

Audited Financial Statements of

School District No. 58 (Nicola-Similkameen)

June 30, 2016

School District No. 58 (Nicola-Similkameen)

June 30, 2016

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School District No. 58 (Nicola-Similkameen)

MANAGEMENT REPORT

Version: 5246-4501-2518

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 58 (Nicola-Similkameen) 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. 58 (Nicola-Similkameen) (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, Mconnell, Voelkl, 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. 58 (Nicola-Similkameen) 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.

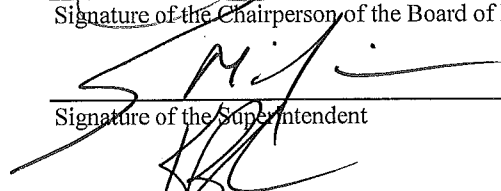
On behalf of School District No. 58 (Nicola-Similkameen)



Signature of the Chairperson of the Board of Education

SEPT 21/16

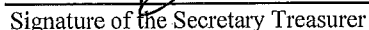
Date Signed



Signature of the Superintendent

SEPT 21/16

Date Signed



Signature of the Secretary Treasurer

SEPT 21/16

Date Signed



F.W. Voelkl, CPA, CA
C.M. Kelley, CPA, CA (incorporated professional)



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INDEPENDENT AUDITOR'S REPORT

To the Board of Education of School District No. 58 (Nicola-Similkameen), and
To the Minister of Education, Province of British Columbia:

We have audited the accompanying financial statements of **SCHOOL DISTRICT NO. 58 (NICOLA-SIMILKAMEEN)**, which comprise the statement of financial position as at **JUNE 30, 2016**, the statement of operations, statement of changes in net financial assets (debt), statement of cash flows for the year then ended and 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 accounting requirements 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.

Auditor's 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 whether these financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, 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 the **SCHOOL DISTRICT NO. 58 (NICOLA-SIMILKAMEEN)** 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(a) to the financial statements which describes the basis of accounting and the significant differences between such basis of accounting and Canadian public sector accounting standards.

McConnell, Voelkl

CHARTERED PROFESSIONAL ACCOUNTANTS

September 21, 2016

Hope, BC, Canada

School District No. 58 (Nicola-Similkameen)

Statement of Financial Position

As at June 30, 2016

	2016 Actual \$	2015 Actual \$
Financial Assets		
Cash and Cash Equivalents (Note 2b & 2m)	10,390,614	13,390,014
Accounts Receivable		
Due from Province - Ministry of Education (Note 2c & 3)	28,524	
Due from LEA/Direct Funding (Note 2c & 3)	1,153,515	576,555
Other (Note 2c & 3)	287,719	218,966
Portfolio Investments (Note 2d & 4)	2,038,225	1,002,589
Total Financial Assets	13,898,597	15,188,124
Liabilities		
Accounts Payable and Accrued Liabilities		
Other (Note 5)	510,153	672,240
Deferred Revenue (Note 2e & 6)	863,454	1,872,916
Deferred Capital Revenue (Note 2e & 7)	19,292,030	19,095,686
Employee Future Benefits (Note 2f & 8)	1,161,711	1,118,231
Other Liabilities (Note 5)	1,352,944	758,086
Accrued Vacation Payable (Note 5)	231,592	215,877
Total Liabilities	23,411,884	23,733,036
Net Financial Assets (Debt)	(9,513,287)	(8,544,912)
Non-Financial Assets		
Tangible Capital Assets (Note 2h & 9)	28,373,275	27,570,043
Prepaid Expenses (Note 2i)	25,494	10,461
Total Non-Financial Assets	28,398,769	27,580,504
Accumulated Surplus (Deficit)	18,885,482	19,035,592

Contractual Obligations and Contingencies (Note 13)

Approved by the Board

Signature of the Chairperson of the Board of Education

SEPT 21/16

Date Signed

Signature of the Superintendent

SEPT 21/16

Date Signed

Signature of the Secretary/Treasurer

SEPT 21/16

Date Signed

School District No. 58 (Nicola-Similkameen)

Statement of Operations
Year Ended June 30, 2016

	2016 Budget	2016 Actual	2015 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education (Note 2k & 18)	23,982,719	24,392,959	23,143,865
Other	30,000	30,878	62,176
Tuition		27,718	
Other Revenue	3,275,400	3,572,782	3,181,427
Rentals and Leases	70,000	78,925	90,413
Investment Income	90,000	139,973	163,687
Amortization of Deferred Capital Revenue (Note 2e)	794,244	794,246	629,719
Total Revenue	<u>28,242,363</u>	<u>29,037,481</u>	<u>27,271,287</u>
Expenses (Note 2l & 16)			
Instruction	22,121,990	22,558,023	20,113,231
District Administration	1,077,058	1,064,871	905,118
Operations and Maintenance	5,685,458	4,618,488	4,681,425
Transportation and Housing	947,247	946,209	838,831
Total Expense	<u>29,831,753</u>	<u>29,187,591</u>	<u>26,538,605</u>
Surplus (Deficit) for the year	<u>(1,589,390)</u>	<u>(150,110)</u>	<u>732,682</u>
Accumulated Surplus (Deficit) from Operations, beginning of year		19,035,592	18,302,910
Accumulated Surplus (Deficit) from Operations, end of year		<u>18,885,482</u>	<u>19,035,592</u>

