

**Audited Financial Statements of**

# **School District No. 72 (Campbell River)**

**June 30, 2014**

# School District No. 72 (Campbell River)

June 30, 2014

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# School District No. 72 (Campbell River)

## MANAGEMENT REPORT

Version: 2691-1945-8963

### Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 72 (Campbell River) 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.

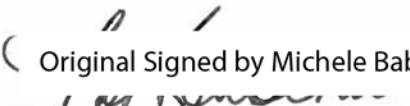
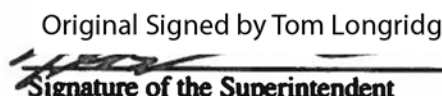
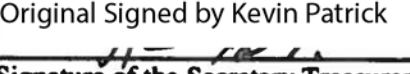
The preparation of financial statements necessarily involves the use of estimates based on management's judgment particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

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. 72 (Campbell River) (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, MNP LLP, Chartered Accountants, 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. 72 (Campbell River) 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. 72 (Campbell River)

 Original Signed by Michele Babchuk	<i>Sep 30, 2014</i>
_____ Signature of the Chairperson of the Board of Education	Date Signed
 Original Signed by Tom Longridge	<i>Oct 1, 2014</i>
_____ Signature of the Superintendent	Date Signed
 Original Signed by Kevin Patrick	<i>Oct 1, 2014</i>
_____ Signature of the Secretary Treasurer	Date Signed

## Independent Auditors' Report

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To the Board of Education of School District No. 72 (Campbell River) and the Minister of Education:

We have audited the accompanying financial statements of School District No. 72 (Campbell River), which comprise the statement of financial position as at June 30, 2014 and the statements of changes in net financial assets (debt), operations, cash flows and remeasurement gains and losses for the year then ended, and a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for Financial Statements*

Management is responsible for the preparation and presentation of these financial statements in accordance with the financial reporting framework based on Section 23.1 of the Budget Transparency and Accountability Act and the Province of British Columbia's Treasury Board Regulations 257/2010 and 198/2011, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 auditors' 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, the auditor considers internal control relevant to the entity's preparation and presentation 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 present the financial position of School District No. 72 (Campbell River) as at June 30, 2014 and the results of its operations, changes in net financial assets (debt), cash flows and remeasurement gains and losses for the year then ended in compliance with, in all material respects, the financial reporting framework based on Section 23.1 of the Budget Transparency and Accountability Act and the Province of British Columbia's Treasury Board Regulations 257/2010 and 198/2011.

### *Emphasis of Matter*

We draw attention to Note 2 which describes the financial reporting framework being followed by School District No. 72 (Campbell River).

### *Other Matter*

We draw attention to the Supplementary Financial Information included in Schedules 1 to 4D which has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Campbell River, British Columbia

September 30, 2014



Chartered Accountants

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# School District No. 72 (Campbell River)

## Statement of Financial Position

As at June 30, 2014

Statement 1

	2014 Actual	2013 Actual (Recast - Note 17)
	\$	\$
<b>Financial Assets</b>		
Cash and Cash Equivalents	14,274,751	12,420,558
Accounts Receivable		
Due from Province - Ministry of Education	411,928	49,826
Due from LEA/Direct Funding	271,910	401,150
Other (Note 3)	296,471	495,080
<b>Total Financial Assets</b>	<b>15,255,060</b>	<b>13,366,614</b>
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities		
Due to Province - Ministry of Education	1,006,405	100,336
Other (Note 4)	3,805,107	3,523,011
Unearned Revenue (Note 6)	258,772	306,904
Deferred Revenue (Note 7)	1,926,099	2,037,929
Deferred Capital Revenue (Note 8)	65,856,613	65,438,123
Employee Future Benefits (Note 9)	845,115	747,864
<b>Total Liabilities</b>	<b>73,698,111</b>	<b>72,154,167</b>
<b>Net Financial Assets (Debt)</b>	<b>(58,443,051)</b>	<b>(58,787,553)</b>
<b>Non-Financial Assets</b>		
Tangible Capital Assets (Note 5)	87,000,937	86,242,408
Prepaid Expenses	94,362	88,798
<b>Total Non-Financial Assets</b>	<b>87,095,299</b>	<b>86,331,206</b>
<b>Accumulated Surplus (Deficit) (Note 11)</b>	<b>28,652,248</b>	<b>27,543,653</b>

Contractual Obligations and Contingencies (Note 15)

Approved by the Board

Original Signed by Michele Babchuk

Signature of the Chairperson of the Board of Education

Sept 30, 2014

Date Signed

Original Signed by Tom Longridge

Oct 1, 2014

Signature of the Superintendent

Date Signed

Original Signed by Kevin Patrick

Oct 1, 2014

Signature of the Secretary Treasurer

Date Signed

**School District No. 72 (Campbell River)**

Statement 2

## Statement of Operations

Year Ended June 30, 2014

	2014 Budget	2014 Actual	2013 Actual (Recast - Note 17)
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	48,922,818	48,237,004	50,164,857
Tuition	300,630	308,700	304,800
Other Revenue	4,497,240	4,800,835	4,619,282
Rentals and Leases	150,000	155,843	159,204
Investment Income	100,000	128,225	97,803
Amortization of Deferred Capital Revenue	2,535,473	2,666,076	2,656,501
<b>Total Revenue</b>	<b>56,506,161</b>	<b>56,296,683</b>	<b>58,002,447</b>
<b>Expenses</b>			
Instruction	44,360,566	40,968,687	42,769,379
District Administration	2,093,793	1,978,256	1,919,320
Operations and Maintenance	10,632,949	10,879,746	11,326,202
Transportation and Housing	1,344,890	1,361,399	1,250,818
<b>Total Expense</b>	<b>58,432,198</b>	<b>55,188,088</b>	<b>57,265,719</b>
<b>Surplus (Deficit) for the year</b>	<b>(1,926,037)</b>	<b>1,108,595</b>	<b>736,728</b>
<b>Accumulated Surplus (Deficit) from Operations, beginning of year</b>		<b>27,543,653</b>	<b>26,806,925</b>
<b>Accumulated Surplus (Deficit) from Operations, end of year</b>		<b>28,652,248</b>	<b>27,543,653</b>

**School District No. 72 (Campbell River)**

Statement 4

**Statement of Changes in Net Financial Assets (Debt)****Year Ended June 30, 2014**

	2014 Budget	2014 Actual	2013 Actual (Recast - Note 17)
	\$	\$	\$
<b>Surplus (Deficit) for the year</b>	<b>(1,926,037)</b>	<b>1,108,595</b>	<b>736,728</b>
<b>Effect of change in Tangible Capital Assets</b>			
Acquisition of Tangible Capital Assets	(2,968,594)	(4,110,630)	(1,798,626)
Amortization of Tangible Capital Assets	3,352,101	3,352,101	3,362,531
<b>Total Effect of change in Tangible Capital Assets</b>	<b>383,507</b>	<b>(758,529)</b>	<b>1,563,905</b>
<b>Acquisition of Prepaid Expenses</b>		<b>(5,564)</b>	<b>(18,953)</b>
<b>Total Effect of change in Other Non-Financial Assets</b>	<b>-</b>	<b>(5,564)</b>	<b>(18,953)</b>
<b>(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)</b>	<b>(1,542,530)</b>	<b>344,502</b>	<b>2,281,680</b>
<b>Net Remeasurement Gains (Losses)</b>			
<b>(Increase) Decrease in Net Financial Assets (Debt)</b>		<b>344,502</b>	<b>2,281,680</b>
<b>Net Financial Assets (Debt), beginning of year</b>		<b>(58,787,553)</b>	<b>(61,069,233)</b>
<b>Net Financial Assets (Debt), end of year</b>		<b>(58,443,051)</b>	<b>(58,787,553)</b>



