

Audited Financial Statements of

School District No. 41 (Burnaby)

June 30, 2014

School District No. 41 (Burnaby)

June 30, 2014

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School District No. 41 (Burnaby)

MANAGEMENT REPORT

Version: 3141-2395-9413

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 41 (Burnaby) 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. 41 (Burnaby) (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, 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. 41 (Burnaby) and meet when required. The accompanying Independent Auditor's 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. 41 (Burnaby)

"original signed"

September 23, 2014

Signature of the Chairperson of the Board of Education

Date Signed

"original signed"

September 23, 2014

Signature of the Superintendent

Date Signed

"original signed"

September 23, 2014

Signature of the Secretary Treasurer

Date Signed



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INDEPENDENT AUDITORS' REPORT

To the Board of Education of School District No. 41 (Burnaby)

To the Minister of Education, Province of British Columbia

We have audited the accompanying financial statements of School District No. 41 (Burnaby), which comprise the statements of financial position as at June 30, 2014, the statement of operations, change 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 accounting requirements of 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, 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 audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audits 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 in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements of School District No. 41 (Burnaby) as at and for the year ended June 30, 2014 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, supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board.

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.

Other Matters

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



Chartered Accountants

September 23, 2014
Burnaby, Canada

School District No. 41 (Burnaby)

Statement 1

Statement of Financial Position

As at June 30, 2014

	2014 Actual	2013 Actual (Recast - Note 21)
	\$	\$
Financial Assets		
Cash and Cash Equivalents	76,236,371	67,164,412
Accounts Receivable		
Due from Province - Ministry of Education	-	358,667
Due from Province - Other	177,115	187,665
Other (Note 3)	1,390,896	1,004,889
Portfolio Investments (Note 4)	1,740,593	1,639,518
Total Financial Assets	79,544,975	70,355,151
Liabilities		
Accounts Payable and Accrued Liabilities		
Due to Province - Ministry of Education (Note 5)	5,887,496	-
Other (Note 6)	16,451,784	18,403,790
Unearned Revenue (Note 7)	14,353,127	11,509,870
Deferred Revenue (Note 8)	8,016,684	8,143,985
Deferred Capital Revenue (Note 9)	219,318,775	221,121,338
Employee Future Benefits (Note 10)	7,407,141	6,843,052
Total Liabilities	271,435,007	266,022,035
Net Financial Assets (Debt)	(191,890,032)	(195,666,884)
Non-Financial Assets		
Tangible Capital Assets (Note 11)	274,153,861	276,464,406
Prepaid Expenses	169,071	347,403
Total Non-Financial Assets	274,322,932	276,811,809
Accumulated Surplus (Deficit) (Note 18)	82,432,900	81,144,925

Contractual Obligations and Contingencies (Note 15)

Approved by the Board

"original signed"	23-Sep-14
Signature of the Chairperson of the Board of Education	Date Signed
"original signed"	23-Sep-14
Signature of the Superintendent	Date Signed
"original signed"	23-Sep-14
Signature of the Secretary Treasurer	Date Signed

School District No. 41 (Burnaby)

Statement of Operations
Year Ended June 30, 2014

Statement 2

	2014 Budget	2014 Actual	2013 Actual (Recast - Note 21)
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	210,924,732	203,920,132	210,139,746
Other	2,963,250	2,889,849	3,378,737
Federal Grants	20,980	482,105	14,980
Tuition	15,080,161	15,865,403	14,580,920
Other Revenue	9,566,772	9,186,421	8,575,892
Rentals and Leases	1,155,000	1,140,685	1,107,438
Investment Income	865,000	795,401	697,255
Amortization of Deferred Capital Revenue	7,400,000	7,228,877	7,014,362
Total Revenue	<u>247,975,895</u>	<u>241,508,873</u>	<u>245,509,330</u>
Expenses (Note 17)			
Instruction	212,727,419	200,515,100	207,542,328
District Administration	5,715,991	5,680,595	5,740,775
Operations and Maintenance	33,906,376	32,656,494	29,858,341
Transportation and Housing	1,509,191	1,368,709	1,347,263
Total Expense	<u>253,858,977</u>	<u>240,220,898</u>	<u>244,488,707</u>
Surplus (Deficit) for the year	<u>(5,883,082)</u>	<u>1,287,975</u>	<u>1,020,623</u>
Accumulated Surplus (Deficit) from Operations, beginning of year		<u>81,144,925</u>	<u>80,124,302</u>
Accumulated Surplus (Deficit) from Operations, end of year		<u><u>82,432,900</u></u>	<u><u>81,144,925</u></u>

School District No. 41 (Burnaby)

Statement of Changes in Net Financial Assets (Debt)

Year Ended June 30, 2014

Statement 4

	2014 Budget	2014 Actual	2013 Actual (Recast - Note 21)
	\$	\$	\$
Surplus (Deficit) for the year	(5,883,082)	1,287,975	1,020,623
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(5,900,000)	(6,349,946)	(10,154,444)
Amortization of Tangible Capital Assets	8,600,000	8,660,491	7,994,718
Total Effect of change in Tangible Capital Assets	2,700,000	2,310,545	(2,159,726)
Acquisition of Prepaid Expenses		(169,071)	(347,403)
Use of Prepaid Expenses		347,403	44,301
Total Effect of change in Other Non-Financial Assets	-	178,332	(303,102)
(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)	<u>(3,183,082)</u>	3,776,852	(1,442,205)
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Financial Assets (Debt)		3,776,852	(1,442,205)
Net Financial Assets (Debt), beginning of year		(195,666,884)	(194,224,679)
Net Financial Assets (Debt), end of year		<u>(191,890,032)</u>	<u>(195,666,884)</u>

School District No. 41 (Burnaby)