School District No. 58 (Nicola-Similkameen)

Statement of Changes in Net Financial Assets (Debt)
Year Ended June 30, 2016

	2016 Budget	2016 Actual	2015 Actual
	\$	\$	\$
Surplus (Deficit) for the year	(1,589,390)	(150,110)	732,682
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(1,454,240)	(2,063,180)	(3,233,234)
Amortization of Tangible Capital Assets	1,259,948	1,259,948	1,072,162
Total Effect of change in Tangible Capital Assets	(194,292)	(803,232)	(2,161,072)
Acquisition of Prepaid Expenses		(15,033)	(10,461)
Total Effect of change in Other Non-Financial Assets	-	(15,033)	(10,461)
(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)	<u>(1,783,682)</u>	(968,375)	(1,438,851)
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Financial Assets (Debt)		(968,375)	(1,438,851)
Net Financial Assets (Debt), beginning of year		(8,544,912)	(7,106,061)
Net Financial Assets (Debt), end of year		<u>(9,513,287)</u>	<u>(8,544,912)</u>

School District No. 58 (Nicola-Similkameen)

Statement of Cash Flows
Year Ended June 30, 2016

	2016 Actual	2015 Actual
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	(150,110)	732,682
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(674,237)	3,813,927
Prepaid Expenses	(15,033)	(10,461)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	(162,087)	(300,116)
Deferred Revenue	(1,009,462)	(197,499)
Employee Future Benefits	43,480	69,330
Other Liabilities	610,573	(16,383)
Amortization of Tangible Capital Assets	1,259,948	1,072,162
Amortization of Deferred Capital Revenue	(794,246)	(629,719)
Total Operating Transactions	<u>(891,174)</u>	<u>4,533,923</u>
Capital Transactions		
Tangible Capital Assets Purchased	(2,063,180)	(3,233,234)
Total Capital Transactions	<u>(2,063,180)</u>	<u>(3,233,234)</u>
Financing Transactions		
Capital Revenue Received	990,590	626,000
Total Financing Transactions	<u>990,590</u>	<u>626,000</u>
Investing Transactions		
Investments in Portfolio Investments	(1,035,636)	(118)
Total Investing Transactions	<u>(1,035,636)</u>	<u>(118)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(2,999,400)	1,926,571
Cash and Cash Equivalents, beginning of year	13,390,014	11,463,443
Cash and Cash Equivalents, end of year	<u>10,390,614</u>	<u>13,390,014</u>
Cash and Cash Equivalents, end of year, is made up of:		
Cash	<u>10,390,614</u>	<u>13,390,014</u>
	<u>10,390,614</u>	<u>13,390,014</u>

SCHOOL DISTRICT No. 58 (NICOLA-SIMILKAMEEN)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 1 AUTHORITY AND PURPOSE

The School District, established on December 2, 1996 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. 58 (Nicola-Similkameen)", and operates as "School District No. 58 (Nicola-Similkameen)." 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. 58 (Nicola-Similkameen) is exempt from federal and provincial corporate income taxes.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting

These financial statements have been prepared in accordance with Section 23.1 of the *Budget Transparency and Accountability Act of the Province of British Columbia*. This Section requires that the financial statements be prepared in accordance with Canadian public sector accounting standards except in regard to the accounting for government transfers as set out in Notes 2(e) and 2(k).

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

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

Year-ended June 30, 2015 - decrease in annual surplus by \$6,387
June 30, 2015 - increase in accumulated surplus and decrease in deferred contributions by \$19,095,686
Year-ended June 30, 2016 – increase in annual surplus by \$194,290
June 30, 2016 – increase in accumulated surplus and decrease in deferred contributions by \$19,292,030

b) Cash and Cash Equivalents

Cash and cash equivalents include cash on deposit with the Royal Bank of Canada, and the Province of British Columbia under the Central Deposit Program that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value. These

SCHOOL DISTRICT No. 58 (NICOLA-SIMILKAMEEN)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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) Portfolio Investments

The School District has investments in GIC's that have a maturity of greater than 3 months at the time of acquisition. The GIC's are not quoted in an active market and are reported at cost.

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 (k).

Funding received for the acquisition of depreciable tangible capital assets is recorded as deferred capital revenue and amortized over the life of the asset acquired as revenue in the statement of operations. This accounting treatment is not consistent with the requirements of Canadian public sector accounting standards which require that government transfers be recognized as revenue when approved by the transferor and eligibility criteria have been met unless the transfer contains a stipulation that creates a liability in which case the transfer is recognized as revenue over the period that the liability is extinguished. See note 2 (a) for the impact of this policy on these financial statements.

f) Employee Future Benefits

The School District provides certain post-employment benefits including vested and non-vested benefits for certain employees pursuant to certain contracts and union agreements. The School District accrues its obligations and related costs including both vested and non-vested benefits under employee future benefit plans. Benefits include vested sick leave, accumulating non-vested sick leave, early retirement, retirement/severance, vacation, overtime and death benefits. The benefits cost is actuarially determined using the projected unit credit method pro-rated on service and using management's best estimate of expected salary escalation, termination rates, retirement rates and mortality. The discount rate used to measure obligations is based on the cost of borrowing. The cumulative unrecognized actuarial gains and losses are amortized over the expected average remaining service lifetime of active employees covered under the plan.