**School District No. 72 (Campbell River)**

Statement 5

## Statement of Cash Flows

Year Ended June 30, 2014

	2014 Actual	2013 Actual (Recast - Note 17)
	\$	\$
<b>Operating Transactions</b>		
Surplus (Deficit) for the year	1,108,595	736,728
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(34,253)	(22,637)
Inventories for Resale	5,100	2,354
Prepaid Expenses	(10,664)	(21,307)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	282,095	29,143
Unearned Revenue	(48,132)	17,150
Deferred Revenue	(111,830)	(59,148)
Employee Future Benefits	97,251	51,910
Other Liabilities	906,069	100,336
Amortization of Tangible Capital Assets	3,352,101	3,362,531
Amortization of Deferred Capital Revenue	(2,666,076)	(2,656,501)
<b>Total Operating Transactions</b>	<b>2,880,256</b>	<b>1,540,559</b>
<b>Capital Transactions</b>		
Tangible Capital Assets Purchased	(1,731,163)	(1,294,386)
Tangible Capital Assets -WIP Purchased	(2,379,467)	(504,240)
<b>Total Capital Transactions</b>	<b>(4,110,630)</b>	<b>(1,798,626)</b>
<b>Financing Transactions</b>		
Capital Revenue Received	3,610,241	2,710,313
Deferred Capital transferred to Operations and Mtnc	(525,674)	(600,790)
<b>Total Financing Transactions</b>	<b>3,084,567</b>	<b>2,109,523</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>1,854,193</b>	<b>1,851,456</b>
<b>Cash and Cash Equivalents, beginning of year</b>	<b>12,420,558</b>	<b>10,569,102</b>
<b>Cash and Cash Equivalents, end of year</b>	<b>14,274,751</b>	<b>12,420,558</b>
<b>Cash and Cash Equivalents, end of year, is made up of:</b>		
Cash	14,274,751	12,420,558
	<b>14,274,751</b>	<b>12,420,558</b>

**SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)**  
**NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2014**

**NOTE 1      AUTHORITY AND PURPOSE**

The School District, established on April 12, 1946 operates under authority of the *School Act* of British Columbia as a corporation under the name of "The Board of Education of School District No. 72 (Campbell River)", and operates as "School District No. 72 (Campbell River)." A board of education (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. The School District is exempt from tax.

**NOTE 2      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES**

**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(g) 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 (g) 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, 2013 - increase in annual surplus by \$1,598,587

June 30, 2013 - increase in accumulated surplus and decrease in deferred contributions to \$64,590,717

Year-ended June 30, 2014 – increase in annual surplus by \$3,743,053

June 30, 2014 – increase in accumulated surplus and decrease in deferred contributions to \$65,667,694

**b) Cash and Cash Equivalents**

Cash and cash equivalents include cash and highly liquid securities with original terms to maturity of three months or less when purchased.

**c) Accounts Receivable**

Accounts Receivable are measured at amortized costs and shown net of allowance for doubtful accounts (see Note 3).

**SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)**  
**NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2014**

**NOTE 2      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND  
REPORTING PRACTICES (Continued)**

**d) Prepaid Expenses**

Software licensing and support, memberships, dues and tuition are included as a prepaid expense and stated at acquisition cost and are charged to expense over the periods expected to benefit from it.

**e) Capital Assets**

The following criteria apply:

- Capital assets acquired or constructed are recorded at cost. Donated capital assets are recorded at their fair market value on the date of donation.
- Work-in-progress is recorded as an acquisition to the applicable asset class at substantial completion.
- Sites and buildings that no longer contribute to the ability of the district to provide services are written-down to residual value.
- Buildings that are demolished or destroyed are written-off.
- Work-in-progress is not amortized until after the asset has been completed or put into use.
- Amortization is recorded on a straight-line basis over the estimated useful life of the asset and commences the year following acquisition. Estimated useful life is as follows:

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

**f) Unearned Revenue**

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

**g) Deferred Revenue and Deferred Capital Revenue**

Deferred revenue includes contributions received with stipulations that meet the description of restricted contributions in the Restricted Contributions Regulation 198/2011 issued by Treasury Board.

When restrictions are met, deferred revenue is recognized as revenue in the fiscal year in a manner consistent with the circumstances and evidence used to support the initial recognition of the contributions received as a liability as detailed in Note 2 (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.

**SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)**  
**NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2014**

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

**h) Financial Instruments**

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

Financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, and other 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.

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.

**i) Use of Estimates**

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 for 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 impairment of assets, rates for amortization, allowance for doubtful accounts, employee incentive bonuses and estimated employee future benefits. Actual results could differ from those estimates.

**SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)**  
**NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2014**

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

**j) 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 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 at March 31, 2016 for use at June 30, 2016. For the purposes of determining the financial position of the plans and the employee future benefit costs, a measurement date of March 31 was adopted for all periods subsequent to July 1, 2004.

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.

**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.72 (CAMPBELL RIVER)**  
**NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2014**

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

**k) Revenue Recognition (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.

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.

**l) 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, Vice Principals, and Directors of Instruction employed under an administrative officer contract are categorized as Principals and Vice Principals.
  - Superintendents, Assistant Superintendents, Secretary-Treasurers, Trustees and other employees excluded from union contracts are categorized as Other Professionals.
- **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 regular 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 identification of program.

**SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)**  
**NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2014**

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

**m) Going Concern disclosure**

The School District has implemented Handbook Section 1400, General Standards of Financial Statement Presentation. This standard includes requirements for management to assess and disclose an entity's ability to continue as a going concern. Management has made its assessment and concluded there is no issue regarding the School District's ability to continue as a going concern based on the assumption that the current funding levels are maintained and any committed additional future funding is received. If there are significant declines in funding, expenses will be adjusted to match committed funding.

**n) Statement of Remeasurement Gains and Losses**

A statement of re-measurement gains and losses has not been presented as the District does not hold any financial assets or liabilities that would give rise to remeasurement gains or losses.

**o) Future Change in Accounting Policies**

In June 2010, the Public sector Account Board (PSAB) issued PS 3260 Liability for Contaminated Sites to establish recognition, measurement and disclosure standards for liabilities associated with the remediation of contaminated sites. The new section defines activities included in a liability for remediation, establishes when to recognize and how to measure a liability for remediation, and provides the related financial statement presentation and disclosure requirements. PS 3260 is effective for fiscal years beginning on or after April 1, 2014. The District does not expect the adoption of the new section to have a material impact on its financial statements.

**NOTE 3      ACCOUNTS RECEIVABLE – OTHER RECEIVABLES**

	2014	2013
Due from Federal Government	\$78,244	\$ 60,183
Due from Other School Districts	0	32,218
Due from North Island College	31,866	102,050
Due from Royal Bank	8,907	11,844
Due from BC Hydro	24,493	63,393
Due from CRDTA	0	203
Due from CUPE	0	372
Due from Fortis	5,849	
Due from other	147,112	224,817
Allowance for Doubtful Accounts	-	-
	<hr/> \$298,471	<hr/> \$ 495,080 <hr/>

**SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)**  
**NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2014**

**NOTE 4      ACCOUNTS PAYABLE AND ACCRUED LIABILITIES – OTHER**

	2014	2013
Trade Payables	\$1,122,401	\$ 720,441
Salaries and Benefits Payable	1,554,207	1,891,870
Accrued Vacation Pay	480,026	481,925
Capital Trade Payables	401,825	193,484
Other Payables	246,648	235,311
	<u>\$ 3,805,107</u>	<u>\$ 3,523,011</u>

