

Audited Financial Statements of

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

June 30, 2017

# School District No. 72 (Campbell River)

June 30, 2017

## Table of Contents

Management Report .....	1
Independent Auditors' Report .....	2
Statement of Financial Position - Statement 1 .....	3
Statement of Operations - Statement 2 .....	4
Statement of Changes in Net Financial Assets (Debt) - Statement 4 .....	5
Statement of Cash Flows - Statement 5 .....	6
Notes to the Financial Statements .....	7-25
Auditors' Comments on Supplementary Financial Information .....	26
Schedule of Changes in Accumulated Surplus (Deficit) by Fund - Schedule 1 .....	27
Schedule of Operating Operations - Schedule 2 .....	28
Schedule 2A - Schedule of Operating Revenue by Source .....	29
Schedule 2B - Schedule of Operating Expense by Object .....	30
Schedule 2C - Operating Expense by Function, Program and Object .....	31
Schedule of Special Purpose Operations - Schedule 3 .....	33
Schedule 3A - Changes in Special Purpose Funds and Expense by Object .....	34
Schedule of Capital Operations - Schedule 4 .....	37
Schedule 4A - Tangible Capital Assets .....	38
Schedule 4B - Tangible Capital Assets - Work in Progress .....	39
Schedule 4C - Deferred Capital Revenue .....	40
Schedule 4D - Changes in Unspent Deferred Capital Revenue .....	41

# School District No. 72 (Campbell River)

## MANAGEMENT REPORT

Version: 3251-2505-9522

### 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, 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 Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the School District's financial statements.

On behalf of School District No. 72 (Campbell River)

### ORIGINAL SIGNED BY

SUSAN WILSON - Chairperson of the Board of Education  
THOMAS LONGRIDGE - Superintendent of Schools  
KEVIN PATRICK - Secretary-Treasurer

Si

Sep 26, 2017  
Date Signed

Oct 2, 2017  
Date Signed

Sep 26, 2017  
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, 2017 and the statements of operations, remeasurement gains and losses, changes in net financial assets (debt) and cash flows and 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, 2017 and the results of its operations, remeasurement gains and losses, changes in net financial assets (debt) and cash flows and 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 26, 2017

*MNP LLP*

Chartered Professional Accountants

# School District No. 72 (Campbell River)

## Statement of Financial Position

As at June 30, 2017

Statement 1

	2017 Actual	2016 Actual
	\$	\$
<b>Financial Assets</b>		
Cash and Cash Equivalents	19,673,123	16,320,055
Accounts Receivable		
Due from Province - Ministry of Education	55,375	163,462
Due from LEA/Direct Funding	180,098	142,127
Other (Note 3)	226,840	225,650
<b>Total Financial Assets</b>	<b>20,135,436</b>	<b>16,851,294</b>
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities		
Other (Note 4)	5,949,513	4,223,105
Unearned Revenue (Note 7)	464,618	391,816
Deferred Revenue (Note 8)	1,997,082	1,790,110
Deferred Capital Revenue (Note 9)	68,045,632	69,036,584
Employee Future Benefits (Note 10)	1,170,135	1,087,874
Capital Lease Obligations (Note 6)	95,579	-
<b>Total Liabilities</b>	<b>77,722,559</b>	<b>76,529,489</b>
<b>Net Financial Assets (Debt)</b>	<b>(57,587,123)</b>	<b>(59,678,195)</b>
<b>Non-Financial Assets</b>		
Tangible Capital Assets (Note 5)	86,886,436	88,345,845
Prepaid Expenses	136,476	137,014
<b>Total Non-Financial Assets</b>	<b>87,022,912</b>	<b>88,482,859</b>
<b>Accumulated Surplus (Deficit)</b>	<b>29,435,789</b>	<b>28,804,664</b>

Contractual Obligations and Contingencies (Note 16)

Approved by the Board

**ORIGINAL SIGNED BY**  
SUSAN WILSON - Chairperson of the Board of Education  
THOMAS LONGRIDGE - Superintendent of Schools  
KEVIN PATRICK - Secretary-Treasurer

*Sept 26/17*  
Date Signed

*Oct 2, 2017*  
Date Signed

*Sept 26 2017*  
Date Signed

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

Statement 2

Statement of Operations

Year Ended June 30, 2017

	2017 Budget (Note 15)	2017 Actual	2016 Actual
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	54,018,536	54,273,584	50,700,741
Other	61,105	63,745	
Tuition	522,910	562,266	690,779
Other Revenue	4,843,135	4,695,592	5,138,854
Rentals and Leases	137,000	123,284	136,558
Investment Income	180,000	178,210	175,448
Amortization of Deferred Capital Revenue	2,960,420	2,960,400	2,907,621
<b>Total Revenue</b>	<b>62,723,106</b>	<b>62,857,081</b>	<b>59,750,001</b>
<b>Expenses</b>			
Instruction	48,390,097	46,381,838	45,244,700
District Administration	2,449,289	2,311,370	2,166,020
Operations and Maintenance	12,112,576	12,092,883	11,534,676
Transportation and Housing	1,473,298	1,438,902	1,375,584
Debt Services		963	
<b>Total Expense</b>	<b>64,425,260</b>	<b>62,225,956</b>	<b>60,320,980</b>
<b>Surplus (Deficit) for the year</b>	<b>(1,702,154)</b>	<b>631,125</b>	<b>(570,979)</b>
<b>Accumulated Surplus (Deficit) from Operations, beginning of year</b>		<b>28,804,664</b>	<b>29,375,643</b>
<b>Accumulated Surplus (Deficit) from Operations, end of year</b>		<b>29,435,789</b>	<b>28,804,664</b>

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

Statement 4

## Statement of Changes in Net Financial Assets (Debt)

Year Ended June 30, 2017

	2017 Budget (Note 15)	2017 Actual	2016 Actual
	\$	\$	\$
<b>Surplus (Deficit) for the year</b>	<u>(1,702,154)</u>	<u>631,125</u>	<u>(570,979)</u>
<b>Effect of change in Tangible Capital Assets</b>			
Acquisition of Tangible Capital Assets	(2,205,317)	(2,279,112)	(3,872,457)
Amortization of Tangible Capital Assets	3,738,521	3,738,521	3,648,205
<b>Total Effect of change in Tangible Capital Assets</b>	<u>1,533,204</u>	<u>1,459,409</u>	<u>(224,252)</u>
Acquisition of Prepaid Expenses		(101,370)	
Use of Prepaid Expenses		101,908	20,921
<b>Total Effect of change in Other Non-Financial Assets</b>	<u>-</u>	<u>538</u>	<u>20,921</u>
<b>(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)</b>	<u>(168,950)</u>	<u>2,091,072</u>	<u>(774,310)</u>
<b>Net Remeasurement Gains (Losses)</b>			
<b>(Increase) Decrease in Net Financial Assets (Debt)</b>		<u>2,091,072</u>	<u>(774,310)</u>
<b>Net Financial Assets (Debt), beginning of year</b>		(59,678,195)	(58,903,885)
<b>Net Financial Assets (Debt), end of year</b>		<u>(57,587,123)</u>	<u>(59,678,195)</u>

