total Operating Revenue	65,292,268	68,389,258	65,896,749

School District No. 45 (West Vancouver)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2016

	2016 Budget (Note 18) \$	2016 Actual \$	2015 Actual (Restated - Note 3) \$
Salaries			
Teachers	29,846,592	30,687,741	28,491,300
Principals and Vice Principals	3,471,454	3,541,404	3,586,193
Educational Assistants	4,721,812	4,529,664	4,370,191
Support Staff	5,498,022	5,332,074	5,399,362
Other Professionals	2,502,334	2,907,014	2,538,185
Substitutes	1,367,861	1,554,143	1,378,855
Total Salaries	47,408,075	48,552,040	45,764,086
Employee Benefits	11,689,877	12,653,494	11,506,047
Total Salaries and Benefits	59,097,952	61,205,534	57,270,133
Services and Supplies			
Services	3,451,738	4,222,410	3,882,265
Student Transportation	474,100	474,367	490,782
Professional Development and Travel	1,034,799	874,452	992,931
Rentals and Leases	14,523	14,032	13,870
Dues and Fees	325,874	348,114	347,261
Insurance	154,873	152,268	146,391
Supplies	1,736,599	1,627,227	1,911,147
Utilities	944,838	1,359,157	971,154
Total Services and Supplies	8,137,344	9,072,027	8,755,801
Total Operating Expense	67,235,296	70,277,561	66,025,934

School District No. 45 (West Vancouver)

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	23,526,218	1,861,929	719,181	1,187,998	314,960	1,220,143	28,830,429
1.03 Career Programs	80,911	-	67,806	-	-	31,540	180,257
1.07 Library Services	707,980	10,167	144,956	32,518	-	-	895,621
1.08 Counselling	1,107,476	-	-	-	-	-	1,107,476
1.10 Special Education	2,415,016	91,397	3,586,188	12,852	283,877	176,355	6,565,685
1.30 English Language Learning	1,052,116	-	-	-	-	-	1,052,116
1.31 Aboriginal Education	47,524	-	-	-	-	4,534	52,058
1.41 School Administration	-	1,309,041	-	277,796	464,127	-	2,050,964
1.60 Summer School	147,292	12,587	11,533	3,649	-	-	175,061
1.61 Continuing Education	-	-	-	-	-	-	-
1.62 Offshore Students	1,208,408	215,351	-	210,399	261,517	-	1,895,675
1.64 Other	394,800	23,433	-	45,314	-	7,563	471,110
Total Function 1	30,687,741	3,523,905	4,529,664	1,770,526	1,324,481	1,440,135	43,276,452
4 District Administration							
4.11 Educational Administration	-	-	-	18,929	364,806	378	384,113
4.40 School District Governance	-	-	-	-	168,273	-	168,273
4.41 Business Administration	-	17,499	-	267,867	827,991	1,352	1,114,709
Total Function 4	-	17,499	-	286,796	1,361,070	1,730	1,667,095
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	-	-	-	46,924	210,769	-	257,693
5.50 Maintenance Operations	-	-	-	2,925,446	-	112,278	3,037,724
5.52 Maintenance of Grounds	-	-	-	302,382	-	-	302,382
5.56 Utilities	-	-	-	-	-	-	-
Total Function 5	-	-	-	3,274,752	210,769	112,278	3,597,799
7 Transportation and Housing							
7.41 Transportation and Housing Administration	-	-	-	-	10,694	-	10,694
7.70 Student Transportation	-	-	-	-	-	-	-
Total Function 7	-	-	-	-	10,694	-	10,694
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	30,687,741	3,541,404	4,529,664	5,332,074	2,907,014	1,554,143	48,552,040

School District No. 45 (West Vancouver)