**NOTE 5      TANGIBLE CAPITAL ASSETS**

**June 30, 2014**

Cost:	Opening Cost July 1, 2013	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2014
Sites	\$ 8,125,203	\$	\$	\$	\$ 8,125,203
Buildings	132,296,946	780,554		506,940	133,584,440
Buildings – work in progress	551,930	2,379,467		(506,940)	2,424,457
Furniture & Equipment	1,223,004	43,831	(138,553)		1,128,284
Vehicles	1,814,497	506,505	(99,600)		2,221,402
Computer Hardware	877,544	400,273	(126,928)		1,150,889
<b>Total</b>	<b>\$144,889,124</b>	<b>\$4,110,630</b>	<b>\$(365,081)</b>	<b>\$ -</b>	<b>\$148,634,673</b>

Accumulated Amortization:	Opening Accumulated Amortization July 1, 2013	Additions	Disposals	Balance at June 30, 2014
Sites	\$ -	\$	\$	\$ -
Buildings	56,967,627	2,872,841		59,840,468
Furniture & Equipment	556,702	122,301	(138,553)	540,450
Vehicles	814,149	181,450	(99,600)	895,999
Computer Hardware	308,238	175,509	(126,928)	356,819
<b>Total</b>	<b>\$58,646,716</b>	<b>\$3,352,101</b>	<b>\$(365,081)</b>	<b>\$ 61,633,736</b>

**June 30, 2013**

Cost:	Balance at July 1, 2012	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2013
Sites	\$ 8,125,203	\$	\$	\$	\$ 8,125,203
Buildings	131,401,812	895,134			132,296,946
Buildings – work in progress	47,690	504,240			551,930
Furniture & Equipment	1,323,672	191,701	(292,369)		1,223,004
Vehicles	1,806,987	7,510			1,814,497
Computer Hardware	905,331	200,041	(227,828)		877,544
<b>Total</b>	<b>\$143,610,695</b>	<b>\$1,798,626</b>	<b>\$ (520,197)</b>	<b>\$</b>	<b>\$144,889,124</b>



**SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)**  
**NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2014**

**NOTE 5 TANGIBLE CAPITAL ASSETS (Continued)**

**June 30, 2013**

<i>Accumulated Amortization:</i>	<i>Balance at July 1, 2012</i>	<i>Additions</i>	<i>Disposals</i>	<i>Balance at June 30, 2013</i>
<i>Sites</i>	\$ -	\$ -	\$ -	\$ -
<i>Buildings</i>	54,099,228	2,868,399		56,967,627
<i>Furniture &amp; Equipment</i>	716,704	132,387	(292,369)	556,702
<i>Vehicles</i>	633,450	180,699		814,149
<i>Computer Hardware</i>	355,000	181,068	(227,828)	308,238
<i>Total</i>	<i>\$55,804,382</i>	<i>\$ 3,362,531</i>	<i>\$ (520,197)</i>	<i>\$ 58,646,716</i>

**Net Book Value:**

	<i>Net Book Value June 30, 2014</i>	<i>Net Book Value June 30 2013</i>
<i>Sites</i>	\$ 8,125,203	\$ 8,125,203
<i>Buildings</i>	73,743,972	75,329,319
<i>Buildings – work in progress</i>	2,424,454	551,930
<i>Furniture &amp; Equipment</i>	587,835	666,302
<i>Vehicles</i>	1,325,403	1,000,348
<i>Computer Hardware</i>	794,070	589,306
<i>Total</i>	<i>\$87,000,937</i>	<i>\$ 86,242,408</i>

School District 72 has a Cortes Island property currently under negotiation for disposal. The historical cost for the land is \$466.60. The historical cost on the building was written down when the building was removed from the site.

Buildings – work in progress having a value of \$2,424,454 (2013: \$551,930) have not been amortized. Amortization of these assets will commence when the asset is put into service.

**NOTE 6 UNEARNED REVENUE**

Unearned revenue consists of contributions received for services to be delivered in a future period. Changes in unearned revenue are as follows:

	<i>June 30, 2014</i>	<i>June 30, 2013</i>
Balance, beginning of year	\$308,904	\$289,754
Changes for the year:		
Increase:		
Tuition fees	258,772	308,904
Rental/Lease of facilities		
	<u>258,772</u>	<u>308,904</u>
Decrease:		
Tuition fees	308,904	289,754
Rental/Lease of facilities		
Net changes for the year	<u>(48,132)</u>	<u>17,150</u>
Balance, end of year	<u>\$258,772</u>	<u>\$308,904</u>

**SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)**  
**NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2014**

**NOTE 7      DEFERRED REVENUE**

**a) Deferred Revenue – Ministry of Education**

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.

The special purpose fund represents government grants for aboriginal improvement and early learning, repairs and minor capital improvements to facilities, special education equipment and social equity programs; recorded on the capital funds represents government grants for seismic, building envelope and asset disposal proceeds in use by the Ministry of Education.

	<u>2014 Total</u>	<u>2013 Total</u>
Balance, beginning of year	<u>\$ 539,526</u>	<u>\$508,139</u>
Increases:		
Provincial grants – MEd	1,818,684	1,934,151
MEd Restricted Portion of Proceeds	-	-
Investment income	<u>3,150</u>	<u>3,112</u>
	<u>1,821,834</u>	<u>1,937,263</u>
Decreases:		
Transfers to Revenue	1,863,153	1,905,876
Transfer to invested in capital assets - sites	-	-
Other (specify)	<u>1,863,153</u>	<u>1,905,876</u>
Net Changes for the year	<u>(41,319)</u>	<u>31,387</u>
Balance, end of the year	<u>\$498,207</u>	<u>\$ 539,526</u>

**SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)**  
**NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2014**

**NOTE 7      DEFERRED REVENUE (Continued)**

**b) Deferred Revenue – Other -**

Deferred Revenue – Other recorded in the operating fund represent an aboriginal early learning grant; recorded in the special purpose fund represents school generated funds, community supported social programs and scholarship trust funds; recorded in the capital fund represents community grants to support capital projects.

	2014 Total	2013 Total
Balance, beginning of year	<u>\$1,498,403</u>	<u>\$1,588,838</u>
Increases:		
School Generated Funds	2,082,508	1,871,313
Investment Income	6,384	5,670
Other	<u>358,672</u>	<u>311,320</u>
	<u>2,427,544</u>	<u>2,188,303</u>
Decreases:		
Transfers to Revenue	<u>2,498,055</u>	<u>2,278,838</u>
	<u>2,498,055</u>	<u>2,278,838</u>
Net Changes for the year	<u>(70,511)</u>	<u>(90,535)</u>
Balance, end of the year	<u>\$1,427,892</u>	<u>\$1,498,403</u>
Total Deferred Revenue	<u>\$1,928,099</u>	<u>\$2,037,829</u>

**SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)**  
**NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2014**

**NOTE 8 DEFERRED CAPITAL REVENUE**

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

	Deferred Cap Revenue	Unspent Def. Cap Revenue	2014 Total	2013 Total
Balance, beginning of year	\$ 64,590,717	\$ 847,406	\$ 65,438,123	\$65,985,101
Increases:				
Transfers from DC - capital additions	1,870,526		1,870,526	1,094,347
Transfers from DC – work in progress	1,872,527		1,872,527	504,240
Donated Asset	-		-	-
Provincial Grants – Med		3,576,564	3,576,564	2,635,796
Provincial Grants – Other	-	-	-	-
Other Revenue		33,677	33,677	74,517
	<u>3,713,711</u>	<u>3,610,241</u>	<u>7,353,952</u>	<u>4,308,900</u>
Decreases:				
Amortization	2,666,076		2,666,076	2,656,501
Transfers to revenue - capital additions		3,713,711	3,713,711	1,524,070
Transfers to revenue – capital additions		29,342	29,342	74,517
Transfers to capital expense		525,675	525,675	600,790
	<u>2,666,076</u>	<u>4,268,728</u>	<u>6,934,804</u>	<u>4,855,878</u>
Balance, end of the year	<u>65,667,694</u>	<u>188,919</u>	<u>\$65,856,613</u>	<u>\$65,438,123</u>

**NOTE 9 EMPLOYEE FUTURE BENEFITS**

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

The period of amortization is equal to the expected average remaining service lifetime (EARSL) of active employees.