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

Statement 5

Statement of Cash Flows  
 Year Ended June 30, 2017

	2017 Actual	2016 Actual
	\$	\$
<b>Operating Transactions</b>		
Surplus (Deficit) for the year	631,125	(570,979)
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	68,925	386,768
Prepaid Expenses	537	20,921
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	1,726,408	(412,799)
Unearned Revenue	72,802	(25,246)
Deferred Revenue	206,972	(258,470)
Employee Future Benefits	82,262	141,784
Amortization of Tangible Capital Assets	3,738,521	3,648,205
Amortization of Deferred Capital Revenue	(2,960,400)	(2,907,621)
Capital revenue transfer to Operating	-	(7,481)
Deferred Capital transferred to Operations and Maintenance	(524,905)	(353,346)
<b>Total Operating Transactions</b>	<b>3,042,247</b>	<b>(338,264)</b>
<b>Capital Transactions</b>		
Tangible Capital Assets Purchased	(1,470,553)	(2,926,330)
Tangible Capital Assets -WIP Purchased	(627,719)	(946,127)
<b>Total Capital Transactions</b>	<b>(2,098,272)</b>	<b>(3,872,457)</b>
<b>Financing Transactions</b>		
Capital Revenue Received	2,494,353	2,292,016
Capital Lease Payments	(85,260)	-
<b>Total Financing Transactions</b>	<b>2,409,093</b>	<b>2,292,016</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>3,353,068</b>	<b>(1,918,705)</b>
<b>Cash and Cash Equivalents, beginning of year</b>	<b>16,320,055</b>	<b>18,238,760</b>
<b>Cash and Cash Equivalents, end of year</b>	<b>19,673,123</b>	<b>16,320,055</b>
<b>Cash and Cash Equivalents, end of year, is made up of:</b>		
Cash	19,673,123	16,320,055
	<u>19,673,123</u>	<u>16,320,055</u>
<b>Supplementary Cash Flow Information</b>		



**SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)**  
**NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2017**

**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 four-year term governs the School District. The School District provides educational programs to students enrolled in schools in the district, and is principally funded by the Province of British Columbia through the Ministry of Education. 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(h) and 2(m).

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

As noted in Notes 2 (h) and 2(m), Section 23.1 of the Budget Transparency and Accountability Act and its related regulations require the School District to recognize government transfers for the acquisition of tangible 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, 2016 - increase in annual surplus by \$3,269,551

June 30, 2016 – increase in accumulated surplus and decrease in deferred contributions to \$67,377,079

Year-ended June 30, 2017 – increase in annual surplus by \$1,790,359

June 30, 2017 – increase in accumulated surplus and increase in deferred contributions to \$65,843,153.

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 cost and shown net of allowance for doubtful accounts (see Note 3).

**SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)**  
**NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2017**

**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, stated at acquisition cost and are charged to expense over the periods expected to benefit from it.

e) Tangible Capital Assets

The following criteria apply:

- Tangible capital assets acquired or constructed are recorded at cost. Donated tangible 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) Capital Leases

Leases that, from the point of view of the lessee, transfer substantially all the benefits and risks incident to ownership of the property to the School District are considered capital leases. These are accounted for as an asset and an obligation. Capital lease obligations are recorded at the present value of the minimum lease payments excluding executor costs, e.g., insurance, maintenance costs, etc. The discount rate used to determine the present value of the lease payments is the lower of the School District's rate for incremental borrowing or the interest rate implicit in the lease.

All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

g) 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.72 (CAMPBELL RIVER)**  
**NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2017**

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

**h) 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(l).

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 transfer or and eligibility criteria have been met; unless the transfer contains a stipulation that creates a liability, in which case the transfer is recognized as revenue over the period that the liability is extinguished. See note 2 (a) for the impact of this policy on these financial statements.

**i) 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 capital lease obligations.

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.

**SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)**  
**NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2017**

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

i) Financial Instruments (*continued*)

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

j) 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.

k) Employee Future Benefits

The School District provides certain post-employment benefits including vested and non-vested benefits for certain employees pursuant to certain contracts and union agreements. The School District accrues its obligations and related costs including both vested and non-vested benefits under employee future benefit plans. Benefits include vested sick leave, accumulating non-vested sick leave, early retirement, retirement/severance, vacation, overtime and death benefits.

The benefits cost is actuarially determined using the projected unit credit method pro-rated on service and using management's best estimate of expected salary escalation, termination rates, retirement rates and mortality. The discount rate used to measure obligations is based on the cost of borrowing. The cumulative unrecognized actuarial gains and losses are amortized over the expected average remaining service lifetime of active employees covered under the plan.

The most recent valuation of the obligation was performed at March 31, 2017 and projected to March 31, 2019. The next valuation will be performed at March 31, 2019 for use at June 30, 2019. For the purposes of determining the financial position of the plans and the employee future benefit costs, a measurement date of March 31 was adopted for all periods subsequent to July 1, 2004.

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

**SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)**  
**NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2017**

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

**1) Liability for Contaminated Sites**

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

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

The liability is recognized as management's estimate of the cost of post-remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site. See note 2 (a) for the impact of this policy on these financial statements.

**SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)**  
**NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2017**

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

m) Revenue Recognition

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

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

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

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

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

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.

**SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)**  
**NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2017**

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

n) 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.

o) Going Concern disclosure

The School District has implemented CPA 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.

p) 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.

**SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)**  
**NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2017**

**NOTE 3      ACCOUNTS RECEIVABLE – OTHER RECEIVABLES**

	2017	2016
Due from Federal Government	\$ 90,899	\$ 65,616
Due from North Island College	38,000	27,827
Due from Royal Bank	9,056	7,864
Due from other	88,885	124,343
	<u>\$226,840</u>	<u>\$ 225,650</u>

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

	2017	2016
Trade Payables	\$1,087,488	\$ 971,508
Salaries and Benefits Payable	3,821,358	2,296,015
Accrued Vacation Pay	499,662	509,185
Capital Trade Payables	56,034	55,812
Other Payables	484,971	390,585
	<u>\$ 5,949,513</u>	<u>\$ 4,223,105</u>

**NOTE 5      TANGIBLE CAPITAL ASSETS**

**June 30, 2017**

Cost:	Opening Cost July 1, 2016	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2017
Sites	\$ 8,123,703	\$	\$	\$	\$ 8,123,703
Buildings	142,074,642	657,074		991,604	143,725,320
Buildings – work in progress	995,204	627,719		(991,604)	631,319
Furniture & Equipment	1,018,711	152,617	(118,451)		1,052,877
Vehicles	2,410,694	271,105	(31,571)		2,650,228
Computer Hardware	1,659,811	568,596	(198,267)		2,030,141
Total	\$156,282,765	\$2,279,111	\$ (348,289)	\$ -	\$158,213,588

Accumulated Amortization:	Opening Accumulated Amortization July 1, 2016	Additions	Disposals	Balance at June 30, 2017
Sites	\$ -	\$	\$	\$ -
Buildings	65,745,720	3,063,617		68,809,337
Furniture & Equipment	461,689	101,871	(118,451)	445,109
Vehicles	1,218,211	241,070	(31,571)	1,427,710
Computer Hardware	511,300	331,963	(198,267)	644,996
Total	\$67,936,920	\$3,738,521	\$(348,289)	\$ 71,327,152



**SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)**  
**NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2017**

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

**June 30, 2016**

Cost:	Opening Cost July 1, 2015	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2016
Sites	\$ 8,123,703	\$	\$	\$	\$ 8,123,703
Buildings	139,511,937	2,225,409		310,296	142,074,642
Buildings – work in progress	359,376	946,127		(310,296)	995,204
Furniture & Equipment	1,090,565	91,226	(163,083)		1,018,711
Vehicles	2,443,772	111,227	(144,305)		2,410,694
Computer Hardware	1,383,052	498,468	(221,709)		1,659,811
<b>Total</b>	<b>\$152,939,405</b>	<b>\$3,872,457</b>	<b>\$(529,097)</b>	<b>\$ -</b>	<b>\$156,282,765</b>

Accumulated Amortization:	Opening Accumulated Amortization July 1, 2015	Additions	Disposals	Balance at June 30, 2016
Sites	\$ -	\$	\$	\$ -
Buildings	62,727,560	3,018,160		65,745,720
Furniture & Equipment	515,715	109,057	(163,083)	461,689
Vehicles	1,118,139	244,377	(144,305)	1,218,211
Computer Hardware	456,398	276,611	(221,709)	511,300
<b>Total</b>	<b>\$64,817,812</b>	<b>\$3,648,205</b>	<b>\$(529,097)</b>	<b>\$ 67,936,920</b>

**Net Book Value:**

	Net Book Value June 30, 2017	Net Book Value June 30 2016
Sites	\$ 8,123,703	\$ 8,123,703
Buildings	74,915,983	76,328,922
Buildings – work in progress	631,319	995,204
Furniture & Equipment	607,768	557,022
Vehicles	1,222,518	1,192,483
Computer Hardware	1,385,145	1,148,511
<b>Total</b>	<b>\$86,886,436</b>	<b>\$88,345,845</b>

Buildings – work in progress having a value of \$631,319 (2016: \$995,204) have not been amortized. Amortization of these assets will commence when the asset is put into service.

**SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)**  
**NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2017**

**NOTE 6      CAPITAL LEASE OBLIGATIONS**

The School District has entered into two capital leases for the purchase of equipment. The leases are financed through Stride Capital which charges interest at 6%. The leases expire on February 10, 2022 and June 10, 2022.

Repayments are due as follows:

2018	\$ 22,833
2019	22,833
2020	22,833
2021	22,833
2022	19,028
Total minimum lease payments	<u>110,360</u>
Less amounts representing interest	<u>14,781</u>
Present value of net minimum capital lease payments	<u>\$ 95,579</u>

Total interest on capital leases for the year was \$963 (2016: \$nil)

**NOTE 7      UNEARNED REVENUE**

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

	2017	2016
Balance, beginning of year	<u>\$391,816</u>	<u>\$417,062</u>
Changes for the year:		
Increase:		
Tuition fees	464,618	391,816
Decrease:		
Tuition fees	<u>391,816</u>	<u>417,062</u>
Net changes for the year	<u>72,802</u>	<u>(25,246)</u>
Balance, end of year	<u>\$464,618</u>	<u>\$391,816</u>

**SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)**  
**NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2017**

**NOTE 8      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>2017 Total</u>	<u>2016 Total</u>
Balance, beginning of year	<u>\$ 499,743</u>	<u>\$ 535,860</u>
Increases:		
Provincial grants – MEd	3,014,638	2,416,464
Investment income	<u>4,191</u>	<u>2,193</u>
	<u>3,018,829</u>	<u>2,418,657</u>
Decreases:		
Transfers to Revenue	<u>2,758,651</u>	<u>2,454,774</u>
Net Changes for the year	<u>260,178</u>	<u>(36,117)</u>
Balance, end of the year	<u><u>\$759,921</u></u>	<u><u>\$499,743</u></u>

**b) Deferred Revenue – Other**

Deferred Revenue – Other recorded in the operating fund represents 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.

	<u>2017 Total</u>	<u>2016 Total</u>
Balance, beginning of year	<u>\$1,290,367</u>	<u>\$1,512,720</u>
Increases:		
School Generated Funds	2,249,161	2,347,699
Investment income	6,603	6,614
Other	<u>158,944</u>	<u>281,997</u>
	<u>2,414,708</u>	<u>2,636,310</u>
Decreases:		
Transfers to Revenue	<u>2,467,914</u>	<u>2,858,663</u>
Net Changes for the year	<u>(53,206)</u>	<u>(222,353)</u>
Balance, end of the year	<u><u>\$1,237,161</u></u>	<u><u>\$1,290,367</u></u>
<b>Total Deferred Revenue</b>	<u><u>\$1,997,082</u></u>	<u><u>\$1,790,110</u></u>

**SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)**  
**NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2017**