SCHOOL DISTRICT No. 58 (NICOLA-SIMILKAMEEN)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

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

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 was adopted for all periods subsequent to July 1, 2004.

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

g) 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.

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.
- 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.

SCHOOL DISTRICT No. 58 (NICOLA-SIMILKAMEEN)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

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

- 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

i) Prepaid Expenses

Prepaid expense consists of software license and professional learning.

j) Funds and Reserves

Certain amounts, as approved by the Board are set aside in accumulated surplus for future operating and capital purposes. Transfers to and from funds and reserves are an adjustment to the respective fund when approved (see Notes 11 – Interfund Transfers and Note 17 – Accumulated Surplus).

k) Revenue Recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

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

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

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

SCHOOL DISTRICT No. 58 (NICOLA-SIMILKAMEEN)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

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

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

The accounting treatment for restricted contributions is not consistent with the requirements of Canadian public sector accounting standards which require that government transfers be recognized as revenue when approved by the transferor and eligibility criteria have been met unless the transfer contains a stipulation that meets the criteria for liability recognition in which case the transfer is recognized as revenue over the period that the liability is extinguished. See note 2(a) for the impact of this policy on these financial statements.

Revenue related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned or service performed.

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

1) Expenditures

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

Categories of Salaries

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

Allocation of Costs

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

SCHOOL DISTRICT No. 58 (NICOLA-SIMILKAMEEN)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

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

m) 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, accounts payable and accrued liabilities, and other 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.

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.

n) 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.

SCHOOL DISTRICT No. 58 (NICOLA-SIMILKAMEEN)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 3 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	2016	2015
Due from Federal Government	\$ 69,739	\$ 51,276
Due from Province	28,524	
Other	217,980	167,690
	\$316,243	\$218,966

	2016	2015
Due from LEA	\$1,153,515	\$576,555

NOTE 4 PORTFOLIO INVESTMENTS

	2015	2015
GIC's	\$2,038,225	\$1,002,589

NOTE 5 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES - OTHER

	2016	2015
Trade payables	\$ 510,153	\$ 146,873
Accrued vacation payable	231,592	215,877
Salaries and benefits payable	1,156,724	1,018,930
Other	196,220	264,523
	\$2,094,689	\$1,646,203

NOTE 6 DEFERRED REVENUE

Deferred revenue includes unspent grants and contributions received that meet the description of a restricted contribution in the Restricted Contributions Regulation 198/2011 issued by Treasury Board, i.e., the stipulations associated with those grants and contributions have not yet been fulfilled. Detailed information about the changes in deferred revenue is included in Schedule 3A.

	2016	2015
Balance, beginning of year	\$1,872,916	\$2,070,415
Contributions received during the year	2,044,962	1,986,943
Revenue recognized from deferred contributions	(3,054,424)	(2,184,442)
	\$ 863,454	\$ 1,872,916

SCHOOL DISTRICT No. 58 (NICOLA-SIMILKAMEEN)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 7 DEFERRED CAPITAL REVENUE

Deferred capital revenue includes grants and contributions received that are restricted by the contributor for the acquisition of tangible capital assets that meet the description of a restricted contribution in the Restricted Contributions Regulation 198/2011 issued by Treasury Board. Once spent, the contributions are amortized into revenue over the life of the asset acquired. Detailed information about the changes in deferred capital revenue is included in Schedules 4C and 4D.

	2016	2015
Balance, beginning of year	\$19,095,686	\$19,099,405
Contributions received during the year	988,536	623,332
Investment income	2,054	2,668
Revenue recognized from deferred contributions	(794,246)	(629,719)
	\$19,292,030	\$19,095,686

NOTE 8 EMPLOYEE FUTURE BENEFITS

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

SCHOOL DISTRICT No. 58 (NICOLA-SIMILKAMEEN)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