	2014	2013 (Recast – Note 17)
<b>Reconciliation of Accrued Benefit Obligation</b>		
Accrued Benefit Obligation – April 1	\$1,397,611	\$ 750,052
Non-vested Benefit Obligation – July 1, 2011	-	-
Service Cost	110,072	122,490
Interest Cost	43,075	35,873
Benefit Payments	(103,750)	(137,581)
Increase (Decrease) in obligation due to Plan Amendment	-	-
Actuarial (Gain)/Loss	(60,237)	626,777
Accrued Benefit Obligation – March 31	<u>\$1,386,772</u>	<u>\$ 1,397,611</u>

**SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)**  
**NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2014**

**NOTE 9      EMPLOYEE FUTURE BENEFITS (Continued)**

	2014	2013 (Recast – Note 17)
<b>Reconciliation of Funded Status at End of Fiscal Year</b>		
Accrued Benefit Obligation – March 31	\$1,388,772	\$ 1,397,811
Market Value of Plan Assets – March 31	-	-
Funded Status - Surplus/(Deficit)	(1,388,772)	(1,397,811)
Employer Contributions After Measurement Date	32,470	5,906
Benefit Expense After Measurement Date	(39,227)	(39,287)
Unamortized Net Actuarial (Gain)/Loss	548,414	682,129
Accrued Benefit Asset/(Liability) – June 30	\$(845,115)	\$ (747,864)
<b>Reconciliation of Change in Accrued Benefit Liability</b>		
Accrued Benefit Liability (Asset) – July 1	\$747,864	\$ 656,363
Recognize Benefit Expense April 1 – June 30, 2012	-	39,591
Accrued Benefit Liability (Asset) – July 1 (restated)	747,864	656,363
Net Expense for Fiscal Year	227,568	163,142
Employer Contributions	(130,315)	(111,232)
Accrued Benefit Asset/(Liability) – June 30	\$(845,115)	\$ (747,864)
<b>Components of Net Benefit Expense</b>		
Service Cost	\$110,151	\$ 119,388
Interest Cost	43,937	37,674
Immediate Recognition of Plan Amendment	-	-
Amortization of Net Actuarial (Gain)/Loss	73,478	6,083
Net Benefit Expense (Income)	\$227,568	\$ 163,142

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
EARS – March 31	9.3	9.3

**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 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.

**SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)**  
**NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2014**

**NOTE 10 EMPLOYEE PENSION PLANS (Continued)**

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 \$1.37 billion funding deficit for basic pension benefits. The next valuation will be as at December 31, 2015 with results available in 2016. Employers participating in the Plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the Plan records accrued liabilities and accrued assets for the Plan in aggregate with the result that there is no consistent and reliable basis for allocating the obligation, plan assets and cost to individual employers participating in the Plan.

The School District No. 72 (Campbell River) paid \$4,491,181 for employer contributions to these plans for the year ended June 30, 2014 and \$4,498,780 for the year ended June 30, 2013.

**NOTE 11 ACCUMULATED SURPLUS (DEFICIT) – END OF YEAR**

**FUND BALANCES, END OF YEAR**

OPERATING FUND	2014	2013
	(Recast – Note 17)	
Internally Restricted (appropriated) by the Board for:		
Board Instructional Support	31,520	31,520
Distance Learning	24,293	-
Electronic Record Conversion	17,738	20,738
Human Resources Supports	-	-
Education Implementation Training DELT	150,000	150,000
Learning Resources	175,000	175,000
Reserve Required to Balance Next Year Budget	567,708	392,600
Education Leadership and Succession	20,000	20,000
Strategic Plan Implementation	195,000	166,419
Critical Incident/Emergency Response Contingency	10,000	10,000
Aboriginal Education	233,937	148,491
School-Based Supply Accounts	357,892	279,732
SSEAC Training	10,095	-
VISTA planning	5,000	-
Strategic Development/Communication	10,000	-
Facility Review	35,000	-
Policy Implementation	20,000	-
Labour Disruption costs	220,000	-
Student Services - Psychological Testing Protocols	6,000	-
Powersmart Energy Upgrade	200,000	-
Emergency Radios	25,000	-
Employee Future Benefit Unamortized Gain	772,280	772,280
Total of Targeted Reserves	\$3,088,481	\$2,166,778
Operational Needs and Contingency Reserve	1,000,000	1,000,000

**SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)**  
**NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2014**

**NOTE 11 ACCUMULATED SURPLUS (DEFICIT) –  
END OF YEAR (Continued)**

	2014	2013 (Recast – Note 17)
<b>OPERATING FUND</b>		
Internally Restricted Reserve	\$4,088,461	\$3,168,778
Unrestricted Operating Reserve	2,502,945	2,068,833
Total Operating Reserves	<u>\$6,589,406</u>	<u>\$5,233,611</u>
 <b>CAPITAL FUND</b>	 2014	 2013 (Recast – Note 17)
Invested in Capital Assets	\$21,196,083	\$21,514,531
Local Capital	868,759	795,511
	<u>\$28,652,248</u>	<u>\$27,543,653</u>

**NOTE 12 INTERFUND TRANSFERS**

Interfund transfers between the operating, special purpose and capital funds are reported on Schedule 1 (Statement of Changes in Accumulated Surplus (Deficit) by Fund. For the year ended June 30, 2014 transfers were as follows:

- A transfer in the amount of \$215,000 was made from the operating fund to the capital fund for the purchase of local capital assets.
- A transfer in the amount of \$276,035 was made from the operating fund to the capital fund for the purchase of capital assets.

**NOTE 13 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 generally considered to be in the normal course of operations and are recorded at the exchange amount.

**SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)**  
**NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2014**

**NOTE 14     BUDGET FIGURES**

Budget figures included in the financial statements were approved by the Board through the adoption of an amended annual budget on February 25, 2014. The Board adopted a preliminary annual budget on May 21, 2013. The amended budget is used for comparison purposes, as these are based on actual student enrollments. The difference between the two budgets is as follows:

	2014 Amended	2014 Preliminary	Difference
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	48,922,818	49,558,699	(635,881)
Other	-	-	-
Tuition	300,630	259,000	41,630
Other Revenue	4,497,240	4,498,294	(1,054)
Rentals and Leases	150,000	135,000	15,000
Investment Income	100,000	60,000	40,000
Amortization of Deferred Capital Revenue	2,535,473	2,700,187	(164,714)
<b>Total Revenue</b>	<b>58,508,161</b>	<b>57,211,180</b>	<b>(705,019)</b>
<b>Expenses</b>			
Instruction	44,360,566	43,739,172	621,394
District Administration	2,093,793	2,049,275	44,518
Operations and Maintenance	7,462,298	7,767,604	(305,306)
Transportation and Housing	1,163,440	1,132,542	30,898
Amortization	3,352,101	3,352,144	(43)
<b>Total Expenses</b>	<b>58,432,198</b>	<b>58,040,737</b>	<b>391,461</b>
<b>Deficit for the year</b>	<b>(1,926,037)</b>	<b>(829,557)</b>	<b>(1,096,480)</b>
<b>Effects of change in Tangible Capital Assets</b>			
Acquisition of Tangible Capital Assets	(2,968,594)	(741,498)	(2,227,096)
Amortization of Tangible Capital Assets	3,352,101	3,352,144	(43)
<b>Total Effect of change in Tangible</b>			
<b>Capital Assets</b>	<b>383,507</b>	<b>2,610,646</b>	<b>(2,227,139)</b>
<b>(Increase) Decrease in Net Financial Assets</b>			
<b>(Debt)</b>	<b>(1,542,530)</b>	<b>1,781,089</b>	<b>(3,323,619)</b>



**SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)**  
**NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2014**

**NOTE 15      CONTINGENCIES**

**a) Ongoing Legal Proceedings**

In the ordinary course of operations, the School District has legal proceedings brought against it and provision has been included in liabilities where appropriate. It is the opinion of management that final determination of these claims will not have a material effect on the financial position or operations of the School District.