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 18)	2015 Actual (Restated - Note 3)
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	28,830,429	7,705,512	36,535,941	1,957,147	38,493,088	36,041,425	36,101,807
1.03 Career Programs	180,257	48,517	228,774	3,389	232,163	433,251	389,505
1.07 Library Services	895,621	232,620	1,128,241	102,641	1,230,882	1,216,646	1,121,769
1.08 Counselling	1,107,476	276,377	1,383,853	-	1,383,853	1,191,436	1,137,463
1.10 Special Education	6,565,685	1,593,471	8,159,156	192,475	8,351,631	8,217,876	7,820,773
1.30 English Language Learning	1,052,116	277,456	1,329,572	4,118	1,333,690	1,364,347	1,315,967
1.31 Aboriginal Education	52,058	1,984	54,042	53,879	107,921	78,750	76,548
1.41 School Administration	2,050,964	494,071	2,545,035	100,664	2,645,699	2,241,047	2,389,084
1.60 Summer School	175,061	35,984	211,045	12,928	223,973	205,515	20,343
1.61 Continuing Education	-	-	-	-	-	-	-
1.62 Offshore Students	1,895,675	496,379	2,392,054	1,893,430	4,285,484	5,033,273	4,491,593
1.64 Other	471,110	121,522	592,632	533,840	1,126,472	1,038,941	913,162
Total Function 1	43,276,452	11,283,893	54,560,345	4,854,511	59,414,856	57,062,507	55,778,014
4 District Administration							
4.11 Educational Administration	384,113	93,209	477,322	115,359	592,681	577,397	547,276
4.40 School District Governance	168,273	16,395	184,668	86,392	271,060	308,611	316,162
4.41 Business Administration	1,114,709	293,844	1,408,553	373,800	1,782,353	1,643,320	1,798,804
Total Function 4	1,667,095	403,448	2,070,543	575,551	2,646,094	2,529,328	2,662,242
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	257,693	98,753	356,446	141,976	498,422	439,608	454,290
5.50 Maintenance Operations	3,037,724	785,979	3,823,703	1,363,239	5,186,942	5,097,341	5,114,504
5.52 Maintenance of Grounds	302,382	79,572	381,954	363,095	745,049	701,637	600,741
5.56 Utilities	-	-	-	1,359,157	1,359,157	958,838	974,726
Total Function 5	3,597,799	964,304	4,562,103	3,227,467	7,789,570	7,197,424	7,144,261
7 Transportation and Housing							
7.41 Transportation and Housing Administration	10,694	1,849	12,543	-	12,543	9,537	9,445
7.70 Student Transportation	-	-	-	414,498	414,498	436,500	431,972
Total Function 7	10,694	1,849	12,543	414,498	427,041	446,037	441,417
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	48,552,040	12,653,494	61,205,534	9,072,027	70,277,561	67,235,296	66,025,934

School District No. 45 (West Vancouver)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2016

	2016 Budget (Note 18) \$	2016 Actual \$	2015 Actual (Restated - Note 3) \$
Revenues			
Provincial Grants			
Ministry of Education	1,917,937	2,041,089	2,235,123
Other Revenue	3,065,000	4,366,173	3,924,509
Total Revenue	<u>4,982,937</u>	<u>6,407,262</u>	<u>6,159,632</u>
Expenses			
Instruction	1,417,534	5,923,997	5,835,718
Operations and Maintenance	3,246,950	146,690	103,559
Total Expense	<u>4,664,484</u>	<u>6,070,687</u>	<u>5,939,277</u>
Special Purpose Surplus (Deficit) for the year	<u>318,453</u>	<u>336,575</u>	<u>220,355</u>
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(318,453)	(336,575)	(220,355)
Total Net Transfers	<u>(318,453)</u>	<u>(336,575)</u>	<u>(220,355)</u>
Total Special Purpose Surplus (Deficit) for the year	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
Special Purpose Surplus (Deficit), beginning of year			
Special Purpose Surplus (Deficit), end of year		<u><u>-</u></u>	<u><u>-</u></u>

School District No. 45 (West Vancouver)