	June 30, 2016		June 30, 2015	
Reconciliation of Accrued Benefit Obligation				
Accrued Benefit Obligation – April 1	1,259,543		1,176,141	
Service Cost	108,662		96,590	
Interest Cost	29,409		39,316	
Benefit Payments	-106,600		-131,724	
Increase (Decrease) in obligation due to Plan Amendment	-24,896		0	
Actuarial (Gain) Loss	-82,364		79,220	
Accrued Benefit Obligation – March 31	1,183,754		1,259,543	
Reconciliation of Funded Status at End of Fiscal Year				
Accrued Benefit Obligation - March 31	1,183,754		1,259,543	
Market Value of Plan Assets - March 31	0		0	
Funded Status - Surplus (Deficit)	-1,183,754		-1,259,543	
Employer Contributions After Measurement Date	8,469		0	
Benefits Expense After Measurement Date	-32,895		-34,518	
Unamortized Net Actuarial (Gain) Loss	46,470		175,830	
Accrued Benefit Asset (Liability) - June 30	-1,161,711		-1,118,231	
Reconciliation of Change in Accrued Benefit Liability				
Accrued Benefit Liability (Asset) - July 1	1,118,231		1,048,901	
Net Expense for Fiscal Year	158,548		154,230	
Employer Contributions	-115,069		-84,899	
Accrued Benefit Liability (Asset) - June 30	1,161,711		1,118,231	
Components of Net Benefit Expense				
Service Cost	106,786		99,608	
Interest Cost	29,663		36,840	
Immediate Recognition of Plan Amendment	-24,896		0	
Amortization of Net Actuarial (Gain)/Loss	46,996		17,782	
Net Benefit Expense (Income)	158,548		154,230	
Assumptions				
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	9.1		8.7	

SCHOOL DISTRICT No. 58 (NICOLA-SIMILKAMEEN)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 9 TANGIBLE CAPITAL ASSETS

Net Book Value:

	Net Book Value 2016	Net Book Value 2015
Sites	\$ 2,723,949	\$ 2,723,949
Buildings	23,739,434	23,001,923
Furniture & Equipment	549,456	609,156
Vehicles	575,827	652,777
Computer Hardware	784,609	582,238
Total	\$28,373,275	\$27,570,043

June 30, 2016

Cost:	Opening Cost	Additions	Disposals	Transfers (WIP)	Total 2016
Sites	\$ 2,723,949	\$	\$	\$	\$ 2,723,949
Buildings	44,291,670	1,614,437			45,906,107
Furniture & Equipment	887,821	29,082	(64,727)		852,176
Vehicles	1,100,950	33,145	(140,569)		993,526
Computer Hardware	920,725	386,516	(114,883)		1,192,358
Total	\$49,925,115	\$2,063,180	(\$320,179)	\$	\$51,668,116

Accumulated Amortization:	Opening Accumulated Amortization	Additions	Disposals	Total 2016
Buildings	\$21,289,747	\$ 876,926		\$22,166,673
Furniture & Equipment	278,665	88,782	(64,727)	302,720
Vehicles	448,173	110,095	(140,569)	417,699
Computer Hardware	338,487	184,145	(114,883)	407,749
Total	\$22,355,072	\$1,259,948	(\$320,179)	\$23,294,841

SCHOOL DISTRICT No. 58 (NICOLA-SIMILKAMEEN)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 9 TANGIBLE CAPITAL ASSETS (Continued)

June 30, 2015

Cost:	Opening Cost	Additions	Disposals	Transfers (WIP)	Total 2015
Sites	\$ 2,723,949	\$	\$	\$	\$ 2,723,949
Buildings	37,131,190	2,535,958		4,624,522	44,291,670
Buildings – work in progress	4,624,522			(4,624,522)	
Furniture & Equipment	682,808	274,126	(69,113)		887,821
Vehicles	929,622	215,087	(43,759)		993,239
Computer Hardware	1,025,305	208,063	(312,643)		920,725
Total	\$47,117,396	\$3,233,234	(\$425,515)	\$	\$49,925,115

Accumulated Amortization:	Opening Accumulated Amortization	Additions	Disposals	Total 2015
Buildings	\$20,583,889	\$ 705,858		\$21,289,747
Furniture & Equipment	279,497	68,281	(69,113)	278,665
Vehicles	398,970	92,962	(43,759)	448,173
Computer Hardware	446,069	205,061	(312,643)	338,487
Total	\$21,708,425	\$1,072,162	(\$425,515)	\$22,355,072

NOTE 10 EMPLOYEE PENSION PLANS

The school district and its employees contribute to the Teachers' Pension Plan and Municipal Pension Plan (jointly trustee pension plans). The boards of trustees for these plans, representing plan members and employers, are responsible for administering the pension plans, including investing assets and administering benefits. The plans are multi-employer defined benefit pension plans. Basic pension benefits 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 of December 31, 2014, the Municipal Pension Plan has about 185,000 active members, including approximately 24,000 from school districts.

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 contributions sufficient to provide benefits for average future entrants to the plans. This rate is then adjusted to the extent there is amortization of any funding deficit.

The most recent actuarial valuation of the Teachers' Pension Plan as at December 31, 2014, indicated a \$449 million surplus for basic pension benefits on a going concern basis.

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.

SCHOOL DISTRICT No. 58 (NICOLA-SIMILKAMEEN)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 10 EMPLOYEE PENSION PLANS *(Continued)*

The school district paid \$2,377,277 for employer contributions to the plans for the year ended June 30, 2016 (2015: \$2,165,558).

The next valuation for the Teachers' Pension Plan will be as at December 31, 2017, with results available in 2018. The next valuation for the Municipal Pension Plan 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 each plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plans.

NOTE 11 INTERFUND TRANSFERS

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

- Purchase of assets from the Operating Fund for the Capital Fund in the amount of \$550,731

NOTE 12 RELATED PARTY TRANSACTIONS

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

NOTE 13 CONTRACTUAL OBLIGATIONS

The School District has entered into the following contracts for the delivery of services and the construction of tangible capital assets. 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.