**b) Class Action Lawsuit**

In 2011, the School District was served a writ of summons in a class action lawsuit involving 25 other school districts throughout the Province, seeking recovery of tuition fees paid for summer school courses in prior fiscal periods. The potential financial consequences of this action are unknown at this time.

**NOTE 16      ECONOMIC DEPENDENCE**

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 under the assumption that the School District operates as a “going concern”.

**NOTE 17      PRIOR PERIOD ADJUSTMENT**

In prior years school districts reported annual Employee Future Benefit (EFB) expense equal to the 12 months ended March 31 expenses as determined by the actuary rather than the 12 months ended June 30. An adjustment was made to increase the Employee Future Benefit (EFB) liability to include benefits expense incurred after the early measurement date of March 31 (see Note 9). The June 30, 2013 EFB liability increased by \$38,287 representing the EFB expenses April 1 to June 30, 2013. The opening surplus as at July 1, 2012 was decreased by \$39,591 representing the April 1 – June 2012 EFB expenses. The surplus for the year ended June 30, 2013 was increased by \$1,304 representing the April 1 – June 2013 EFB expense minus the April 1 – June 2012 EFB expense.

**NOTE 18      FINANCIAL INSTRUMENTS**

All significant financial assets, financial liabilities and equity instruments of the School District are either recognized or disclosed in the financial statements together with other information relevant for making a reasonable assessment of future cash flows, interest rate risk and credit risk.

- **Credit Risk**

Financial instruments that potentially subject the School District to concentrations of credit risk consist primarily of other receivables. The maximum credit risk exposure is \$296,471 (2013 - \$495,080).

However, the School District believes that there is minimal risk associated with the collection of these amounts as they consist primarily of receivables from the

**SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)**  
**NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2014**

**NOTE 18      FINANCIAL INSTRUMENTS (*Continued*)**

Federal and Provincial Government organizations. The School District manages its credit risk by performing regular credit assessments of its customers and provides allowances for potentially uncollectible accounts receivable.

- **Liquidity Risk**

Liquidity risk is the risk that the School District will encounter difficulty in meeting obligations associated with financial liabilities.

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 to 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.

- **Foreign Currency Risk**

The School District maintains a U.S. bank account and enters into transactions with vendors for supplies denominated in U.S. currency for which the related expenses and accounts payable balances are subject to exchange rate fluctuations. As at June 30, 2014 there was an insignificant balance maintained in the U.S. dollar bank account.

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. In seeking to manage the risks from foreign exchange rate fluctuations, the School District does not hold significant funds in U.S. dollars in order to reduce their risk against adverse movements in the foreign exchange rates.

- **Financial Asset Impairment**

At each year-end date, the School District is required to evaluate and record any other-than-temporary impairment of its financial assets, other than those classified as held for trading. Accordingly, the School District has compared the carrying value of each of these financial assets to its fair value as at June 30, 2014. No provision for impairment was recorded in the current year, as the fair value of all financial assets tested exceeded their carrying value.

- **Fair Values of Financial Instruments**

The carrying amount of cash, accounts receivable and accounts payable and accrued liabilities approximates their fair value due to the short-term maturities of these items.

- **Risk Management Policy**

The School District, as part of its operations, has established objectives (i.e. hedging of risk exposures and avoidance of undue concentrations of risk) to mitigate credit risk as risk management objectives. In seeking to meet these objectives, the School District follows a risk management policy approved by its Board of Trustees.

**SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)**  
**NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2014**

**NOTE 19     ASSET RETIREMENT OBLIGATION**

The District is subject to environmental laws and regulations enacted by the Province and local authorities.

The District currently provides educational programs in 20 schools. It also operates a number of administrative support buildings. Many of these schools and buildings were constructed prior to the implementation of current asbestos removal regulations and asbestos containing materials were utilized in their construction. The nature and extent of asbestos construction material varies from building to building.

Upon retirement of these District buildings, either through demolition or sale, the District may incur removal costs or realize reduced sale proceeds because of the presence of asbestos. The District has made no provision for the financial impact of removal costs or reduced sale proceeds as they cannot be reasonably estimated due to the indeterminate nature and date of potential future retirements.

**NOTE 20     EXPENSE BY OBJECT**

	2014	2013 (Recast – Note 17)
Salaries	\$ 34,839,587	\$ 36,436,585
Benefits	8,266,931	8,406,875
Service and supplies	8,929,469	9,059,728
Amortization	3,352,101	3,362,531
	<u>\$ 55,188,088</u>	<u>\$ 57,265,719</u>

**NOTE 21     COMPARATIVE FIGURES**

Certain comparative figures have been restated to conform to the current year's presentation.

**NOTE 22     TRUST FUNDS**

Funds in the amount of \$1,246,738 (2013 - \$1,266,212) are held in trust for teachers who participate in the payroll savings plan. These funds are not reflected in the financial statements.

**School District No. 72 (Campbell River)**  
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 (Recast - Note 17)
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	5,233,611		22,310,042	27,543,653	26,846,516
Prior Period Adjustments					(39,591)
Accumulated Surplus (Deficit), beginning of year, as restated	5,233,611	-	22,310,042	27,543,653	26,806,925
Changes for the year					
Surplus (Deficit) for the year	1,846,830		(738,235)	1,108,595	736,728
Interfund Transfers	(276,035)		276,035	-	-
Tangible Capital Assets Purchased	(215,000)		215,000	-	-
Local Capital	1,355,795	-	(247,200)	1,108,595	736,728
Net Changes for the year	6,589,406	-	22,062,842	28,652,248	27,543,653
Accumulated Surplus (Deficit), end of year - Statement 2					

**School District No. 72 (Campbell River)**

Schedule 2 (Unaudited)

## Schedule of Operating Operations

Year Ended June 30, 2014

	2014 Budget	2014 Actual	2013 Actual (Recast - Note 17)
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	46,567,745	45,848,176	47,658,191
Tuition	300,630	308,700	304,800
Other Revenue	2,349,485	2,302,780	2,340,444
Rentals and Leases	150,000	155,843	159,204
Investment Income	100,000	121,081	90,294
<b>Total Revenue</b>	<b>49,467,860</b>	<b>48,736,580</b>	<b>50,552,933</b>
<b>Expenses</b>			
Instruction	40,045,033	36,607,479	38,584,665
District Administration	2,093,793	1,978,256	1,919,320
Operations and Maintenance	7,358,042	7,124,066	7,086,967
Transportation and Housing	1,163,440	1,179,949	1,250,818
<b>Total Expense</b>	<b>50,660,308</b>	<b>46,889,750</b>	<b>48,841,770</b>
<b>Operating Surplus (Deficit) for the year</b>	<b>(1,192,448)</b>	<b>1,846,830</b>	<b>1,711,163</b>
<b>Budgeted Appropriation (Retirement) of Surplus (Deficit)</b>	<b>1,407,448</b>		
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased		(276,035)	(141,640)
Local Capital	(215,000)	(215,000)	(215,000)
<b>Total Net Transfers</b>	<b>(215,000)</b>	<b>(491,035)</b>	<b>(356,640)</b>
<b>Total Operating Surplus (Deficit), for the year</b>	<b>-</b>	<b>1,355,795</b>	<b>1,354,523</b>
<b>Operating Surplus (Deficit), beginning of year</b>		<b>5,233,611</b>	<b>3,918,679</b>
Prior Period Adjustments			
April - June 2012 EFB Expense Restatement			(39,591)
<b>Operating Surplus (Deficit), beginning of year, as restated</b>		<b>5,233,611</b>	<b>3,879,088</b>
<b>Operating Surplus (Deficit), end of year</b>		<b>6,589,406</b>	<b>5,233,611</b>
<b>Operating Surplus (Deficit), end of year</b>			
Internally Restricted		4,086,461	3,166,778
Unrestricted		2,502,945	2,066,833
<b>Total Operating Surplus (Deficit), end of year</b>		<b>6,589,406</b>	<b>5,233,611</b>