**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. Changes to deferred capital revenue are as follows:

	Deferred Cap Revenue	Unspent Def. Cap Revenue	2017 Total	2016 Total
Balance, beginning of year	\$ 67,377,079	\$ 1,659,505	\$ 69,036,584	\$70,013,017
Increases:				
Transfers from DC - capital additions	1,790,359	-	1,790,359	2,633,720
Transfers from DC – work in progress	-	-	-	635,831
Provincial Grants – MEd	-	2,422,713	2,422,713	2,263,288
Provincial Grants – Other	-	71,640	71,640	-
Other Revenue	-	-	-	28,728
MEd Restricted portion of proceeds	-	-	-	-
	<u>1,790,359</u>	<u>2,494,353</u>	<u>4,284,712</u>	<u>5,561,567</u>
Decreases:				
Amortization	2,960,400	-	2,960,400	2,907,621
Transfers to revenue - capital additions	363,885	798,755	1,162,640	2,323,424
Transfers to revenue – capital additions	-	627,719	627,719	946,127
Transfers to capital expense	-	524,905	524,905	353,347
Transfers to capital expense	-	-	-	7,481
	<u>2,324,285</u>	<u>1,951,379</u>	<u>5,275,664</u>	<u>6,538,000</u>
Balance, end of the year	<u>\$65,843,153</u>	<u>\$2,202,479</u>	<u>\$68,045,632</u>	<u>\$69,036,584</u>

**SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)**  
**NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2017**

**NOTE 10      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.

	2017	2016
<b>Reconciliation of Accrued Benefit Obligation</b>		
Accrued Benefit Obligation – April 1	\$1,107,771	\$ 1,495,319
Service Cost	87,366	123,632
Interest Cost	28,287	34,797
Benefit Payments	(82,070)	(85,506)
Actuarial (Gain)/Loss	(61,619)	(460,471)
Accrued Benefit Obligation – March 31	<u>\$1,079,735</u>	<u>\$ 1,107,771</u>

<b>Reconciliation of Funded Status at End of Fiscal Year</b>		
Accrued Benefit Obligation – March 31	\$1,079,735	\$ 1,107,771
Funded Status - Surplus/(Deficit)	(1,079,735)	(1,107,771)
Employer Contributions After Measurement Date	9,125	31,011
Benefit Expense After Measurement Date	(29,479)	(28,911)
Unamortized Net Actuarial (Gain)/Loss	(70,046)	17,797
Accrued Benefit Asset/(Liability) – June 30	<u>\$(1,170,135)</u>	<u>\$ (1,087,874)</u>

<b>Reconciliation of Change in Accrued Benefit Liability</b>		
Accrued Benefit Liability (Asset) – July 1	\$1,087,874	\$ 946,090
Net Expense for Fiscal Year	142,443	222,427
Employer Contributions	(60,182)	(80,643)
Accrued Benefit Liability (Asset) – June 30	<u>\$1,170,135</u>	<u>\$ 1,087,874</u>

<b>Components of Net Benefit Expense</b>		
Service Cost	\$87,408	\$ 114,566
Interest Cost	28,811	33,167
Amortization of Net Actuarial (Gain)/Loss	26,224	74,694
Net Benefit Expense (Income)	<u>\$142,443</u>	<u>\$ 222,427</u>

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

	2017	2016
Discount Rate – April 1	2.50%	2.25%
Discount Rate – March 31	2.75%	2.50%
Long Term Salary Growth – April 1	2.50% + Seniority	2.50% + seniority
Long Term Salary Growth – March 31	2.50% + Seniority	2.50% + seniority
EARSL – March 31	9.5	9.5

**SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)**  
**NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2017**

**NOTE 11      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, representing plan members and employers, are responsible for administering the pension plans, including investing assets and administering benefits. The plans are multi-employer defined benefit pension plans. Basic pension benefits are based on a formula. As at December 31, 2015 the Teachers' Pension Plan had about 45,000 active members and approximately 36,000 retired members. As at December 31, 2015 the Municipal Pension Plan had about 189,000 active members, including approximately 24,000 from school districts.

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

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

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2012, indicated a \$1.37 billion funding deficit for basic pension benefits on a going concern basis.

The School District paid \$4,740,239 for employer contributions to these plans for the year ended June 30, 2017 and \$5,082,649 for the year ended June 30, 2016.

The next valuation for the Teachers' Pension Plan will be as at December 31, 2017, with results available in 2018. The next valuation for the Municipal Pension Plan was at December 31, 2018, with results available in 2019.

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

**SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)**  
**NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2017**

**NOTE 12      ACCUMULATED SURPLUS (DEFICIT) – END OF YEAR**

**FUND BALANCES, END OF YEAR**

<b>OPERATING FUND</b>	<b>2017</b>	<b>2016</b>
Internally Restricted (appropriated) by the Board for:		
Board Instructional Support	-	31,520
Distance Learning	43,348	20,525
Education Implementation Training DELT	150,000	150,000
International Program	370,716	376,333
Learning Resources	175,000	175,000
Reserve Required to Balance Next Year Budget	754,963	881,000
Education Leadership and Succession	30,000	30,000
Strategic Plan Implementation	300,000	250,000
Critical Incident/Emergency Response Contingency	10,000	10,000
Aboriginal Education	246,604	413,470
School Based Supply Accounts	653,052	164,802
SSEAC Training	-	6,636
Policy Implementation	5,000	15,000
Student Services - Psychological Testing Protocols	-	5,000
Timberline/Heritage Lands Complex	20,000	30,000
Furniture renewal	50,000	50,000
SMT Team Development	10,000	10,000
Health and Wellness Implementation	25,000	40,000
Telus Next Generation Network startup costs	-	10,000
Switchback training	25,000	20,000
IT Review	-	40,000
Hour Zero – Emergency Preparedness	50,000	40,000
Upgrade Laptops	-	10,000
School Shop Equipment	30,000	30,000
Learning Commons	50,000	50,000
Carihi Gym New Floor Bleachers/Floor Covering	-	50,000
Strategic Plan Development	50,000	-
White Fleet	50,000	-
VOIP Repair	40,000	-
CUPE Training	15,000	-
<b>Total of Targeted Reserves</b>	<b>\$3,153,683</b>	<b>\$2,909,286</b>
Operational Needs and Contingency Reserve	1,387,839	1,000,000
<b>OPERATING FUND</b>		
Internally Restricted Reserve	\$4,541,522	\$3,909,286
Unrestricted Operating Reserve	3,217,618	3,217,618
<b>Total Operating Reserves</b>	<b>\$7,759,140</b>	<b>\$7,126,904</b>
<b>CAPITAL FUND</b>		
Invested in Capital Assets	\$20,810,545	\$20,831,606
Local Capital	866,104	846,154
	<b>\$29,435,789</b>	<b>\$28,804,664</b>

**SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)**  
**NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2017**

**NOTE 13      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, 2017 transfers were as follows:

- A transfer in the amount of \$310,000 was made from the operating fund to the capital fund for the purchase of local capital assets.
- A transfer in the amount of \$434,826 was made from the operating fund to the capital fund for the purchase of capital assets.
- A transfer in the amount of \$86,225 was made from the operating fund to the capital fund for capital lease commitments made during the year.