Statement 5

Statement of Cash Flows

Year Ended June 30, 2014

	2014 Actual	2013 Actual (Recast - Note 21)
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	1,287,975	1,020,623
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(16,790)	3,315,812
Prepaid Expenses	178,332	(303,102)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	3,935,490	(4,259,561)
Unearned Revenue	2,843,258	137,625
Deferred Revenue	(127,301)	499,725
Employee Future Benefits	564,088	213,896
Amortization of Tangible Capital Assets	8,660,491	7,994,718
Amortization of Deferred Capital Revenue	(7,228,877)	(7,014,362)
Recognition of Deferred Capital Revenue Spent on Sites	(19,089)	(285,799)
Recognition of Deferred Capital Revenue - Other	-	(83,592)
Total Operating Transactions	<u>10,077,577</u>	<u>1,235,983</u>
Capital Transactions		
Tangible Capital Assets Purchased	(6,349,946)	(10,154,444)
Total Capital Transactions	<u>(6,349,946)</u>	<u>(10,154,444)</u>
Financing Transactions		
Capital Revenue Received	5,445,403	8,158,092
Total Financing Transactions	<u>5,445,403</u>	<u>8,158,092</u>
Investing Transactions		
Proceeds on Disposal of Portfolio Investments	-	15,012,394
Investments in Portfolio Investments	(101,075)	-
Total Investing Transactions	<u>(101,075)</u>	<u>15,012,394</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>9,071,959</u>	<u>14,252,025</u>
Cash and Cash Equivalents, beginning of year	<u>67,164,412</u>	<u>52,912,387</u>
Cash and Cash Equivalents, end of year	<u>76,236,371</u>	<u>67,164,412</u>
Cash and Cash Equivalents, end of year, is made up of:		
Cash	17,546,048	14,017,630
Cash Equivalents	58,690,323	53,146,782
	<u>76,236,371</u>	<u>67,164,412</u>

SCHOOL DISTRICT NO. 41 (BURNABY)

Notes to Financial Statements

June 30, 2014

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. 41 (Burnaby)", and operates as "School District No. 41 (Burnaby)" (the "School District"). A board of education (the "Board") elected for a three-year term governs the School District. The School District provides educational programs to students enrolled in schools in the district, and is principally funded by the Province of British Columbia through the Ministry of Education.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the School District are prepared by management in accordance with the basis of accounting described below. Significant accounting policies of the School District are as follows:

a) Basis of Accounting

The financial statements have been prepared in accordance with Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia 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 standard or guideline 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 first fiscal year commencing after January 1, 2012.

Regulation 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 tangible capital asset is recorded.

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

SCHOOL DISTRICT NO. 41 (BURNABY)

Notes to Financial Statements

June 30, 2014

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The accounting policy requirements under Regulation 198/2011 are significantly different from the requirements of Canadian public sector accounting standards which requires 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 standard PS3410; and
- 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 recognized in the statement of operations and certain related deferred capital revenue would be recorded differently under Canadian Public Sector Accounting Standards.

b) Cash and Cash Equivalents

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

c) Accounts Receivable

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

d) Portfolio Investments

The School District has investments in GIC's and term deposits that have a maturity of greater than three months at the time of acquisition. GIC's and term deposits are reported at amortized cost.

Detailed information regarding portfolio investments is disclosed in Note 4.

e) 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.

SCHOOL DISTRICT NO. 41 (BURNABY)

Notes to Financial Statements

June 30, 2014

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f) 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.

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

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

SCHOOL DISTRICT NO. 41 (BURNABY)

Notes to Financial Statements

June 30, 2014

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 attributable to construction.
- Donated tangible capital assets are recorded at their fair value on the date of donation, except in circumstances where fair value cannot be reasonably determined, in which case they 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 addition to the applicable asset class at substantial completion.
- Tangible capital assets are written down to residual value when conditions indicate they no longer contribute to the ability of the School District to provide services or when the value of future economic benefits associated with the sites and buildings 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
Leasehold Improvements	5 years
Computer Software	5 years
Computer Hardware	5 years

SCHOOL DISTRICT NO. 41 (BURNABY)

Notes to Financial Statements

June 30, 2014

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i) Prepaid Expenses

Prepaid expenses consist mainly of prepaid fees that are paid for near the end of the current fiscal year. Prepaid expenses are stated at acquisition cost and are charged to expense over the periods expected to benefit from it.

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 13 – Interfund Transfers and Note 18 – Internally Restricted Surplus).

k) Revenue Recognition

Revenues are recognized in the period in which the transactions or events occurred 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.

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 to revenue over the useful life of the related assets.

Donated tangible capital assets other than sites are recorded at fair value and the related revenue amortized over the useful life of the assets. Donated sites are recorded as revenue at fair 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 is recognized as revenue over the period that the liability is extinguished.

SCHOOL DISTRICT NO. 41 (BURNABY)

Notes to Financial Statements

June 30, 2014

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Investment income is recorded 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.

l) Expenditures

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

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.

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 other current liabilities.

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.

SCHOOL DISTRICT NO. 41 (BURNABY)

Notes to Financial Statements

June 30, 2014

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

A contract establishing a financial instrument creates, at its inception, rights and obligations to receive or deliver economic benefits. The financial assets and financial liabilities portray these rights and obligations in the financial statements. The School District recognizes a financial instrument when it becomes a party to a financial instrument contract.

Financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable, other current liabilities and capital lease obligations.

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 rates for amortization and potential impairment of assets and estimated employee future benefits. Actual results could differ from those estimates.

NOTE 3 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	2014	2013
Due from Federal Government	\$673,277	\$232,646
Due from Municipal Governments	138,550	138,550
Other	579,069	633,693
	<u>\$1,390,896</u>	<u>\$1,004,889</u>

NOTE 4 PORTFOLIO INVESTMENTS

	2014	2013
GIC's and Term Deposits	<u>\$1,740,593</u>	<u>\$1,639,518</u>

SCHOOL DISTRICT NO. 41 (BURNABY)

Notes to Financial Statements

June 30, 2014

NOTE 5 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES – DUE TO PROVINCE

Due to Province – Ministry of Education includes \$5,887,496 to the Ministry of Education for 80 per cent of salary and benefits savings resulting from teacher job action.