**School District No. 72 (Campbell River)**

Schedule 2A (Unaudited)

## Schedule of Operating Revenue by Source

Year Ended June 30, 2014

	2014 Budget	2014 Actual	2013 Actual (Recast - Note 17)
	\$	\$	\$
<b>Provincial Grants - Ministry of Education</b>			
Operating Grant, Ministry of Education	48,186,257	47,251,470	49,060,345
AANDC/LEA Recovery	(1,649,901)	(1,572,684)	(1,604,600)
Other Ministry of Education Grants			
Pay Equity	75,322	75,322	75,322
Carbon Tax Rebate	69,325	71,250	64,665
Education Guarantee	3,046	14,122	38,763
Foundation Skills Assessment	8,696	8,696	8,696
Graduation Requirements Advisory Team	-	-	15,000
K-12 Enrolment Audit Adjustment	(125,000)	-	-
<b>Total Provincial Grants - Ministry of Education</b>	<b>46,567,745</b>	<b>45,848,176</b>	<b>47,658,191</b>
<b>Tuition</b>			
Offshore Tuition Fees	300,630	308,700	304,800
<b>Total Tuition</b>	<b>300,630</b>	<b>308,700</b>	<b>304,800</b>
<b>Other Revenues</b>			
Other School District/Education Authorities	537,210	548,691	545,360
LEA/Direct Funding from First Nations	1,649,901	1,572,684	1,604,600
Miscellaneous			
BC Hydro Power Smart Initiative	37,500	50,000	50,000
Contracted Services - Student Services	119,874	113,905	133,009
Misc Revenue/Transcripts	5,000	17,500	7,475
<b>Total Other Revenue</b>	<b>2,349,485</b>	<b>2,302,780</b>	<b>2,340,444</b>
<b>Rentals and Leases</b>	<b>150,000</b>	<b>155,843</b>	<b>159,204</b>
<b>Investment Income</b>	<b>100,000</b>	<b>121,081</b>	<b>90,294</b>
<b>Total Operating Revenue</b>	<b>49,467,860</b>	<b>48,736,580</b>	<b>50,552,933</b>

**School District No. 72 (Campbell River)**

Schedule 2B (Unaudited)

## Schedule of Operating Expense by Object

Year Ended June 30, 2014

	2014 Budget	2014 Actual	2013 Actual (Recast - Note 17)
	\$	\$	\$
<b>Salaries</b>			
Teachers	20,471,273	18,824,186	21,092,614
Principals and Vice Principals	3,259,367	3,160,266	2,940,540
Educational Assistants	3,699,504	3,605,186	3,560,216
Support Staff	5,834,324	5,840,793	5,632,426
Other Professionals	1,160,246	1,179,463	1,165,974
Substitutes	1,082,478	863,316	810,202
<b>Total Salaries</b>	<b>35,507,192</b>	<b>33,473,210</b>	<b>35,201,972</b>
<b>Employee Benefits</b>	<b>8,344,900</b>	<b>7,973,907</b>	<b>8,107,292</b>
<b>Total Salaries and Benefits</b>	<b>43,852,092</b>	<b>41,447,117</b>	<b>43,309,264</b>
<b>Services and Supplies</b>			
Services	981,345	857,307	790,399
Student Transportation	27,050	21,844	18,680
Professional Development and Travel	516,268	509,195	495,352
Rentals and Leases	193,235	168,133	166,552
Dues and Fees	52,131	54,936	59,122
Insurance	156,000	142,296	163,256
Interest	-	-	-
Supplies	3,327,146	2,050,238	2,354,714
Bad Debts	-	-	(5,000)
Utilities	1,555,041	1,638,684	1,489,431
<b>Total Services and Supplies</b>	<b>6,808,216</b>	<b>5,442,633</b>	<b>5,532,506</b>
<b>Total Operating Expense</b>	<b>50,660,308</b>	<b>46,889,750</b>	<b>48,841,770</b>

# School District No. 72 (Campbell River)

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
	\$	\$	\$	\$	\$	\$	\$
<b>1 Instruction</b>							
1.02 Regular Instruction	14,707,659	609,719	120,481	511,368	22,222	824,528	16,795,977
1.03 Career Programs						1,015	1,015
1.07 Library Services	568,488	92,319		131,456		114	792,377
1.08 Counselling	594,087			44,477		214	638,778
1.10 Special Education	2,258,910	205,235	3,058,866	38,565		32,978	5,594,554
1.30 English Language Learning	185,378	42,315				360	228,053
1.31 Aboriginal Education	310,573	64,920	425,839	27,108		844	829,284
1.41 School Administration		2,145,758		546,645			2,692,403
1.60 Summer School	73,892			2,624			76,516
1.62 Off Shore Students	125,199			5,984		1,097	132,280
<b>Total Function 1</b>	<b>18,824,186</b>	<b>3,160,266</b>	<b>3,605,186</b>	<b>1,308,227</b>	<b>22,222</b>	<b>861,150</b>	<b>27,781,237</b>
<b>4 District Administration</b>							
4.11 Educational Administration					343,452		343,452
4.40 School District Governance					73,416		73,416
4.41 Business Administration				386,560	487,192	2,166	875,918
<b>Total Function 4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>386,560</b>	<b>904,060</b>	<b>2,166</b>	<b>1,292,786</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration				106,913	70,861		177,774
5.50 Maintenance Operations				3,173,813	146,988		3,320,801
5.52 Maintenance of Grounds				246,786			246,786
5.56 Utilities							-
<b>Total Function 5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,527,512</b>	<b>217,849</b>	<b>-</b>	<b>3,745,361</b>
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration							-
7.70 Student Transportation				618,494	35,332		653,826
7.73 Housing							-
<b>Total Function 7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>618,494</b>	<b>35,332</b>	<b>-</b>	<b>653,826</b>
<b>9 Debt Services</b>							
<b>Total Function 9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Functions 1 - 9</b>	<b>18,824,186</b>	<b>3,160,266</b>	<b>3,605,186</b>	<b>5,840,793</b>	<b>1,179,463</b>	<b>863,316</b>	<b>33,473,210</b>



# School District No. 72 (Campbell River)

Operating Expense by Function, Program and Object

Year Ended June 30, 2014

Schedule 2C (Unaudited)