- AD Property Maintenance in the amount of \$90,000
- Integral Exteriors Ltd. in the amount of \$100,000

NOTE 14 BUDGET FIGURES

Budget figures included in the financial statements are not audited. They were approved by the Board through the adoption of an amended annual budget on February 10, 2016.

SCHOOL DISTRICT No. 58 (NICOLA-SIMILKAMEEN)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 15 ASSET RETIREMENT OBLIGATION

The School District undertook an asbestos assessment during the 2007/2008 school year and the result was that there would not be an impact on any of the School District's proposed projects as a result of asbestos that may be present in the schools. The value of the potential liability for asbestos or disposal will be recognized in the period when the fair market value can be reasonably determined.

NOTE 16 EXPENSE BY OBJECT

	2016	2015
Salaries and benefits	\$ 22,645,720	\$ 20,847,111
Services and supplies	3,892,694	3,420,375
Amortization	1,259,948	1,072,162
Other	1,389,229	1,198,957
	\$ 29,187,591	\$ 26,538,605

NOTE 17 INTERNALLY RESTRICTED SURPLUS – OPERATING FUND

Internally Restricted (appropriated) by Board for:	
<i>Equipment replacement</i>	\$ 300,000
<i>Grounds improvements</i>	300,000
<i>Maintenance equipment</i>	150,000
<i>Transportation equipment</i>	150,000
<i>Fine Arts equipment</i>	300,000
<i>Music Department</i>	300,000
<i>Shop classroom equipment</i>	300,000
<i>First Nations Surplus</i>	115,471
<i>School General Surplus</i>	364,548
<i>Student/Teacher laptop initiative</i>	300,000
Subtotal Internally Restricted	2,580,019
Unrestricted Operating Surplus (Deficit)	3,060,750
Total Available for Future Operations	\$ 5,640,769

NOTE 18 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.

SCHOOL DISTRICT No. 58 (NICOLA-SIMILKAMEEN)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 19 RISK MANAGEMENT

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

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

a) Credit risk:

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

The School District is exposed to credit risk in the event of non-performance by a borrower. This risk is mitigated as most amounts receivable are due from the Province and are collectible.

It is management's opinion that the School District is not exposed to significant credit risk associated with its cash deposits and investments as they are placed in recognized British Columbia institutions and the School District invests solely in guaranteed investment certificates.

b) Interest Rate risk:

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. It is management's opinion that the School District is not exposed to significant interest rate risk as they invest solely in guaranteed investments certificates that have a maturity date of no more than 3 years.

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.



F.W. Voelkl, CPA, CA
C.M. Kelley, CPA, CA (incorporated professional)



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INDEPENDENT AUDITOR'S COMMENTS ON SUPPLEMENTARY INFORMATION

To the Board of Education of School District No. 58 (Nicola-Similkameen), and
To the Minister of Education, Province of British Columbia:

We have audited the financial statements of **SCHOOL DISTRICT NO. 58 (NICOLA-SIMILKAMEEN)**, which comprise the statement of financial position as at **JUNE 30, 2016**, the statement of operations, statement of changes in net financial assets (debt), statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information, and have issued our report thereon dated September 21, 2016 which contained an unmodified opinion on the financial statements as a whole. The following supplementary financial information is presented for the purposes of additional analysis and is not a required part of the financial statements. Such financial information is the responsibility of management and was derived from the underlying accounting and other records used to prepare the financial statements.

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

McConnell, Voelkl

CHARTERED PROFESSIONAL ACCOUNTANTS

September 21, 2016

Hope, BC, Canada

School District No. 58 (Nicola-Similkameen)

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	6,436,949		12,598,643	19,035,592	18,302,910
Changes for the year					
Surplus (Deficit) for the year	(245,449)	523,913	(428,574)	(150,110)	732,682
Interfund Transfers					
Tangible Capital Assets Purchased	(550,731)	(523,913)	1,074,644	-	
Net Changes for the year	(796,180)	-	646,070	(150,110)	732,682
Accumulated Surplus (Deficit), end of year - Statement 2	5,640,769	-	13,244,713	18,885,482	19,035,592

School District No. 58 (Nicola-Similkameen)