**NOTE 14      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, 2017**

**NOTE 15      BUDGET FIGURES**

Budget figures included in the financial statements were approved by the Board through the adoption of an amended annual budget on February 21, 2017. The Board adopted a preliminary annual budget on May 31, 2016. 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:

	2017 Amended	2017 Preliminary	Difference
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	54,018,536	51,683,631	2,334,905
Other	61,105	-	61,105
Tuition	522,910	371,100	151,810
Other Revenue	4,843,135	4,279,883	563,252
Rentals and Leases	137,000	162,000	(25,000)
Investment Income	180,000	187,000	(7,000)
Amortization of Deferred Capital Revenue	2,960,420	2,909,214	51,206
<b>Total Revenue</b>	<b>62,723,106</b>	<b>59,592,828</b>	<b>3,130,278</b>
<b>Expenses</b>			
Instruction	48,390,097	45,177,302	3,212,795
District Administration	2,449,289	2,224,084	225,205
Operations and Maintenance	8,615,125	8,749,428	(134,303)
Transportation and Housing	1,232,228	1,229,325	2,903
Amortization	3,738,521	3,693,860	44,661
<b>Total Expenses</b>	<b>64,425,260</b>	<b>61,073,999</b>	<b>3,351,261</b>
<b>Deficit for the year</b>	<b>(1,702,154)</b>	<b>(1,481,171)</b>	<b>(220,983)</b>
<b>Effects of change in Tangible Capital Assets</b>			
Acquisition of Tangible Capital Assets	(2,205,317)	(863,488)	(1,341,829)
Amortization of Tangible Capital Assets	3,738,521	3,693,860	44,661
<b>Total Effect of change in Tangible</b>			
<b>Capital Assets</b>	<b>1,533,204</b>	<b>2,830,372</b>	<b>(1,297,168)</b>
<b>(Increase) Decrease in Net Financial Assets</b>			
<b>(Debt)</b>	<b>(168,950)</b>	<b>1,349,201</b>	<b>(1,518,151)</b>

**SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)**  
**NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2017**

**NOTE 16      CONTINGENCIES**

**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.

**NOTE 17      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 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 \$226,840 (2016 - \$225,650).

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 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.

**SCHOOL DISTRICT NO.72 (CAMPBELL RIVER)**  
**NOTES TO THE FINANCIAL STATEMENTS – JUNE 30, 2017**

**NOTE 18      FINANCIAL INSTRUMENTS (continued)**

- **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, 2017, 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, 2017. 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, 2017**

**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 18 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**

	Budget 2017	Actual 2017	Actual 2016
Salaries	\$39,272,282	\$39,151,687	\$37,648,628
Benefits	8,885,271	9,235,461	9,319,307
Service and supplies	12,529,186	10,099,324	9,704,840
Interest	-	963	-
Amortization	3,738,521	3,738,521	3,648,205
	<hr/>	<hr/>	<hr/>
	\$64,425,260	\$62,225,956	\$60,320,980

**NOTE 21      TRUST FUNDS**

Funds in the amount of \$1,458,092 (2016 - \$1,489,956) are held in trust for teachers who participate in the payroll savings plan. These funds are included in Cash and Cash Equivalents in Statement 1 for the year ended June 30, 2017, and are to be paid to teachers who participate in the plan through August 31, 2017. The amount payable is included in Salaries and Benefits Payable as stated in Note 4.”

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

Schedule 1 (Unaudited)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund  
Year Ended June 30, 2017

	Operating Fund	Special Purpose Fund	Capital Fund	2017 Actual	2016 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	7,126,904		21,677,760	28,804,664	29,375,643
Changes for the year					
Surplus (Deficit) for the year	1,463,287		(832,162)	631,125	(570,979)
Interfund Transfers					
Tangible Capital Assets Purchased	(434,826)		434,826	-	
Local Capital	(310,000)		310,000	-	
Other	(86,225)		86,225	-	
Net Changes for the year	632,236	-	(1,111)	631,125	(570,979)
Accumulated Surplus (Deficit), end of year - Statement 2	7,759,140	-	21,676,649	29,435,789	28,804,664

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

Schedule 2 (Unaudited)

## Schedule of Operating Operations

Year Ended June 30, 2017

	2017 Budget (Note 15)	2017 Actual	2016 Actual
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	50,654,207	50,990,028	47,892,621
Tuition	522,910	562,266	690,779
Other Revenue	2,220,635	2,291,423	2,280,191
Rentals and Leases	137,000	123,284	136,558
Investment Income	180,000	169,831	166,355
<b>Total Revenue</b>	<b>53,714,752</b>	<b>54,136,832</b>	<b>51,166,504</b>
<b>Expenses</b>			
Instruction	43,066,605	41,155,273	39,961,263
District Administration	2,449,289	2,311,370	2,166,020
Operations and Maintenance	7,890,683	8,009,070	7,696,669
Transportation and Housing	1,232,228	1,197,832	1,131,207
<b>Total Expense</b>	<b>54,638,805</b>	<b>52,673,545</b>	<b>50,955,159</b>
<b>Operating Surplus (Deficit) for the year</b>	<b>(924,053)</b>	<b>1,463,287</b>	<b>211,345</b>
<b>Budgeted Appropriation (Retirement) of Surplus (Deficit)</b>	<b>1,495,844</b>		
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased	(250,000)	(434,826)	(344,422)
Local Capital	(321,791)	(310,000)	(215,000)
Other		(86,225)	
<b>Total Net Transfers</b>	<b>(571,791)</b>	<b>(831,051)</b>	<b>(559,422)</b>
<b>Total Operating Surplus (Deficit), for the year</b>	<b>-</b>	<b>632,236</b>	<b>(348,077)</b>
<b>Operating Surplus (Deficit), beginning of year</b>		<b>7,126,904</b>	<b>7,474,981</b>
<b>Operating Surplus (Deficit), end of year</b>		<b>7,759,140</b>	<b>7,126,904</b>
<b>Operating Surplus (Deficit), end of year</b>			
Internally Restricted		<b>4,541,522</b>	<b>3,909,286</b>
Unrestricted		<b>3,217,618</b>	<b>3,217,618</b>
<b>Total Operating Surplus (Deficit), end of year</b>		<b>7,759,140</b>	<b>7,126,904</b>

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

Schedule 2A (Unaudited)