NOTE 6 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES – OTHER

	<u>2014</u>	<u>2013</u>
Trade payables	\$ 4,468,556	\$ 4,270,546
Salaries and benefits payable	10,556,079	12,778,060
Accrued vacation pay	1,427,149	1,355,184
	<u>\$ 16,451,784</u>	<u>\$ 18,403,790</u>

NOTE 7 UNEARNED REVENUE

	<u>2014</u>	<u>2013</u>
Balance, beginning of year	\$11,509,870	\$11,372,245
Changes for the year:		
Increase:		
Tuition fees collected	14,450,511	11,403,453
Decrease:		
Tuition fee revenue recognized	11,607,254	11,265,828
Net changes for the year	<u>\$ 2,843,257</u>	<u>\$ 137,625</u>
Balance, end of year	<u>\$14,353,127</u>	<u>\$11,509,870</u>

SCHOOL DISTRICT NO. 41 (BURNABY)

Notes to Financial Statements

June 30, 2014

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.

	June 30, 2013	Contributions received	Revenue recognized in the period	June 30, 2014
Provincial Grants - Ministry of Education	\$ 1,698,134	\$ 13,588,138	\$ (14,154,095)	\$ 1,132,177
Provincial Grants - Other	918,463	1,037,107	(1,056,113)	899,457
Other	5,527,388	9,511,569	(9,053,907)	5,985,050
Total	8,143,985	24,136,814	(24,264,115)	8,016,684

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.

	2014	2013
Deferred Capital Revenue, (includes Work in progress), beginning of year	<u>221,121,338</u>	<u>220,346,999</u>
Increases:		
Provincial Grants - MOE	3,009,164	7,150,212
Local Government Fees / Grants	2,165,649	748,251
Investment Income	270,590	259,629
Transfers from Deferred Capital Revenue - Capital Additions	4,574,209	8,836,555
	<u>10,019,612</u>	<u>16,994,647</u>
Decreases:		
Transfers to DCR - capital additions	4,574,209	8,836,555
Transfers to net assets - site improvements	19,089	285,799
Transfer to Local Capital	-	83,592
Amortization of Deferred Capital Revenue	7,228,877	7,014,362
	<u>11,822,175</u>	<u>16,220,308</u>
Net Change for the year	<u>(1,802,563)</u>	<u>774,339</u>
Deferred Capital Revenue (includes Work in progress), end of year	<u>219,318,775</u>	<u>221,121,338</u>

SCHOOL DISTRICT NO. 41 (BURNABY)

Notes to Financial Statements

June 30, 2014

NOTE 10 EMPLOYEE FUTURE BENEFITS

Benefits include vested sick leave, accumulating non-vested sick leave, retirement/severance and vacation benefits.

	2014	2013
Reconciliation of Accrued Benefit Obligation		
Accrued benefit obligation – April 1	\$ 9,905,777	\$ 6,872,091
Service cost	666,065	531,746
Interest cost	302,218	301,065
Benefit Payments	(738,296)	(696,864)
Actuarial (Gain) Loss	(467,893)	2,897,739
Accrued benefit obligation – March 31	<u>\$ 9,667,871</u>	<u>\$ 9,905,777</u>

Reconciliation of Funded Status at End of Fiscal Year		
Accrued benefit obligation – March 31	\$ 9,667,871	\$ 9,905,777
Market value of plan assets – March 31	-	-
Funded status – (deficit)	(9,667,871)	(9,905,777)
Employer contributions after measurement date	225,926	298,150
Benefits expense after measurement date	(246,004)	(242,071)
Unamortized net actuarial Loss	2,280,809	3,006,646
Accrued benefit (liability) – June 30	<u>\$ (7,407,140)</u>	<u>\$ (6,843,052)</u>

Reconciliation of Change in Accrued Benefit Liability		
Accrued benefit liability – July 1	\$ 6,843,052	\$ 6,420,953
Recognize Benefit Expense April 1 – June 30, 2012	-	208,203
Accrued Benefit Liability – July 1 (recast)	6,843,052	6,629,156
Net expense for the year	1,230,160	876,953
Employer payments	(666,072)	(663,057)
Accrued benefit liability – June 30	<u>\$ 7,407,140</u>	<u>\$ 6,843,052</u>

	2014	2013
Components of Net Benefit Expense		
Service cost	\$ 665,034	\$ 565,326
Interest cost	307,182	301,353
Amortization of net actuarial loss	257,944	10,274
Net benefit expense	<u>\$ 1,230,160</u>	<u>\$ 876,953</u>

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

	2014	2013
Discount rate – April 1	3.00%	4.25%
Discount rate – March 31	3.25%	3.00%
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	11.7	11.7

SCHOOL DISTRICT NO. 41 (BURNABY)

Notes to Financial Statements

June 30, 2014

NOTE 11 TANGIBLE CAPITAL ASSETS

Cost:	Balance at June 30, 2013	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2014
Sites	\$ 48,594,928	\$ 19,089	\$ -	\$ -	\$ 48,614,017
Buildings	321,469,480	4,777,780	-	3,008,094	329,255,354
Buildings – work in progress	3,008,094	-	-	(3,008,094)	-
Leasehold Improvements	393,126	-	-	-	393,126
Furniture & Equipment	5,642,358	183,442	(191,733)	-	5,634,067
Vehicles	605,341	134,402	-	-	739,743
Computer Software	177,140	188,735	(14,933)	-	350,942
Computer Hardware	1,780,977	1,046,498	(42,192)	-	2,785,283
Total	\$381,671,444	\$6,349,946	\$ (248,858)	\$ -	\$387,772,532

Accumulated Amortization:	Balance at June 30, 2013	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2014
Sites	\$ -	\$ -	\$ -	-	\$ -
Buildings	101,525,124	7,426,058	-	-	108,951,182
Leasehold Improvements	240,789	78,625	-	-	319,414
Furniture & Equipment	2,596,940	573,408	(191,733)	-	2,978,615
Vehicles	164,213	67,254	-	-	231,467
Computer Software	81,986	54,301	(14,933)	-	121,354
Computer Hardware	597,986	460,845	(42,192)	-	1,016,639
Total	\$105,207,038	\$ 8,660,491	\$ (248,858)	-	\$113,618,671

Net Book Value:

	Net Book Value June 30, 2014	Net Book Value June 30, 2013
Sites	\$ 48,614,017	\$ 48,594,928
Buildings	220,304,172	222,952,450
Leasehold Improvements	73,712	152,337
Furniture & Equipment	2,655,452	3,045,418
Vehicles	508,276	441,128
Computer Software	229,588	95,154
Computer Hardware	1,768,644	1,182,991
Total	\$ 274,153,861	\$ 276,464,406

SCHOOL DISTRICT NO. 41 (BURNABY)

Notes to Financial Statements

June 30, 2014

NOTE 12 EMPLOYEE PENSION PLANS

The School District and its employees contribute to the Teachers' Pension Plan and Municipal Pension Plan, jointly trustee pension Plans. The board of trustees for these plans represents plan members and employers and is responsible for the management of the pension plan including investment of the assets and administration of benefits. The pension plans are multi-employer contributory pension plans. Basic pension benefits provided are based on a formula. The Teachers' Pension Plan has about 45,000 active members from school districts, and approximately 32,000 retired members from school districts. The Municipal Pension Plan has about 179,000 active members, of which approximately 24,000 are from school districts.

Every three years, an actuarial valuation is performed to assess the financial position of the plans and the adequacy of plan funding. The most recent actuarial valuation of the Teachers' Pension Plan as at December 31, 2011 indicated an \$855 million funding deficit for basic pension benefits. The next valuation will be as at December 31, 2014 with results available in 2015. The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2012 indicated a \$1,370 million funding deficit for basic pension benefits. The next valuation will be as at December 31, 2015 with results available in 2016. Defined contribution plan accounting is applied to the plan as the plan exposes the participating entities to actuarial risks associated with the current and former employees of other entities, with the result that there is no consistent and reliable basis for allocating the obligation, plan assets and cost to individual entities participating in the plan.

The School District paid \$21,163,508 for employer contributions to these plans in the year ended June 30, 2014 (2013 - \$20,438,413).

NOTE 13 INTERFUND TRANSFERS

Interfund transfers between the operating, special purpose and capital funds for the year ended June 30, 2014, were as follows:

- \$995,783 transferred from the Operating Fund to the Capital Fund for capital equipment purchases to be made from Local Capital

SCHOOL DISTRICT NO. 41 (BURNABY)

Notes to Financial Statements

June 30, 2014

NOTE 14 RELATED PARTY TRANSACTIONS

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

NOTE 15 CONTINGENCIES

The School District is contingently liable as a guarantor of letters of credit provided by the Royal Bank of Canada to the City of Burnaby. The School District's maximum potential liability under the guarantee is \$680,000 (2013 - \$1.35 million).

NOTE 16 BUDGET FIGURES

Budget figures included in the financial statements are the School District's amended annual budget approved by the Board through the adoption of an amended annual budget on February 25, 2014. Changes between the original annual budget (approved by the Board on April 23, 2013) and the amended annual budget are listed below:

	Original Budget	Amended Budget	Change
Statement 2			
Total Revenue	\$ 245,283,028	\$ 247,975,895	\$ 2,692,867
Total Expense	\$ 250,075,870	\$ 253,858,977	\$ (3,783,107)
Surplus (Deficit) for the year	(4,792,842)	(5,883,082)	(1,090,240)
Budgeted Allocation of Surplus	4,657,105	5,743,082	1,085,977
Budgeted Surplus (Deficit) for the year	<u>\$ (135,737)</u>	<u>\$ (140,000)</u>	<u>\$ (4,263)</u>
Statement 4			
Surplus (Deficit) for the year	\$ (4,792,842)	\$ (5,883,082)	\$ (1,090,240)
Total Effect of change in Tangible Capital Assets	1,828,687	2,700,000	871,313
(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)	<u>\$ (2,964,155)</u>	<u>\$ (3,183,082)</u>	<u>\$ (218,927)</u>

SCHOOL DISTRICT NO. 41 (BURNABY)

Notes to Financial Statements

June 30, 2014

NOTE 16 BUDGET FIGURES (Continued)

Significant changes between the original and amended budget were:

Statement 2

Total Revenues

- Budgeted revenues were amended based on actual student enrolment, increases in International student tuition fees and release of provincial operating grant holdback from the Ministry of Education.

Expenses

- Budgeted expenses were amended based on revised projections/cost estimates and addition of Board approved use of internally restricted funds from 2013.

Budgeted Allocation of Surplus

- actual 2013 year end surplus greater than budget

NOTE 17 EXPENSE BY OBJECT

	2014	2013
Salaries and benefits	\$ 200,153,716	\$ 205,976,116
Services and supplies	31,406,691	30,517,873
Amortization	8,660,491	7,994,718
	<u>\$ 240,220,898</u>	<u>\$ 244,488,707</u>

SCHOOL DISTRICT NO. 41 (BURNABY)

Notes to Financial Statements

June 30, 2014

NOTE 18 ACCUMULATED SURPLUS

	June 30, 2014	June 30, 2013
Capital Surplus	\$73,613,895	\$73,056,380
Operating Surplus		
Internally restricted operating surplus		
Ensuing year operating budget commitment	3,405,709	4,657,105
School fund balances and learning resources	1,408,426	957,671
Portion of employee future benefits actuarial gain appropriated for potential future losses	-	425,651
Other School District committed expenses	-	334,654
	<u>4,814,135</u>	<u>6,375,081</u>
Unrestricted operating surplus	4,782,324	1,713,464
Total Operating Surplus	<u>9,596,459</u>	<u>8,088,545</u>
Accumulated Surplus	<u>\$83,210,354</u>	<u>\$81,144,925</u>

NOTE 19 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 20 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, cash equivalents and amounts receivable.

SCHOOL DISTRICT NO. 41 (BURNABY)

Notes to Financial Statements

June 30, 2014

NOTE 20 RISK MANAGEMENT (Continued)

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 cash and cash equivalents as they are placed in recognized British Columbia institutions and the School District invests solely in placement of funds with institutions that have achieved the highest creditworthiness in the marketplace and earned a public reputation as a good credit risk. Cash equivalents consist of term deposits held with a credit union and the Provincial Central Deposit Program.

b) Market risk :

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency risk and interest rate risk.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the foreign exchange rates. It is management's opinion that the School District is not exposed to significant currency risk, as amounts held and purchases made in foreign currency are insignificant.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The School District is exposed to interest rate risk through its cash equivalents. It is management's opinion that the School District is not exposed to significant interest rate risk as they invest solely in investments that are considered liquid (e.g. term deposits) 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.