Schedule of Operating Operations

Year Ended June 30, 2016

	2016 Budget	2016 Actual	2015 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	21,729,232	22,271,058	21,809,705
Other	30,000	30,878	62,176
Tuition		27,718	
Other Revenue	2,633,377	2,640,259	2,331,145
Rentals and Leases	70,000	78,925	90,413
Investment Income	90,000	102,845	117,536
Total Revenue	<u>24,552,609</u>	<u>25,151,683</u>	<u>24,410,975</u>
Expenses			
Instruction	20,867,507	20,414,670	19,134,276
District Administration	1,077,058	1,064,871	905,118
Operations and Maintenance	2,925,187	2,971,382	2,826,299
Transportation and Housing	947,247	946,209	838,831
Total Expense	<u>25,816,999</u>	<u>25,397,132</u>	<u>23,704,524</u>
Operating Surplus (Deficit) for the year	<u>(1,264,390)</u>	<u>(245,449)</u>	<u>706,451</u>
Budgeted Appropriation (Retirement) of Surplus (Deficit)	<u>1,589,390</u>		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(325,000)	(550,731)	(536,502)
Local Capital			(169,949)
Total Net Transfers	<u>(325,000)</u>	<u>(550,731)</u>	<u>(706,451)</u>
Total Operating Surplus (Deficit), for the year	<u>-</u>	<u>(796,180)</u>	<u>-</u>
Operating Surplus (Deficit), beginning of year		<u>6,436,949</u>	6,436,949
Operating Surplus (Deficit), end of year		<u>5,640,769</u>	<u>6,436,949</u>
Operating Surplus (Deficit), end of year			
Internally Restricted		2,580,019	3,331,508
Unrestricted		3,060,750	3,105,441
Total Operating Surplus (Deficit), end of year		<u>5,640,769</u>	<u>6,436,949</u>

School District No. 58 (Nicola-Similkameen)

Schedule of Operating Revenue by Source

Year Ended June 30, 2016

	2016 Budget	2016 Actual	2015 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education			
Operating Grant, Ministry of Education	23,848,801	24,261,269	24,187,851
AANDC/LEA Recovery	(2,295,007)	(2,195,419)	(2,620,176)
Other Ministry of Education Grants			
Pay Equity	120,216	120,216	120,216
Funding for Graduated Adults	40,000	25,394	85,416
Economic Stability Dividend		15,852	
FSA Scorer Grant	7,972	7,972	7,972
Carbon Tax Grant		28,524	28,426
Curriculum Implementation	7,250	7,250	
Total Provincial Grants - Ministry of Education	<u>21,729,232</u>	<u>22,271,058</u>	<u>21,809,705</u>
Provincial Grants - Other	<u>30,000</u>	<u>30,878</u>	<u>62,176</u>
Tuition			
Offshore Tuition Fees		27,718	
Total Tuition	<u>-</u>	<u>27,718</u>	<u>-</u>
Other Revenues			
LEA/Direct Funding from First Nations	2,295,007	2,176,456	2,162,052
Miscellaneous			
Miscellaneous Revenue	338,370	463,803	169,093
Total Other Revenue	<u>2,633,377</u>	<u>2,640,259</u>	<u>2,331,145</u>
Rentals and Leases	<u>70,000</u>	<u>78,925</u>	<u>90,413</u>
Investment Income	<u>90,000</u>	<u>102,845</u>	<u>117,536</u>
Total Operating Revenue	<u><u>24,552,609</u></u>	<u><u>25,151,683</u></u>	<u><u>24,410,975</u></u>

School District No. 58 (Nicola-Similkameen)

Schedule of Operating Expense by Object
Year Ended June 30, 2016

	2016 Budget	2016 Actual	2015 Actual
	\$	\$	\$
Salaries			
Teachers	9,925,992	9,855,022	9,017,756
Principals and Vice Principals	1,530,975	1,526,474	1,468,441
Educational Assistants	2,038,708	2,026,582	2,002,999
Support Staff	2,729,955	2,511,361	2,568,177
Other Professionals	768,113	778,710	570,596
Substitutes	543,416	723,499	531,598
Total Salaries	17,537,159	17,421,648	16,159,567
Employee Benefits	4,604,269	4,309,908	3,996,545
Total Salaries and Benefits	22,141,428	21,731,556	20,156,112
Services and Supplies			
Services	889,908	931,439	884,214
Student Transportation	392,310	353,812	308,084
Professional Development and Travel	418,890	419,293	258,348
Rentals and Leases	17,000	-	13,258
Dues and Fees	57,919	83,403	80,288
Insurance	82,832	71,486	73,351
Supplies	1,250,712	1,344,908	1,465,241
Utilities	566,000	461,235	465,628
Total Services and Supplies	3,675,571	3,665,576	3,548,412
Total Operating Expense	25,816,999	25,397,132	23,704,524

School District No. 58 (Nicola-Similkameen)

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	7,942,338	214,949		337,455	67,238	384,879	8,946,859
1.03 Career Programs	7,699	24,155		4,902		7,656	44,412
1.07 Library Services	188,438	30,151		29,959		3,620	252,168
1.08 Counselling	512,445	32,554		10,715		3,706	559,420
1.10 Special Education	1,078,373	118,005	1,593,819		15,928	125,860	2,931,985
1.30 English Language Learning	27,910					270	28,180
1.31 Aboriginal Education	94,187	99,970	432,763		16,205	9,506	652,631
1.41 School Administration	3,632	1,006,690		447,803		5,101	1,463,226
Total Function 1	9,855,022	1,526,474	2,026,582	830,834	99,371	540,598	14,878,881
4 District Administration							
4.11 Educational Administration					224,830		224,830
4.40 School District Governance					102,500		102,500
4.41 Business Administration				82,682	188,451		271,133
Total Function 4	-	-	-	82,682	515,781	-	598,463
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				10,597	122,634	5,147	138,378
5.50 Maintenance Operations				1,207,885		98,702	1,306,587
5.52 Maintenance of Grounds				90,782			90,782
5.56 Utilities							-
Total Function 5	-	-	-	1,309,264	122,634	103,849	1,535,747
7 Transportation and Housing							
7.41 Transportation and Housing Administration					40,924		40,924
7.70 Student Transportation				288,581		79,052	367,633
Total Function 7	-	-	-	288,581	40,924	79,052	408,557
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	9,855,022	1,526,474	2,026,582	2,511,361	778,710	723,499	17,421,648