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

	Annual Facility Grant	Learning Improvement Fund	Aboriginal Education Technology	Special Education Equipment	Scholarships and Bursaries	Transportation for Deaf and Hard of Hearing	Special Education Technology	School Generated Funds	Related Entities
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	-	34,232	-	6,426	368,457	-	-	1,823,681	-
Add: Restricted Grants									
Provincial Grants - Ministry of Education	290,143	1,150,580	-	1,619	-	-	-	-	-
Other	-	-	-	-	53,055	-	-	3,720,285	-
Investment Income	-	-	-	-	4,365	-	-	12,085	-
	290,143	1,150,580	-	1,619	57,420	-	-	3,732,370	-
Less: Allocated to Revenue	290,143	1,184,812	-	2,687	49,861	-	-	3,904,813	-
Deferred Revenue, end of year	-	-	-	5,358	376,016	-	-	1,651,238	-
Revenues									
Provincial Grants - Ministry of Education	290,143	1,184,812	-	2,687	-	-	-	-	-
Other Revenue	-	-	-	-	49,861	-	-	3,904,813	-
	290,143	1,184,812	-	2,687	49,861	-	-	3,904,813	-
Expenses									
Salaries									
Teachers	-	788,971	-	-	-	-	-	-	-
Educational Assistants	-	179,492	-	-	-	-	-	-	-
Other Professionals	-	-	-	-	-	-	-	-	-
Substitutes	-	648	-	-	-	-	-	-	-
	-	969,111	-	-	-	-	-	-	-
Employee Benefits	-	-	-	-	-	-	-	-	-
Services and Supplies	146,690	215,701	-	2,687	49,861	-	-	3,839,765	-
	146,690	1,184,812	-	2,687	49,861	-	-	3,839,765	-
Net Revenue (Expense) before Interfund Transfers	143,453	-	-	-	-	-	-	65,048	-
Interfund Transfers									
Tangible Capital Assets Purchased	(143,453)	-	-	-	-	-	-	(65,048)	-
	(143,453)	-	-	-	-	-	-	(65,048)	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 45 (West Vancouver)

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

	Strong Start	Ready, Set, Learn	OLEP	Community-LINK	Service Delivery Transformation	Fundraising	Professional Learning Partnership	Shoulder Tappers	TOTAL
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	15,193	-	48,940	-	40,706	213,817	52,986	-	2,604,438
Add: Restricted Grants									
Provincial Grants - Ministry of Education	64,000	34,300	127,577	241,813	-	-	-	25,000	1,935,032
Other	-	-	-	-	-	561,919	-	-	4,335,259
Investment Income	-	-	-	-	-	2,435	-	-	18,885
	64,000	34,300	127,577	241,813	-	564,354	-	25,000	6,289,176
Less: Allocated to Revenue	73,537	34,300	176,517	241,813	28,698	411,499	-	8,582	6,407,262
Deferred Revenue, end of year	5,656	-	-	-	12,008	366,672	52,986	16,418	2,486,352
Revenues									
Provincial Grants - Ministry of Education	73,537	34,300	176,517	241,813	28,698	-	-	8,582	2,041,089
Other Revenue	-	-	-	-	-	411,499	-	-	4,366,173
	73,537	34,300	176,517	241,813	28,698	411,499	-	8,582	6,407,262
Expenses									
Salaries									
Teachers	-	-	25,515	25,909	-	-	-	-	840,395
Educational Assistants	-	-	-	171,874	-	-	-	-	351,366
Other Professionals	-	-	-	-	21,248	-	-	-	21,248
Substitutes	-	21,253	-	-	1,366	-	-	2,232	25,499
	-	21,253	25,515	197,783	22,614	-	-	2,232	1,238,508
Employee Benefits	-	22	-	43,865	6,084	-	-	99	50,070
Services and Supplies	73,537	13,025	151,002	165	-	283,425	-	6,251	4,782,109
	73,537	34,300	176,517	241,813	28,698	283,425	-	8,582	6,070,687
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	128,074	-	-	336,575
Interfund Transfers									
Tangible Capital Assets Purchased	-	-	-	-	-	(128,074)	-	-	(336,575)
	-	-	-	-	-	(128,074)	-	-	(336,575)
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 45 (West Vancouver)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2016