SCHOOL DISTRICT NO. 41 (BURNABY)

Notes to Financial Statements

June 30, 2014

NOTE 21 RECAST OF JUNE 30, 2013 FINANCIAL STATEMENTS

The School District has made certain adjustments on a retrospective basis to the prior year financial statements to better reflect the employee future benefits liability as at June 30, 2013.

	<u>As previously reported</u>	<u>Adjustment</u>	<u>Recast</u>
Employee future benefits liability	6,899,131	(56,079)	6,843,052
Accumulated surplus, beginning of year	80,332,505	(208,203)	80,124,302
Surplus for the year	756,341	264,282	1,020,623
Accumulated surplus, end of year	81,088,846	56,079	81,144,925

NOTE 22 COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the current year's financial statement presentation.

School District No. 41 (Burnaby)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund
Year Ended June 30, 2014

Schedule 1 (Unaudited)

	Operating Fund	Special Purpose Fund	Capital Fund	2014 Actual	2013 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	8,088,545		73,056,380	81,144,925	80,332,505
Prior Period Adjustments					(208,203)
Accumulated Surplus (Deficit), beginning of year, as restated	8,088,545	-	73,056,380	81,144,925	80,124,302
Changes for the year					
Surplus (Deficit) for the year	2,503,697	43,865	(1,259,587)	1,287,975	1,020,623
Interfund Transfers					
Tangible Capital Assets Purchased	(995,783)	(43,865)	43,865	-	-
Local Capital	1,507,914	-	(219,939)	1,287,975	1,020,623
Net Changes for the year	9,596,459	-	72,836,441	82,432,900	81,144,925

(Recast - Note 21)

School District No. 41 (Burnaby)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2014

	2014 Budget	2014 Actual	2013 Actual (Recast - Note 21)
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	195,622,775	189,746,948	195,319,214
Other	1,832,886	1,833,736	2,361,350
Federal Grants	20,980	6,000	14,980
Tuition	15,080,161	15,865,403	14,580,920
Other Revenue	637,576	608,619	548,605
Rentals and Leases	1,055,000	1,040,485	1,008,222
Investment Income	800,000	742,663	645,730
Total Revenue	215,049,378	209,843,854	214,479,021
Expenses			
Instruction	190,104,186	178,553,003	186,224,057
District Administration	5,322,913	5,287,517	5,376,059
Operations and Maintenance	23,783,654	22,705,330	20,570,620
Transportation and Housing	839,707	794,307	827,438
Total Expense	220,050,460	207,340,157	212,998,174
Operating Surplus (Deficit) for the year	(5,001,082)	2,503,697	1,480,847
Budgeted Appropriation (Retirement) of Surplus (Deficit)	5,743,082		
Net Transfers (to) from other funds			
Local Capital	(742,000)	(995,783)	(1,886,526)
Total Net Transfers	(742,000)	(995,783)	(1,886,526)
Total Operating Surplus (Deficit), for the year	-	1,507,914	(405,679)
Operating Surplus (Deficit), beginning of year		8,088,545	8,702,427
Prior Period Adjustments			
April - June 2012 EFB Expense Restatement			(208,203)
Operating Surplus (Deficit), beginning of year, as restated		8,088,545	8,494,224
Operating Surplus (Deficit), end of year		9,596,459	8,088,545
Operating Surplus (Deficit), end of year			
Internally Restricted (Note 18)		4,814,135	6,375,081
Unrestricted		4,782,324	1,713,464
Total Operating Surplus (Deficit), end of year		9,596,459	8,088,545

School District No. 41 (Burnaby)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2014

	2014 Budget	2014 Actual	2013 Actual (Recast - Note 21)
	\$	\$	\$
Provincial Grants - Ministry of Education			
Operating Grant, Ministry of Education	192,653,989	187,129,355	192,312,949
Other Ministry of Education Grants			
Pay Equity	1,441,995	1,441,995	1,441,995
Education Guarantee	1,470,760	965,788	1,535,282
Other Misc and One-Time Grants	56,031	209,810	28,988
Total Provincial Grants - Ministry of Education	195,622,775	189,746,948	195,319,214
Provincial Grants - Other	1,832,886	1,833,736	2,361,350
Federal Grants	20,980	6,000	14,980
Tuition			
Summer School Fees	348,478	348,378	285,183
Continuing Education	1,248,600	1,509,029	1,351,088
Offshore Tuition Fees	13,483,083	14,007,996	12,944,649
Total Tuition	15,080,161	15,865,403	14,580,920
Other Revenues			
Miscellaneous			
City of Burnaby Crossing Guards	205,000	205,000	205,000
Other Program Fees	91,700	91,198	120,233
BCPSEA - Teacher EHB Plan Funding	163,876	163,876	
Sundry	177,000	148,545	223,372
Total Other Revenue	637,576	608,619	548,605
Rentals and Leases	1,055,000	1,040,485	1,008,222
Investment Income	800,000	742,663	645,730
Total Operating Revenue	215,049,378	209,843,854	214,479,021

School District No. 41 (Burnaby)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2014

	2014 Budget	2014 Actual	2013 Actual (Recast - Note 21)
	\$	\$	\$
Salaries			
Teachers	107,912,618	100,548,370	107,559,911
Principals and Vice Principals	8,541,708	8,608,313	8,580,101
Educational Assistants	13,641,742	13,621,856	12,760,045
Support Staff	19,045,821	18,980,022	18,729,544
Other Professionals	3,711,674	3,813,928	3,794,211
Substitutes	6,497,122	5,359,328	6,266,333
Total Salaries	159,350,685	150,931,817	157,690,145
Employee Benefits	37,834,387	36,244,224	35,204,751
Total Salaries and Benefits	197,185,072	187,176,041	192,894,896
Services and Supplies			
Services	8,756,658	8,106,895	7,972,025
Student Transportation	747,779	677,431	708,337
Professional Development and Travel	945,839	925,694	973,156
Rentals and Leases	492,632	385,852	475,100
Dues and Fees	75,000	75,088	73,846
Insurance	473,716	444,406	453,700
Supplies	8,121,821	6,569,694	6,573,955
Utilities	3,251,943	2,979,056	2,873,159
Total Services and Supplies	22,865,388	20,164,116	20,103,278
Total Operating Expense	220,050,460	207,340,157	212,998,174