School District No. 58 (Nicola-Similkameen)

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	2015 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	8,946,859	2,216,786	11,163,645	1,141,151	12,304,796	12,390,502	11,143,187
1.03 Career Programs	44,412	10,021	54,433	28,942	83,375	64,950	67,617
1.07 Library Services	252,168	64,287	316,455	45,830	362,285	422,286	486,496
1.08 Counselling	559,420	131,315	690,735	694	691,429	678,880	569,112
1.10 Special Education	2,931,985	756,513	3,688,498	254,164	3,942,662	4,104,202	3,968,043
1.30 English Language Learning	28,180	6,927	35,107	63	35,170	37,008	67,535
1.31 Aboriginal Education	652,631	161,673	814,304	283,368	1,097,672	1,238,327	989,514
1.41 School Administration	1,463,226	351,096	1,814,322	82,959	1,897,281	1,931,352	1,842,772
Total Function 1	14,878,881	3,698,618	18,577,499	1,837,171	20,414,670	20,867,507	19,134,276
4 District Administration							
4.11 Educational Administration	224,830	58,543	283,373	73,001	356,374	342,535	224,688
4.40 School District Governance	102,500	2,073	104,573	62,856	167,429	164,344	171,823
4.41 Business Administration	271,133	63,986	335,119	205,949	541,068	570,179	508,607
Total Function 4	598,463	124,602	723,065	341,806	1,064,871	1,077,058	905,118
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	138,378	29,457	167,835	69,664	237,499	219,413	188,488
5.50 Maintenance Operations	1,306,587	341,920	1,648,507	466,779	2,115,286	1,944,611	2,070,983
5.52 Maintenance of Grounds	90,782	17,559	108,341	49,021	157,362	195,163	101,202
5.56 Utilities	-	-	-	461,235	461,235	566,000	465,626
Total Function 5	1,535,747	388,936	1,924,683	1,046,699	2,971,382	2,925,187	2,826,299
7 Transportation and Housing							
7.41 Transportation and Housing Administration	40,924	7,693	48,617	-	48,617	49,163	56,253
7.70 Student Transportation	367,633	90,059	457,692	439,900	897,592	898,084	782,578
Total Function 7	408,557	97,752	506,309	439,900	946,209	947,247	838,831
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	17,421,648	4,309,908	21,731,556	3,665,576	25,397,132	25,816,999	23,704,524

School District No. 58 (Nicola-Similkameen)

Schedule of Special Purpose Operations

Year Ended June 30, 2016

	2016 Budget	2016 Actual	2015 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	2,253,487	2,121,901	1,334,160
Other Revenue	642,023	932,523	850,282
Total Revenue	<u>2,895,510</u>	<u>3,054,424</u>	<u>2,184,442</u>
Expenses			
Instruction	1,254,483	2,143,353	978,955
Operations and Maintenance	1,500,323	387,158	782,964
Total Expense	<u>2,754,806</u>	<u>2,530,511</u>	<u>1,761,919</u>
Special Purpose Surplus (Deficit) for the year	<u>140,704</u>	<u>523,913</u>	<u>422,523</u>
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(140,704)	(523,913)	(422,523)
Total Net Transfers	<u>(140,704)</u>	<u>(523,913)</u>	<u>(422,523)</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. 58 (Nicola-Similkameen)

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	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	Community- LINK
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	902,463	64,913	26,135	41,646	262,023	98,609	61,199	132,327	67,717
Add: Restricted Grants									
Provincial Grants - Ministry of Education	136,541	501,130		965		128,000	14,700	73,338	284,775
Other					856,291				
Investment Income	8,573								
	145,114	501,130	-	965	856,291	128,000	14,700	73,338	284,775
Less: Allocated to Revenue	835,852	558,186	26,135	14,412	889,254	127,377	7,518	205,665	346,286
Deferred Revenue, end of year	211,725	7,857	-	28,199	229,060	99,232	68,381	-	6,206
Revenues									
Provincial Grants - Ministry of Education	835,852	558,186	26,135	14,412		127,377	7,518	205,665	346,286
Other Revenue					889,254				
	835,852	558,186	26,135	14,412	889,254	127,377	7,518	205,665	346,286
Expenses									
Salaries									
Teachers		361,606						33,798	122,102
Support Staff		84,278				91,385			36,910
	-	445,884	-	-	-	91,385	-	33,798	159,012
Employee Benefits		112,302				22,150		7,698	41,935
Services and Supplies	387,158			14,412	889,254	13,842	7,518	115,085	145,339
	387,158	558,186	-	14,412	889,254	127,377	7,518	156,581	346,286
Net Revenue (Expense) before Interfund Transfers	448,694	-	26,135	-	-	-	-	49,084	-
Interfund Transfers									
Tangible Capital Assets Purchased	(448,694)		(26,135)					(49,084)	
	(448,694)	-	(26,135)	-	-	-	-	(49,084)	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 58 (Nicola-Similkameen)