	2016	2016 Actual			2015
	Budget (Note 18)	Invested in Tangible Capital Assets	Local Capital	Fund Balance	Actual (Restated - Note 3)
	\$	\$	\$	\$	\$
Revenues					
Provincial Grants					
Amortization of Deferred Capital Revenue	1,579,018	1,542,370		1,542,370	1,577,542
Total Revenue	1,579,018	1,542,370	-	1,542,370	1,577,542
Expenses					
Amortization of Tangible Capital Assets					
Operations and Maintenance	2,410,786	2,427,213		2,427,213	2,483,032
Total Expense	2,410,786	2,427,213	-	2,427,213	2,483,032
Capital Surplus (Deficit) for the year	(831,768)	(884,843)	-	(884,843)	(905,490)
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	318,453	1,116,950		1,116,950	351,182
Local Capital			29,307	29,307	27,272
Total Net Transfers	318,453	1,116,950	29,307	1,146,257	378,454
Total Capital Surplus (Deficit) for the year	(513,315)	232,107	29,307	261,414	(527,036)
Capital Surplus (Deficit), beginning of year		26,440,574	27,272	26,467,846	26,994,882
Capital Surplus (Deficit), end of year		26,672,681	56,579	26,729,260	26,467,846

School District No. 45 (West Vancouver)

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	7,721,557	94,626,676	2,661,849	330,483	130,107	185,497	105,656,169
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw	-	2,570,890	-	-	-	-	2,570,890
Operating Fund	-	676,321	48,278	-	-	55,776	780,375
Special Purpose Funds	-	246,831	68,147	8,190	-	13,407	336,575
	-	3,494,042	116,425	8,190	-	69,183	3,687,840
Decrease:							
Deemed Disposals	-	-	409,539	37,661	-	134,447	581,647
	-	-	409,539	37,661	-	134,447	581,647
Cost, end of year	7,721,557	98,120,718	2,368,735	301,012	130,107	120,233	108,762,362
Work in Progress, end of year							-
Cost and Work in Progress, end of year	7,721,557	98,120,718	2,368,735	301,012	130,107	120,233	108,762,362
Accumulated Amortization, beginning of year		44,985,183	1,450,513	85,102	26,021	117,769	46,664,588
Changes for the Year							
Increase: Amortization for the Year		2,064,859	266,185	33,049	26,021	37,099	2,427,213
Decrease:							
Deemed Disposals			409,539	37,661	-	134,447	581,647
			409,539	37,661	-	134,447	581,647
Accumulated Amortization, end of year		47,050,042	1,307,159	80,490	52,042	20,421	48,510,154
Tangible Capital Assets - Net	7,721,557	51,070,676	1,061,576	220,522	78,065	99,812	60,252,208

School District No. 45 (West Vancouver)

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	30,724,427	-	1,202,651	31,927,078
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	2,570,890	-	-	2,570,890
	<u>2,570,890</u>	<u>-</u>	<u>-</u>	<u>2,570,890</u>
Decrease:				
Amortization of Deferred Capital Revenue	1,458,904	-	83,466	1,542,370
	<u>1,458,904</u>	<u>-</u>	<u>83,466</u>	<u>1,542,370</u>
Net Changes for the Year	<u>1,111,986</u>	<u>-</u>	<u>(83,466)</u>	<u>1,028,520</u>
Deferred Capital Revenue, end of year	<u>31,836,413</u>	<u>-</u>	<u>1,119,185</u>	<u>32,955,598</u>
Work in Progress, beginning of year				-
Changes for the Year				
Net Changes for the Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Work in Progress, end of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Deferred Capital Revenue, end of year	<u>31,836,413</u>	<u>-</u>	<u>1,119,185</u>	<u>32,955,598</u>

School District No. 45 (West Vancouver)

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	-					-
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	2,570,890					2,570,890
	2,570,890	-	-	-	-	2,570,890
Decrease:						
Transferred to DCR - Capital Additions	2,570,890					2,570,890
	2,570,890	-	-	-	-	2,570,890
Net Changes for the Year	-	-	-	-	-	-
Balance, end of year	-	-	-	-	-	-