School District No. 41 (Burnaby)

Operating Expense by Function, Program and Object

Year Ended June 30, 2014

Schedule 2C (Unaudited)

	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	72,605,415	320,297	697,370	892,694	179,650	3,081,448	77,776,874
1.03 Career Programs	835,585	35,095		127,638		92,684	1,091,002
1.07 Library Services	2,519,300	15,680	275,380	267,965		103,250	3,181,575
1.08 Counselling	3,009,311						3,009,311
1.10 Special Education	8,459,220	388,825	12,328,247			1,199,345	22,375,637
1.30 English Language Learning	5,209,926	57,500				216,700	5,484,126
1.31 Aboriginal Education	694,595	139,508	167,454			28,253	1,029,810
1.41 School Administration	518,355	6,810,932		4,176,003		2,766	11,508,056
1.60 Summer School	1,126,395	221,922		26,402	7,890	287,618	1,670,227
1.61 Continuing Education	2,064,792	218,804		327,829	341,426	158,095	3,110,946
1.62 Off Shore Students	3,428,864	36,500	153,405	129,917	250,547	67,321	4,066,554
Total Function 1	100,471,758	8,245,063	13,621,856	5,948,448	779,513	5,237,480	134,304,118
4 District Administration							
4.11 Educational Administration	76,612	363,250		169,269	908,314		1,517,445
4.40 School District Governance				52,645	257,113		309,758
4.41 Business Administration				808,696	1,124,653		1,933,349
Total Function 4	76,612	363,250	-	1,030,610	2,290,080	-	3,760,552
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				181,080	732,256		913,336
5.50 Maintenance Operations				10,878,768		121,848	11,000,616
5.52 Maintenance of Grounds				724,871			724,871
5.56 Utilities							-
Total Function 5	-	-	-	11,784,719	732,256	121,848	12,638,823
7 Transportation and Housing							
7.70 Student Transportation				216,245	12,079		228,324
Total Function 7	-	-	-	216,245	12,079	-	228,324
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	100,548,370	8,608,313	13,621,856	18,980,022	3,813,928	5,359,328	150,931,817

School District No. 41 (Burnaby)

Operating Expense by Function, Program and Object
Year Ended June 30, 2014

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2014 Actual	2014 Budget	2013 Actual
	\$	\$	\$	\$	\$	\$	(Recast - Note 21) \$
1 Instruction							
1.02 Regular Instruction	77,776,874	19,724,782	97,501,656	6,203,754	103,705,410	111,634,916	109,856,767
1.03 Career Programs	1,091,002	242,414	1,333,416	43,389	1,376,805	1,532,046	1,435,024
1.07 Library Services	3,181,575	773,726	3,955,301	379,960	4,335,261	4,834,939	4,431,761
1.08 Counselling	3,009,311	721,958	3,731,269		3,731,269	3,993,589	3,881,775
1.10 Special Education	22,375,637	5,256,839	27,632,476	358,203	27,990,679	29,288,090	28,029,617
1.30 English Language Learning	5,484,126	1,299,673	6,783,799	26,701	6,810,500	7,434,288	7,179,986
1.31 Aboriginal Education	1,029,810	241,554	1,271,364	49,464	1,320,828	1,414,407	1,378,088
1.41 School Administration	11,508,056	2,531,850	14,039,906	4,146	14,044,052	14,091,046	14,038,581
1.60 Summer School	1,670,227	318,176	1,988,403	118,399	2,106,802	2,074,412	2,038,174
1.61 Continuing Education	3,110,946	564,043	3,674,989	1,284,903	4,959,892	5,300,079	6,082,258
1.62 Off Shore Students	4,066,554	935,893	5,002,447	3,169,058	8,171,505	8,506,374	7,872,026
Total Function 1	134,304,118	32,610,908	166,915,026	11,637,977	178,553,003	190,104,186	186,224,057
4 District Administration							
4.11 Educational Administration	1,517,445	319,823	1,837,268	78,917	1,916,185	1,897,814	1,862,380
4.40 School District Governance	309,758	34,214	343,972	157,173	501,145	528,891	511,768
4.41 Business Administration	1,933,349	410,683	2,344,032	526,155	2,870,187	2,896,208	3,001,911
Total Function 4	3,760,552	764,720	4,525,272	762,245	5,287,517	5,322,913	5,376,059
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	913,336	175,723	1,089,059	479,509	1,568,568	1,613,095	1,448,847
5.50 Maintenance Operations	11,000,616	2,522,037	13,522,653	3,195,527	16,718,180	17,266,051	14,910,721
5.52 Maintenance of Grounds	724,871	154,650	879,521	572,577	1,452,098	1,652,565	1,356,443
5.56 Utilities	-	-	-	2,966,484	2,966,484	3,251,943	2,854,609
Total Function 5	12,638,823	2,852,410	15,491,233	7,214,097	22,705,330	23,783,654	20,370,620
7 Transportation and Housing							
7.70 Student Transportation	228,324	16,186	244,510	549,797	794,307	839,707	827,438
Total Function 7	228,324	16,186	244,510	549,797	794,307	839,707	827,438
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	150,931,817	36,244,224	187,176,041	20,164,116	207,340,157	220,050,460	212,998,174

School District No. 41 (Burnaby)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2014