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2016

	Service Delivery Transformation	Area Multicultural Program	Charitable Society	TOTAL
	\$	\$	\$	\$
Deferred Revenue, beginning of year	25,000	27,013	163,871	1,872,916
Add: Restricted Grants				
Provincial Grants - Ministry of Education				1,139,449
Other			39,974	896,265
Investment Income			675	9,248
	-	-	40,649	2,044,962
Less: Allocated to Revenue	470	-	43,269	3,054,424
Deferred Revenue, end of year	24,530	27,013	161,251	863,454
Revenues				
Provincial Grants - Ministry of Education	470			2,121,901
Other Revenue			43,269	932,523
	470	-	43,269	3,054,424
Expenses				
Salaries				
Teachers				517,506
Support Staff				212,573
	-	-	-	730,079
Employee Benefits				184,085
Services and Supplies	470		43,269	1,616,347
	470	-	43,269	2,530,511
Net Revenue (Expense) before Interfund Transfers	-	-	-	523,913
Interfund Transfers				
Tangible Capital Assets Purchased				(523,913)
	-	-	-	(523,913)
Net Revenue (Expense)	-	-	-	-

School District No. 58 (Nicola-Similkameen)

Schedule of Capital Operations

Year Ended June 30, 2016

	2016 Budget	2016 Actual			2015 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Provincial Grants					
Investment Income			37,128	37,128	46,151
Amortization of Deferred Capital Revenue	794,244	794,246		794,246	629,719
Total Revenue	794,244	794,246	37,128	831,374	675,870
Expenses					
Amortization of Tangible Capital Assets					
Operations and Maintenance	1,259,948	1,259,948		1,259,948	1,072,162
Total Expense	1,259,948	1,259,948	-	1,259,948	1,072,162
Capital Surplus (Deficit) for the year	(465,704)	(465,702)	37,128	(428,574)	(396,292)
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	465,704	1,074,644		1,074,644	959,025
Local Capital				-	169,949
Total Net Transfers	465,704	1,074,644	-	1,074,644	1,128,974
Total Capital Surplus (Deficit) for the year	-	608,942	37,128	646,070	732,682
Capital Surplus (Deficit), beginning of year		8,690,459	3,908,184	12,598,643	11,865,961
Capital Surplus (Deficit), end of year		9,299,401	3,945,312	13,244,713	12,598,643

School District No. 58 (Nicola-Similkameen)

Tangible Capital Assets
Year Ended June 30, 2016

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	2,723,949	44,291,670	887,821	1,100,950		920,725	49,925,115
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		988,536					988,536
Operating Fund		177,207	29,082	33,145		311,297	550,731
Special Purpose Funds		448,694				75,219	523,913
	-	1,614,437	29,082	33,145	-	386,516	2,063,180
Decrease:							
Deemed Disposals			64,727	140,569		114,883	320,179
	-	-	64,727	140,569	-	114,883	320,179
Cost, end of year	2,723,949	45,906,107	852,176	993,526	-	1,192,358	51,668,116
Work in Progress, end of year							-
Cost and Work in Progress, end of year	2,723,949	45,906,107	852,176	993,526	-	1,192,358	51,668,116
Accumulated Amortization, beginning of year		21,289,747	278,665	448,173		338,487	22,355,072
Changes for the Year							
Increase: Amortization for the Year		876,926	88,782	110,095		184,145	1,259,948
Decrease:							
Deemed Disposals			64,727	140,569		114,883	320,179
			64,727	140,569	-	114,883	320,179
Accumulated Amortization, end of year		22,166,673	302,720	417,699	-	407,749	23,294,841
Tangible Capital Assets - Net	2,723,949	23,739,434	549,456	575,827	-	784,609	28,373,275

School District No. 58 (Nicola-Similkameen)

Deferred Capital Revenue
Year Ended June 30, 2016

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	17,447,811	1,431,773		18,879,584
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	988,536			988,536
	988,536	-	-	988,536
Decrease:				
Amortization of Deferred Capital Revenue	758,452	35,794		794,246
	758,452	35,794	-	794,246
Net Changes for the Year	230,084	(35,794)	-	194,290
Deferred Capital Revenue, end of year	17,677,895	1,395,979	-	19,073,874
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	17,677,895	1,395,979	-	19,073,874

School District No. 58 (Nicola-Similkameen)

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	-	216,102				216,102
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	988,536					988,536
Investment Income		2,054				2,054
	<u>988,536</u>	<u>2,054</u>	-	-	-	990,590
Decrease:						
Transferred to DCR - Capital Additions	988,536					988,536
	<u>988,536</u>	-	-	-	-	988,536
Net Changes for the Year	-	2,054	-	-	-	2,054
Balance, end of year	-	218,156	-	-	-	218,156