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2014 Actual	2014 Budget	2013 Actual
	\$	\$	\$	\$	\$	\$	(Recast - Note 17) \$
<b>1 Instruction</b>							
1.02 Regular Instruction	16,795,977	4,053,277	20,849,254	1,342,504	22,191,758	24,621,510	23,939,030
1.03 Career Programs	1,015	75	1,090	18,915	20,005	34,690	26,495
1.07 Library Services	792,377	185,545	977,922	221,292	1,199,214	1,433,811	1,288,884
1.08 Counselling	638,778	151,949	790,727		790,727	777,487	751,449
1.10 Special Education	5,594,554	1,394,760	6,989,314	127,281	7,116,595	7,562,243	7,227,430
1.30 English Language Learning	228,053	55,749	283,802	3,138	286,940	264,269	301,999
1.31 Aboriginal Education	829,284	196,087	1,025,371	140,952	1,166,323	1,400,130	1,288,241
1.41 School Administration	2,692,403	596,697	3,289,100	193,636	3,482,736	3,567,263	3,464,472
1.60 Summer School	76,516	15,893	92,409	2,425	94,834	83,000	94,151
1.62 Off Shore Students	132,280	30,976	163,256	95,091	258,347	300,630	202,514
<b>Total Function 1</b>	<b>27,781,237</b>	<b>6,681,008</b>	<b>34,462,245</b>	<b>2,145,234</b>	<b>36,607,479</b>	<b>40,045,033</b>	<b>38,584,665</b>
<b>4 District Administration</b>							
4.11 Educational Administration	343,452	71,540	414,992	79,431	494,423	493,917	501,520
4.40 School District Governance	73,416	1,210	74,626	80,396	155,022	228,182	163,038
4.41 Business Administration	875,918	188,003	1,063,921	264,890	1,328,811	1,371,694	1,254,762
<b>Total Function 4</b>	<b>1,292,786</b>	<b>260,753</b>	<b>1,553,539</b>	<b>424,717</b>	<b>1,978,256</b>	<b>2,093,793</b>	<b>1,919,320</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration							
5.50 Maintenance Operations	177,774	35,007	212,781	102,558	315,339	332,541	351,048
5.52 Maintenance of Grounds	3,320,801	772,062	4,092,863	625,735	4,718,598	5,187,969	4,763,942
5.56 Utilities	246,786	56,751	303,537	110,778	414,315	282,491	417,470
<b>Total Function 5</b>	<b>3,745,361</b>	<b>863,820</b>	<b>4,609,181</b>	<b>1,675,814</b>	<b>1,675,814</b>	<b>1,555,041</b>	<b>1,554,507</b>
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration							
7.70 Student Transportation							
7.73 Housing	653,826	168,326	822,152	307,239	1,129,391	1,095,640	1,198,231
<b>Total Function 7</b>	<b>653,826</b>	<b>168,326</b>	<b>822,152</b>	<b>50,558</b>	<b>90,558</b>	<b>67,800</b>	<b>52,587</b>
<b>9 Debt Services</b>							
<b>Total Function 9</b>							
<b>Total Functions 1 - 9</b>	<b>33,473,210</b>	<b>7,973,907</b>	<b>41,447,117</b>	<b>5,442,633</b>	<b>46,889,750</b>	<b>50,660,308</b>	<b>48,841,770</b>

**School District No. 72 (Campbell River)****Schedule 3 (Unaudited)****Schedule of Special Purpose Operations****Year Ended June 30, 2014**

	2014 Budget	2014 Actual	2013 Actual (Recast - Note 17)
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	2,167,778	1,863,153	1,905,876
Other Revenue	2,147,755	2,498,055	2,278,838
<b>Total Revenue</b>	<u>4,315,533</u>	<u>4,361,208</u>	<u>4,184,714</u>
<b>Expenses</b>			
Instruction	4,315,533	4,361,208	4,184,714
<b>Total Expense</b>	<u>4,315,533</u>	<u>4,361,208</u>	<u>4,184,714</u>
<b>Special Purpose Surplus (Deficit) for the year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Special Purpose Surplus (Deficit) for the year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Special Purpose Surplus (Deficit), beginning of year</b>			
<b>Special Purpose Surplus (Deficit), end of year</b>		<u>-</u>	<u>-</u>

**School District No. 72 (Campbell River)**  
**Changes in Special Purpose Funds and Expense by Object**  
**Year Ended June 30, 2014**

Schedule 3A (Unaudited)

	Annual Facility Grant	Learning Improvement Fund	Aboriginal Education Technology	Special Education Equipment	Scholarships and Bursaries	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP
Deferred Revenue, beginning of year	\$ 16,961	-	\$ 750	\$ 47,908	\$ 118,742	\$ 775,836	\$ -	\$ 65,019	\$ 94,116
Add: Restricted Grants									
Provincial Grants - Ministry of Education	110,821	622,902	-	8,831	-	-	128,000	34,300	167,933
Other									
Investment Income		217	-	347	67,765	2,062,509	-	479	816
	110,821	623,119	-	9,178	69,199	2,062,509	128,000	34,779	168,749
Less: Allocated to Revenue	127,782	596,733	750	14,915	12,978	2,139,878	128,000	41,492	160,680
Deferred Revenue, end of year	-	26,386	-	43,171	174,963	693,467	-	58,306	102,185
Revenues	127,782	596,733	750	14,915	12,978	2,139,878	128,000	41,492	160,680
Provincial Grants - Ministry of Education									
Other Revenue									
Investment Income									
Expenses									
Salaries									
Teachers		208,676							26,150
Principals and Vice Principals		40,001							33,049
Educational Assistants		122,040					95,180		
Support Staff									
Substitutes		13,486							5,521
	-	384,203	-	-	-	-	95,180	-	64,720
Employee Benefits		91,929					24,667		17,791
Services and Supplies	127,782	120,601	750	14,915	12,978	2,139,878	8,153	41,492	78,169
	127,782	596,733	750	14,915	12,978	2,139,878	128,000	41,492	160,680
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

**School District No. 72 (Campbell River)**  
**Changes in Special Purpose Funds and Expense by Object**  
**Year Ended June 30, 2014**

Deferred Revenue, beginning of year									
133,062	-	16,170	74,063	-	630,953	64,349	2,037,929		
Add: Restricted Grants									
Provincial Grants - Ministry of Education									
507,709	127,179	111,009	-	-	222,025	-	1,818,684		
816	20	-	614	68,876	4,776	-	2,421,175		
508,525	127,199	111,009	614	68,876	226,801	-	4,249,378		
540,899	124,724	127,178	-	68,876	276,323	-	4,361,208		
100,688	2,473	1	74,677	-	581,331	64,349	1,926,099		
Less: Allocated to Revenue									
Deferred Revenue, end of year									
Revenues									
540,899	124,724	127,178	-	68,876	276,323	-	1,863,153		
540,899	124,724	127,178	-	68,876	276,323	-	2,498,055		
Expenses									
Salaries									
7,696	87,458	83,683	-	53,317	92,845	-	559,825		
233,968	7,395	7,395	-	-	36,973	-	124,813		
243,664	99,238	95,463	-	53,317	774	-	453,188		
63,751	23,026	24,603	-	13,930	31,327	-	7,792		
231,484	2,460	7,112	-	1,629	114,404	-	20,759		
540,899	124,724	127,178	-	68,876	276,323	-	1,166,377		
Net Revenue (Expense) before Interfund Transfers									
Interfund Transfers									
Net Revenue (Expense)									

**School District No. 72 (Campbell River)**

Schedule 4 (Unaudited)