## Schedule of Operating Revenue by Source

Year Ended June 30, 2017

	2017 Budget (Note 15)	2017 Actual	2016 Actual
	\$	\$	\$
<b>Provincial Grants - Ministry of Education</b>			
Operating Grant, Ministry of Education	51,530,065	51,604,169	49,280,750
INAC/LEA Recovery	(1,599,078)	(1,615,480)	(1,599,078)
Other Ministry of Education Grants			
Pay Equity	75,322	75,322	75,322
Funding for Graduated Adults	2,568	7,990	12,269
Transportation Supplement	316,860	316,860	
Economic Stability Dividend	-	-	39,575
Return of Administrative Savings	255,596	255,596	
Carbon Tax Grant	64,687	62,033	64,687
Student Learning Grant	-	275,350	
Foundation Skills Assessment	8,187	8,188	8,696
BC Curriculum Implementation Support	-	-	10,400
<b>Total Provincial Grants - Ministry of Education</b>	<b>50,654,207</b>	<b>50,990,028</b>	<b>47,892,621</b>
<b>Tuition</b>			
International and Out of Province Students	522,910	562,266	690,779
<b>Total Tuition</b>	<b>522,910</b>	<b>562,266</b>	<b>690,779</b>
<b>Other Revenues</b>			
Other School District/Education Authorities	544,931	567,167	536,236
LEA/Direct Funding from First Nations	1,599,078	1,615,480	1,595,465
Miscellaneous			
Contracted Services - Student Services	71,626	71,625	101,522
Miscellaneous Revenue/Transcripts	5,000	37,151	46,968
<b>Total Other Revenue</b>	<b>2,220,635</b>	<b>2,291,423</b>	<b>2,280,191</b>
<b>Rentals and Leases</b>	<b>137,000</b>	<b>123,284</b>	<b>136,558</b>
<b>Investment Income</b>	<b>180,000</b>	<b>169,831</b>	<b>166,355</b>
<b>Total Operating Revenue</b>	<b>53,714,752</b>	<b>54,136,832</b>	<b>51,166,504</b>

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

Schedule 2B (Unaudited)

## Schedule of Operating Expense by Object

Year Ended June 30, 2017

	2017 Budget (Note 15)	2017 Actual	2016 Actual
	\$	\$	\$
<b>Salaries</b>			
Teachers	21,537,112	21,563,471	20,956,735
Principals and Vice Principals	3,427,588	3,441,543	3,278,442
Educational Assistants	4,340,524	4,016,986	3,658,511
Support Staff	5,957,198	5,799,746	5,918,853
Other Professionals	1,282,760	1,363,285	1,272,127
Substitutes	1,039,765	1,058,623	1,026,956
<b>Total Salaries</b>	<b>37,584,947</b>	<b>37,243,654</b>	<b>36,111,624</b>
<b>Employee Benefits</b>	<b>8,409,023</b>	<b>8,779,596</b>	<b>8,928,574</b>
<b>Total Salaries and Benefits</b>	<b>45,993,970</b>	<b>46,023,250</b>	<b>45,040,198</b>
<b>Services and Supplies</b>			
Services	2,416,318	1,561,800	1,096,033
Student Transportation	57,050	28,552	18,200
Professional Development and Travel	517,640	482,999	509,886
Rentals and Leases	173,235	131,680	166,818
Dues and Fees	52,381	55,051	59,320
Insurance	173,581	121,931	166,236
Supplies	3,620,249	2,738,424	2,501,887
Utilities	1,634,381	1,529,858	1,396,581
<b>Total Services and Supplies</b>	<b>8,644,835</b>	<b>6,650,295</b>	<b>5,914,961</b>
<b>Total Operating Expense</b>	<b>54,638,805</b>	<b>52,673,545</b>	<b>50,955,159</b>



# School District No. 72 (Campbell River)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2017

	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	16,866,040	826,137	100,282	602,934	25,105	997,462	19,417,960
1.03 Career Programs						2,837	2,837
1.07 Library Services	544,630	129,264		144,788			818,682
1.08 Counselling	719,415			20,396			739,811
1.10 Special Education	2,400,996	136,217	3,390,493	43,322		5,571	5,976,599
1.30 English Language Learning	207,190					2,308	209,498
1.31 Aboriginal Education	453,544	63,013	526,211	28,633		8,020	1,079,421
1.41 School Administration		2,278,912		459,921			2,738,833
1.60 Summer School	112,887	8,000		1,581		319	122,787
1.62 International and Out of Province Students	258,769			37,790		13,659	310,218
<b>Total Function 1</b>	<b>21,563,471</b>	<b>3,441,543</b>	<b>4,016,986</b>	<b>1,339,365</b>	<b>25,105</b>	<b>1,030,176</b>	<b>31,416,646</b>
<b>4 District Administration</b>							
4.11 Educational Administration				27,063	422,548		449,611
4.40 School District Governance					83,366		83,366
4.41 Business Administration				374,196	551,738	28,447	954,381
<b>Total Function 4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>401,259</b>	<b>1,057,652</b>	<b>28,447</b>	<b>1,487,358</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration				85,646	71,824		157,470
5.50 Maintenance Operations				3,055,232	169,679		3,224,911
5.52 Maintenance of Grounds				287,815			287,815
5.56 Utilities				1,132			1,132
<b>Total Function 5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,429,825</b>	<b>241,503</b>	<b>-</b>	<b>3,671,328</b>
<b>7 Transportation and Housing</b>							
7.70 Student Transportation				629,297	39,025		668,322
7.73 Housing							-
<b>Total Function 7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>629,297</b>	<b>39,025</b>	<b>-</b>	<b>668,322</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>21,563,471</b>	<b>3,441,543</b>	<b>4,016,986</b>	<b>5,799,746</b>	<b>1,363,285</b>	<b>1,058,623</b>	<b>37,243,654</b>