	2014 Budget	2014 Actual	2013 Actual (Recast - Note 21)
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	15,301,957	14,154,095	14,534,733
Other	1,130,364	1,056,113	1,017,387
Federal Grants		476,105	
Other Revenue	8,929,196	8,577,802	7,943,695
Investment Income	5,000		
Total Revenue	<u>25,366,517</u>	<u>24,264,115</u>	<u>23,495,815</u>
Expenses			
Instruction	22,623,233	21,962,097	21,318,271
District Administration	393,078	393,078	364,716
Operations and Maintenance	1,522,722	1,290,673	1,293,003
Transportation and Housing	669,484	574,402	519,825
Total Expense	<u>25,208,517</u>	<u>24,220,250</u>	<u>23,495,815</u>
Special Purpose Surplus (Deficit) for the year	<u>158,000</u>	<u>43,865</u>	<u>-</u>
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(158,000)	(43,865)	-
Total Net Transfers	<u>(158,000)</u>	<u>(43,865)</u>	<u>-</u>
Total Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>-</u>	<u>-</u>
Special Purpose Surplus (Deficit), beginning of year			
Special Purpose Surplus (Deficit), end of year		<u>-</u>	<u>-</u>

School District No. 41 (Burnaby)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2014

Schedule 3A (Unaudited)

	Annual Facility Grant	Learning Improvement Fund	Special Education Equipment	Scholarships and Bursaries	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	Community-LINK
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	1,149,771	6,981	88,914	421,431	4,366,190	294	22,320	-	90,060
Add: Restricted Grants									
Provincial Grants - Ministry of Education	273,214	2,448,366	27,742			386,500	100,450	284,706	2,234,716
Provincial Grants - Other									
Federal Grants									
Other	12,993			37,788	7,222,114	17,855			1,319,614
Investment Income				8,624					
Less: Allocated to Revenue	286,207	2,448,366	27,742	46,412	7,222,114	404,355	100,450	284,706	3,554,330
Recovered	1,273,493	2,109,241	55,076	17,490	6,897,497	404,353	89,786	284,706	3,331,729
Strike Savings Recovered		6,981							
48,614									
Deferred Revenue, end of year	162,485	290,511	61,580	450,353	4,690,807	296	32,984	-	45,416
Revenues									
Provincial Grants - Ministry of Education	1,273,493	2,109,241	55,076			386,500	89,786	284,706	2,104,000
Provincial Grants - Other									
Federal Grants									
Other Revenue	1,273,493	2,109,241	55,076	17,490	6,897,497	17,853	89,786	284,706	1,227,729
Expenses									
Salaries									
Teachers		777,781				240,479			792,450
Principals and Vice Principals									
Educational Assistants		903,097							548,731
Support Staff	80,285					17,843			539,103
Other Professionals						26,113			158,309
Substitutes		83,031							68,823
Employee Benefits	80,285	1,763,909				284,435			2,107,416
Services and Supplies	(4,879)	345,332				92,288	2,330		498,107
	1,198,087		33,146	17,490	6,897,497	27,630	87,456	284,706	726,206
	1,273,493	2,109,241	33,146	17,490	6,897,497	404,353	89,786	284,706	3,331,729
Net Revenue (Expense) before Interfund Transfers	-	-	21,930	-	-	-	-	-	-
Interfund Transfers									
Tangible Capital Assets Purchased			(21,930)						
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 41 (Burnaby)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2014

	BC Provincial School for the Deaf	PRP Fraser Park/ Maples	Youth at Risk Subst. Abuse	Youth at Risk Young Parent	CYF Contracts	Settlement Services	Refugee Project	ECD	Community Services	Youth Transitions
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	160,991	265	145,779	89	337,981	683,994	1,079	627,339	4,598	
Add: Restricted Grants										
Provincial Grants - Ministry of Education	5,947,758	2,336,876		51,945		934,786				50,376
Provincial Grants - Other	5,734,779	2,115,435	86,112	52,031	30,404	960,095	1,079	279,348	43,987	
Federal Grants	145,791									
Other	107,313	98,075	60,035		36,827					
Investment Income										
Less: Allocated to Revenue Recovered										
Strike Savings Recovered										
Deferred Revenue, end of year	120,866	123,631	119,702	3	344,404	658,685	-	347,991	10,987	
Revenues										
Provincial Grants - Ministry of Education	5,734,779	2,115,435		52,031		960,095	1,079			43,987
Provincial Grants - Other			86,112	52,031	30,404	960,095	1,079	279,348	43,987	
Federal Grants										
Other Revenue										
Expenses										
Salaries										
Teachers	1,632,828	1,439,387			23,153					35,323
Principals and Vice Principals	330,554	91,967								
Educational Assistants	1,538,265	14,661	48,213	40,984		43,534		8,390		
Support Staff	66,186	33,366				505,456				
Other Professionals	71,113					76,335				
Substitutes	50,242	37,645								
Employee Benefits	3,689,188	1,617,026	48,213	40,984	23,153	625,325		8,390		35,323
Services and Supplies	847,663	375,218	10,437	10,482	1,473	149,631		2,100		8,664
	1,186,967	123,191	27,462	565	5,778	185,139	1,079	257,884		
	5,723,818	2,115,435	86,112	52,031	30,404	960,095	1,079	268,374		43,987
Net Revenue (Expense) before Interfund Transfers	10,961	-	-	-	-	-	-	10,974	-	-
Interfund Transfers										
Tangible Capital Assets Purchased	(10,961)							(10,974)		
	(10,961)							(10,974)		
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-	-

School District No. 41 (Burnaby)
 Changes in Special Purpose Funds and Expense by Object
 Year Ended June 30, 2014

	Environmental Sustainability	CIC LINC	Energy/Seismic Projects	TOTAL
Deferred Revenue, beginning of year	\$ 13,015	\$ -	\$ 22,894	\$ 8,143,985
Add: Restricted Grants				
Provincial Grants - Ministry of Education				14,040,328
Provincial Grants - Other				1,037,107
Federal Grants		482,419		482,419
Other	11,871		301,429	9,007,533
Investment Income				21,617
Less: Allocated to Revenue				
Recovered	11,871	482,419	301,429	24,589,004
Strike Savings Recovered	4,189	476,105	17,180	24,264,115
Deferred Revenue, end of year	20,697	6,314	307,143	8,016,684
Revenues				
Provincial Grants - Ministry of Education				14,154,095
Provincial Grants - Other				1,056,113
Federal Grants		476,105		476,105
Other Revenue	4,189		17,180	8,577,802
Expenses				
Salaries				
Teachers		165,337		5,106,738
Principals and Vice Principals				422,521
Educational Assistants				3,145,875
Support Staff		32,429		1,274,668
Other Professionals		28,440		360,310
Substitutes		27,109		266,850
Employee Benefits		253,315		10,576,962
Services and Supplies	4,189	61,867		2,400,713
	4,189	160,923	17,180	11,242,575
	4,189	476,105	17,180	24,220,250
Net Revenue (Expense) before Interfund Transfers	-	-	-	43,865
Interfund Transfers				
Tangible Capital Assets Purchased				(43,865)
Net Revenue (Expense)	-	-	-	-