## Schedule of Capital Operations

Year Ended June 30, 2014

	2014 Budget	2014 Actual			2013 Actual (Recast - Note 17)
	\$	Invested in Tangible Capital Assets \$	Local Capital \$	Fund Balance \$	\$
<b>Revenues</b>					
Provincial Grants					
Ministry of Education	187,295	525,675		525,675	600,790
Investment Income			7,144	7,144	7,509
Amortization of Deferred Capital Revenue	2,535,473	2,666,076		2,666,076	2,656,501
<b>Total Revenue</b>	<b>2,722,768</b>	<b>3,191,751</b>	<b>7,144</b>	<b>3,198,895</b>	<b>3,264,800</b>
<b>Expenses</b>					
Operations and Maintenance	104,256	525,675	59,354	585,029	876,704
Amortization of Tangible Capital Assets					
Operations and Maintenance	3,170,651	3,170,651		3,170,651	3,362,531
Transportation and Housing	181,450	181,450		181,450	
<b>Total Expense</b>	<b>3,456,357</b>	<b>3,877,776</b>	<b>59,354</b>	<b>3,937,130</b>	<b>4,239,235</b>
<b>Capital Surplus (Deficit) for the year</b>	<b>(733,589)</b>	<b>(686,025)</b>	<b>(52,210)</b>	<b>(738,235)</b>	<b>(974,435)</b>
<b>Net Transfers (to) from other funds</b>					
Tangible Capital Assets Purchased		276,035		276,035	141,640
Local Capital	215,000		215,000	215,000	215,000
<b>Total Net Transfers</b>	<b>215,000</b>	<b>276,035</b>	<b>215,000</b>	<b>491,035</b>	<b>356,640</b>
<b>Other Adjustments to Fund Balances</b>					
Tangible Capital Assets Purchased from Local Capital		91,542	(91,542)	-	
<b>Total Other Adjustments to Fund Balances</b>		<b>91,542</b>	<b>(91,542)</b>	<b>-</b>	
<b>Total Capital Surplus (Deficit) for the year</b>	<b>(518,589)</b>	<b>(318,448)</b>	<b>71,248</b>	<b>(247,200)</b>	<b>(617,795)</b>
<b>Capital Surplus (Deficit), beginning of year</b>		<b>21,514,531</b>	<b>795,511</b>	<b>22,310,042</b>	<b>22,927,837</b>
<b>Capital Surplus (Deficit), end of year</b>		<b>21,196,083</b>	<b>866,759</b>	<b>22,062,842</b>	<b>22,310,042</b>

# School District No. 72 (Campbell River)

Tangible Capital Assets  
Year Ended June 30, 2014

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
Cost, beginning of year	\$ 8,125,203	\$ 132,296,946	\$ 1,223,007	\$ 1,814,497	\$ -	\$ 877,544	\$ 144,337,197
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		751,212		506,505		76,527	1,334,244
Deferred Capital Revenue - Other		29,342					29,342
Operating Fund			43,831			232,204	276,035
Local Capital						91,542	91,542
Transferred from Work in Progress		506,940					506,940
	-	1,287,494	43,831	506,505	-	400,273	2,238,103
Decrease:							
Deemed Disposals			138,553	99,600		126,928	365,081
	-	-	138,553	99,600	-	126,928	365,081
Cost, end of year	8,125,203	133,584,440	1,128,285	2,221,402	-	1,150,889	146,210,219
Work in Progress, end of year		2,424,454					2,424,454
Cost and Work in Progress, end of year	8,125,203	136,008,894	1,128,285	2,221,402	-	1,150,889	148,634,673
Accumulated Amortization, beginning of year							
Changes for the Year							
Increase: Amortization for the Year		2,872,841	122,301	181,450		175,509	3,352,101
Decrease:							
Deemed Disposals			138,553	99,600		126,928	365,081
	-	-	138,553	99,600	-	126,928	365,081
Accumulated Amortization, end of year		59,840,468	540,450	895,999	-	356,819	61,633,736
Tangible Capital Assets - Net	8,125,203	76,168,426	587,835	1,325,403	-	794,070	87,000,937

**School District No. 72 (Campbell River)**

Schedule 4B (Unaudited)

**Tangible Capital Assets - Work in Progress****Year Ended June 30, 2014**

	<b>Buildings</b>	<b>Furniture and Equipment</b>	<b>Computer Software</b>	<b>Computer Hardware</b>	<b>Total</b>
	\$	\$	\$	\$	\$
<b>Work in Progress, beginning of year</b>	<b>551,927</b>				<b>551,927</b>
<b>Changes for the Year</b>					
Increase:					
Deferred Capital Revenue - Bylaw	2,379,467				2,379,467
	<u>2,379,467</u>	-	-	-	<u>2,379,467</u>
Decrease:					
Transferred to Tangible Capital Assets	506,940				506,940
	<u>506,940</u>	-	-	-	<u>506,940</u>
<b>Net Changes for the Year</b>	<u>1,872,527</u>	-	-	-	<u>1,872,527</u>
<b>Work in Progress, end of year</b>	<u>2,424,454</u>	-	-	-	<u>2,424,454</u>

**School District No. 72 (Campbell River)**

Schedule 4C (Unaudited)

**Deferred Capital Revenue**

Year Ended June 30, 2014

	<b>Bylaw Capital</b>	<b>Other Provincial</b>	<b>Other Capital</b>	<b>Total Capital</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Deferred Capital Revenue, beginning of year</b>	<b>57,912,055</b>	<b>5,625,008</b>	<b>501,727</b>	<b>64,038,790</b>
<b>Changes for the Year</b>				
<b>Increase:</b>				
Transferred from Deferred Revenue - Capital Additions	1,334,244		29,342	1,363,586
Transferred from Work in Progress	506,940			506,940
	<u>1,841,184</u>	<u>-</u>	<u>29,342</u>	<u>1,870,526</u>
<b>Decrease:</b>				
Amortization of Deferred Capital Revenue	2,489,538	163,647	12,891	2,666,076
	<u>2,489,538</u>	<u>163,647</u>	<u>12,891</u>	<u>2,666,076</u>
<b>Net Changes for the Year</b>	<u>(648,354)</u>	<u>(163,647)</u>	<u>16,451</u>	<u>(795,550)</u>
<b>Deferred Capital Revenue, end of year</b>	<u>57,263,701</u>	<u>5,461,361</u>	<u>518,178</u>	<u>63,243,240</u>
 <b>Work in Progress, beginning of year</b>	 <b>551,927</b>			 <b>551,927</b>
<b>Changes for the Year</b>				
<b>Increase</b>				
Transferred from Deferred Revenue - Work in Progress	2,379,467			2,379,467
	<u>2,379,467</u>	<u>-</u>	<u>-</u>	<u>2,379,467</u>
<b>Decrease</b>				
Transferred to Deferred Capital Revenue	506,940			506,940
	<u>506,940</u>	<u>-</u>	<u>-</u>	<u>506,940</u>
<b>Net Changes for the Year</b>	<u>1,872,527</u>	<u>-</u>	<u>-</u>	<u>1,872,527</u>
<b>Work in Progress, end of year</b>	<u>2,424,454</u>	<u>-</u>	<u>-</u>	<u>2,424,454</u>
<b>Total Deferred Capital Revenue, end of year</b>	<u>59,688,155</u>	<u>5,461,361</u>	<u>518,178</u>	<u>65,667,694</u>



# School District No. 72 (Campbell River)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2014

Schedule 4D (Unaudited)

	Bylaw Capital	MEd Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
Balance, beginning of year	\$ 798,429	\$ 45,831	\$ -	\$ -	\$ 3,146	\$ 847,406
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	3,576,564					3,576,564
Other					33,677	33,677
	<u>3,576,564</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>33,677</u>	<u>3,610,241</u>
Decrease:						
Transferred to DCR - Capital Additions	1,334,244				29,342	1,363,586
Transferred to DCR - Work in Progress	2,379,467					2,379,467
Transferred to Capital Revenue	525,675					525,675
	<u>4,239,386</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>29,342</u>	<u>4,268,728</u>
Net Changes for the Year	<u>(662,822)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,335</u>	<u>(658,487)</u>
Balance, end of year	<u>135,607</u>	<u>45,831</u>	<u>-</u>	<u>-</u>	<u>7,481</u>	<u>188,919</u>