# School District No. 72 (Campbell River)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2017

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2017 Actual	2017 Budget (Note 15)	2016 Actual
	\$	\$	\$	\$	\$	\$	\$
<b>1 Instruction</b>							
1.02 Regular Instruction	19,417,960	4,417,659	23,835,619	1,432,709	25,268,328	25,533,527	25,079,924
1.03 Career Programs	2,837	256	3,093	12,177	15,270	34,690	11,919
1.07 Library Services	818,682	193,266	1,011,948	280,098	1,292,046	1,400,009	1,209,098
1.08 Counselling	739,811	165,040	904,851		904,851	915,490	879,347
1.10 Special Education	5,976,599	1,538,033	7,514,632	102,519	7,617,151	8,234,147	7,281,551
1.30 English Language Learning	209,498	46,420	255,918	3,698	259,616	199,816	264,296
1.31 Aboriginal Education	1,079,421	261,234	1,340,655	262,263	1,602,918	1,846,274	1,268,748
1.41 School Administration	2,738,833	597,893	3,336,726	162,704	3,499,430	3,826,199	3,418,192
1.60 Summer School	122,787	23,429	146,216	4,948	151,164	147,210	123,407
1.62 International and Out of Province Students	310,218	73,227	383,445	161,054	544,499	929,243	424,781
<b>Total Function 1</b>	<b>31,416,646</b>	<b>7,316,457</b>	<b>38,733,103</b>	<b>2,422,170</b>	<b>41,155,273</b>	<b>43,066,605</b>	<b>39,961,263</b>
<b>4 District Administration</b>							
4.11 Educational Administration	449,611	92,338	541,949	75,767	617,716	614,476	597,225
4.40 School District Governance	83,366	1,308	84,674	64,068	148,742	332,427	192,930
4.41 Business Administration	954,381	210,216	1,164,597	380,315	1,544,912	1,502,386	1,375,865
<b>Total Function 4</b>	<b>1,487,358</b>	<b>303,862</b>	<b>1,791,220</b>	<b>520,150</b>	<b>2,311,370</b>	<b>2,449,289</b>	<b>2,166,020</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration	157,470	30,795	188,265	117,593	305,858	336,641	296,471
5.50 Maintenance Operations	3,224,911	858,444	4,083,355	1,471,135	5,554,490	5,302,683	5,561,042
5.52 Maintenance of Grounds	287,815	80,166	367,981	207,044	575,025	616,978	399,266
5.56 Utilities	1,132	499	1,631	1,572,066	1,573,697	1,634,381	1,439,890
<b>Total Function 5</b>	<b>3,671,328</b>	<b>969,904</b>	<b>4,641,232</b>	<b>3,367,838</b>	<b>8,009,070</b>	<b>7,890,683</b>	<b>7,696,669</b>
<b>7 Transportation and Housing</b>							
7.70 Student Transportation	668,322	189,373	857,695	309,232	1,166,927	1,164,428	1,075,434
7.73 Housing	-	-	-	30,905	30,905	67,800	55,773
<b>Total Function 7</b>	<b>668,322</b>	<b>189,373</b>	<b>857,695</b>	<b>340,137</b>	<b>1,197,832</b>	<b>1,232,228</b>	<b>1,131,207</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>37,243,654</b>	<b>8,779,596</b>	<b>46,023,250</b>	<b>6,650,295</b>	<b>52,673,545</b>	<b>54,638,805</b>	<b>50,955,159</b>

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

Schedule 3 (Unaudited)

## Schedule of Special Purpose Operations

Year Ended June 30, 2017

	2017 Budget (Note 15)	2017 Actual	2016 Actual
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	2,639,887	2,758,651	2,454,774
Other	61,105	63,745	
Other Revenue	2,622,500	2,404,169	2,858,663
<b>Total Revenue</b>	<u>5,323,492</u>	<u>5,226,565</u>	<u>5,313,437</u>
<b>Expenses</b>			
Instruction	5,323,492	5,226,565	5,283,437
<b>Total Expense</b>	<u>5,323,492</u>	<u>5,226,565</u>	<u>5,283,437</u>
<b>Special Purpose Surplus (Deficit) for the year</b>	<u>-</u>	<u>-</u>	<u>30,000</u>
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased			(30,000)
<b>Total Net Transfers</b>	<u>-</u>	<u>-</u>	<u>(30,000)</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, 2017

Schedule 3A (Unaudited)

	Annual Facility Grant	Learning Improvement Fund	Aboriginal Education Technology	Special Education Equipment	Scholarships and Bursaries	Service Delivery Transformation	Special Education Technology	School Generated Funds	Related Entities
<b>Deferred Revenue, beginning of year</b>	\$ -	\$ 170,139	\$ -	\$ 45,431	\$ 172,981	\$ -	\$ -	\$ 568,040	\$ -
<b>Add: Restricted Grants</b>									
Provincial Grants - Ministry of Education	285,526	1,022,288							
Provincial Grants - Other									
Other					15,281			2,249,161	
Investment Income		1,917		372					
	285,526	1,024,205	-	372	15,281	-	-	2,249,161	-
<b>Less: Allocated to Revenue</b>	285,526	979,168	-	4,040	19,815	-	-	2,199,989	-
<b>Deferred Revenue, end of year</b>	-	215,176	-	41,763	168,447	-	-	617,212	-
<b>Revenues</b>									
Provincial Grants - Ministry of Education	285,526	979,168		4,040					
Provincial Grants - Other									
Other Revenue					19,815			2,199,989	
	285,526	979,168	-	4,040	19,815	-	-	2,199,989	-
<b>Expenses</b>									
Salaries									
Teachers		637,990							
Principals and Vice Principals									
Educational Assistants		132,903							
Support Staff									
Substitutes		28,568							
	-	799,461	-	-	-	-	-	-	-
Employee Benefits		179,707							
Services and Supplies	285,526			4,040	19,815			2,199,989	
	285,526	979,168	-	4,040	19,815	-	-	2,199,989	-
<b>Net Revenue (Expense) before Interfund Transfers</b>	-	-	-	-	-	-	-	-	-
<b>Interfund Transfers</b>									
	-	-	-	-	-	-	-	-	-
<b>Net Revenue (Expense)</b>	-	-	-	-	-	-	-	-	-

# School District No. 72 (Campbell River)

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2017

Schedule 3A (Unaudited)

	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK	Rural Education Enhancement Fund	Coding and Curriculum Implementation	Priority Measures	Oasis PRP	Headstart PRP
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	-	33,675	50	63,775	-	-		2	19,404
<b>Add: Restricted Grants</b>									
Provincial Grants - Ministry of Education	128,982	34,300	162,585	522,359		61,783	524,153	133,867	121,295
Provincial Grants - Other									
Other									
Investment Income		345	83	927		482	944	10	79
	128,982	34,645	162,668	523,286	-	62,265	525,097	133,877	121,374
<b>Less: Allocated to Revenue</b>	128,982	29,565	153,294	482,974	-	8,137	419,153	132,744	131,906
<b>Deferred Revenue, end of year</b>	-	38,755	9,424	104,087	-	54,128	105,944	1,135	8,872
<b>Revenues</b>									
Provincial Grants - Ministry of Education	128,982	29,565	153,294	482,974		8,137	419,153	132,744	131,906
Provincial Grants - Other									
Other Revenue									
	128,982	29,565	153,294	482,974	-	8,137	419,153	132,744	131,906
<b>Expenses</b>									
Salaries									
Teachers			41,707	832			339,799	91,973	92,859
Principals and Vice Principals			10,460					8,144	8,144
Educational Assistants	92,352			275,937					
Support Staff								3,989	3,989
Substitutes		2,272	21,474			1,015		1,152	320
	92,352	2,272	73,641	276,769	-	1,015	339,799	105,258	105,312
Employee Benefits	27,875	402	17,413	76,566		200	79,354	24,520	23,327
Services and Supplies	8,755	26,891	62,240	129,639		6,922		2,966	3,267
	128,982	29,565	153,294	482,974	-	8,137	419,153	132,744	131,906
<b>Net Revenue (Expense) before Interfund Transfers</b>	-	-	-	-	-	-	-	-	-
<b>Interfund Transfers</b>									
	-	-	-	-	-	-	-	-	-
<b>Net Revenue (Expense)</b>	-	-	-	-	-	-	-	-	-