School District No. 41 (Burnaby)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2014

	2014 Budget	2014 Actual			2013 Actual (Recast - Note 21)
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Provincial Grants					
Ministry of Education		19,089		19,089	285,799
Other Revenue				-	83,592
Rentals and Leases	100,000		100,200	100,200	99,216
Investment Income	60,000		52,738	52,738	51,525
Amortization of Deferred Capital Revenue	7,400,000	7,228,877		7,228,877	7,014,362
Total Revenue	7,560,000	7,247,966	152,938	7,400,904	7,534,494
Expenses					
Amortization of Tangible Capital Assets					
Operations and Maintenance	8,600,000	8,660,491		8,660,491	7,994,718
Total Expense	8,600,000	8,660,491	-	8,660,491	7,994,718
Capital Surplus (Deficit) for the year	(1,040,000)	(1,412,525)	152,938	(1,259,587)	(460,224)
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	158,000	43,865		43,865	
Local Capital	742,000		995,783	995,783	1,886,526
Total Net Transfers	900,000	43,865	995,783	1,039,648	1,886,526
Other Adjustments to Fund Balances					
Tangible Capital Assets Purchased from Local Capital		1,712,783	(1,712,783)	-	
Total Other Adjustments to Fund Balances		1,712,783	(1,712,783)	-	
Total Capital Surplus (Deficit) for the year	(140,000)	344,123	(564,062)	(219,939)	1,426,302
Capital Surplus (Deficit), beginning of year		69,591,250	3,465,130	73,056,380	71,630,078
Capital Surplus (Deficit), end of year		69,935,373	2,901,068	72,836,441	73,056,380

School District No. 41 (Burnaby)

Tangible Capital Assets
Year Ended June 30, 2014

Schedule 4A (Unaudited)

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	48,594,928	321,862,606	5,642,358	605,341	177,140	1,780,977	378,663,350
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw	19,089	1,467,394	3,953			347,180	1,837,616
Deferred Capital Revenue - Other		2,755,682					2,755,682
Special Purpose Funds			25,300			18,565	43,865
Local Capital		554,704	154,189	134,402	188,735	680,753	1,712,783
Transferred from Work in Progress	3,008,094						3,008,094
Decrease:							
Deemed Disposals	19,089	7,785,874	183,442	134,402	188,735	1,046,498	9,358,040
Cost, end of year	48,614,017	329,648,480	5,634,067	739,743	350,942	2,785,283	387,772,532
Work in Progress, end of year	-	-	191,733	-	14,933	42,192	248,858
Cost and Work in Progress, end of year	48,614,017	329,648,480	5,634,067	739,743	350,942	2,785,283	387,772,532
Accumulated Amortization, beginning of year							
Changes for the Year							
Increase: Amortization for the Year	101,765,913		2,596,940	164,213	81,986	597,986	105,207,038
Decrease:							
Deemed Disposals	7,504,683		573,408	67,254	54,301	460,845	8,660,491
Accumulated Amortization, end of year	109,270,596		2,978,615	231,467	121,354	1,016,639	113,618,671
Tangible Capital Assets - Net	48,614,017	220,377,884	2,655,452	508,276	229,588	1,768,644	274,153,861

School District No. 41 (Burnaby)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2014

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
Work in Progress, beginning of year	3,008,094				3,008,094
Changes for the Year					
Decrease:					
Transferred to Tangible Capital Assets	3,008,094				3,008,094
	<u>3,008,094</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,008,094</u>
Net Changes for the Year	<u>(3,008,094)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,008,094)</u>
Work in Progress, end of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

School District No. 41 (Burnaby)

Schedule 4C (Unaudited)

Deferred Capital Revenue
Year Ended June 30, 2014

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	198,792,503	1,526,699	3,545,859	203,865,061
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	1,818,527	2,755,682		4,574,209
Transferred from Work in Progress	3,008,094			3,008,094
	4,826,621	2,755,682	-	7,582,303
Decrease:				
Amortization of Deferred Capital Revenue	7,010,991	121,041	96,845	7,228,877
	7,010,991	121,041	96,845	7,228,877
Net Changes for the Year	(2,184,370)	2,634,641	(96,845)	353,426
Deferred Capital Revenue, end of year	196,608,133	4,161,340	3,449,014	204,218,487
Work in Progress, beginning of year	3,008,094			3,008,094
Changes for the Year				
Decrease				
Transferred to Deferred Capital Revenue	3,008,094			3,008,094
	3,008,094	-	-	3,008,094
Net Changes for the Year	(3,008,094)	-	-	(3,008,094)
Work in Progress, end of year	-	-	-	-
Total Deferred Capital Revenue, end of year	196,608,133	4,161,340	3,449,014	204,218,487

School District No. 41 (Burnaby)

Changes in Unspent Deferred Capital Revenue
Year Ended June 30, 2014

	Bylaw Capital	MEd Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	34,900	3,283,812		10,929,471		14,248,183
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	3,009,164			1,388,195	777,454	3,009,164
Other		38,119		232,471		2,165,649
Investment Income	3,009,164	38,119	-	1,620,666	777,454	270,590
Decrease:						
Transferred to DCR - Capital Additions	1,818,527	2,755,682				4,574,209
Transferred to Revenue - Site Purchases	19,089					19,089
	1,837,616	2,755,682				4,593,298
Net Changes for the Year	1,171,548	(2,717,563)		1,620,666	777,454	852,105
Balance, end of year	1,206,448	566,249	-	12,550,137	777,454	15,100,288