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

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2017

Schedule 3A (Unaudited)

	Provincial Literacy	Drug & Alcohol VIHA	District Trust Funds	Van Foundation KELP Grant	Skills for Jobs Blueprint	TOTAL
	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	54,116	-	596,853	65,644	-	1,790,110
<b>Add: Restricted Grants</b>						
Provincial Grants - Ministry of Education					17,500	3,014,638
Provincial Grants - Other		63,745				63,745
Other			79,917			2,344,359
Investment Income	458		4,426	595	157	10,795
	458	63,745	84,343	595	17,657	5,433,537
<b>Less: Allocated to Revenue</b>	3,162	63,745	184,365	-	-	5,226,565
Deferred Revenue, end of year	51,412	-	496,831	66,239	17,657	1,997,082
<b>Revenues</b>						
Provincial Grants - Ministry of Education	3,162					2,758,651
Provincial Grants - Other		63,745				63,745
Other Revenue			184,365			2,404,169
	3,162	63,745	184,365	-	-	5,226,565
<b>Expenses</b>						
Salaries						
Teachers		51,509	8,722			1,265,391
Principals and Vice Principals			51,923			78,671
Educational Assistants						501,192
Support Staff						7,978
Substitutes						54,801
	-	51,509	60,645	-	-	1,908,033
Employee Benefits		11,615	14,886			455,865
Services and Supplies	3,162	621	108,834			2,862,667
	3,162	63,745	184,365	-	-	5,226,565
<b>Net Revenue (Expense) before Interfund Transfers</b>	-	-	-	-	-	-
<b>Interfund Transfers</b>						
	-	-	-	-	-	-
<b>Net Revenue (Expense)</b>	-	-	-	-	-	-

# School District No. 72 (Campbell River)

Schedule 4 (Unaudited)

## Schedule of Capital Operations

Year Ended June 30, 2017

	2017 Budget (Note 15)	2017 Actual			2016 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
<b>Revenues</b>					
Provincial Grants					
Ministry of Education	724,442	524,905		524,905	353,346
Investment Income			8,379	8,379	9,093
Amortization of Deferred Capital Revenue	2,960,420	2,960,400		2,960,400	2,907,621
<b>Total Revenue</b>	<b>3,684,862</b>	<b>3,485,305</b>	<b>8,379</b>	<b>3,493,684</b>	<b>3,270,060</b>
<b>Expenses</b>					
Operations and Maintenance	724,442	524,905	61,457	586,362	434,179
Amortization of Tangible Capital Assets					
Operations and Maintenance	3,497,451	3,497,451		3,497,451	3,403,828
Transportation and Housing	241,070	241,070		241,070	244,377
Debt Services					
Capital Lease Interest			963	963	
<b>Total Expense</b>	<b>4,462,963</b>	<b>4,263,426</b>	<b>62,420</b>	<b>4,325,846</b>	<b>4,082,384</b>
<b>Capital Surplus (Deficit) for the year</b>	<b>(778,101)</b>	<b>(778,121)</b>	<b>(54,041)</b>	<b>(832,162)</b>	<b>(812,324)</b>
<b>Net Transfers (to) from other funds</b>					
Tangible Capital Assets Purchased	250,000	434,826		434,826	374,422
Local Capital	321,791		310,000	310,000	215,000
Capital Lease Payment			86,225	86,225	
<b>Total Net Transfers</b>	<b>571,791</b>	<b>434,826</b>	<b>396,225</b>	<b>831,051</b>	<b>589,422</b>
<b>Other Adjustments to Fund Balances</b>					
Tangible Capital Assets Purchased from Local Capital		236,972	(236,972)	-	
Principal Payment					
Capital Lease		85,262	(85,262)	-	
<b>Total Other Adjustments to Fund Balances</b>		<b>322,234</b>	<b>(322,234)</b>	<b>-</b>	
<b>Total Capital Surplus (Deficit) for the year</b>	<b>(206,310)</b>	<b>(21,061)</b>	<b>19,950</b>	<b>(1,111)</b>	<b>(222,902)</b>
<b>Capital Surplus (Deficit), beginning of year</b>		<b>20,831,606</b>	<b>846,154</b>	<b>21,677,760</b>	<b>21,900,662</b>
<b>Capital Surplus (Deficit), end of year</b>		<b>20,810,545</b>	<b>866,104</b>	<b>21,676,649</b>	<b>21,677,760</b>

# School District No. 72 (Campbell River)

Schedule 4A (Unaudited)

Tangible Capital Assets

Year Ended June 30, 2017

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
<b>Cost, beginning of year</b>	8,123,703	142,074,642	1,018,711	2,410,694	-	1,659,811	155,287,561
<b>Changes for the Year</b>							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		658,874				81,874	740,748
Deferred Capital Revenue - Other		200	57,807				58,007
Operating Fund						434,826	434,826
Local Capital			94,810	90,265		51,897	236,972
Equipment purchased on capital lease				180,840			180,840
Transferred from Work in Progress		991,604					991,604
	-	1,650,678	152,617	271,105	-	568,597	2,642,997
Decrease:							
Deemed Disposals			118,451	31,571		198,267	348,289
	-	-	118,451	31,571	-	198,267	348,289
<b>Cost, end of year</b>	8,123,703	143,725,320	1,052,877	2,650,228	-	2,030,141	157,582,269
<b>Work in Progress, end of year</b>		631,319					631,319
<b>Cost and Work in Progress, end of year</b>	8,123,703	144,356,639	1,052,877	2,650,228	-	2,030,141	158,213,588
<b>Accumulated Amortization, beginning of year</b>		65,745,720	461,689	1,218,211	-	511,300	67,936,920
<b>Changes for the Year</b>							
Increase: Amortization for the Year		3,063,617	101,871	241,070		331,963	3,738,521
Decrease:							
Deemed Disposals			118,451	31,571		198,267	348,289
			118,451	31,571	-	198,267	348,289
<b>Accumulated Amortization, end of year</b>		68,809,337	445,109	1,427,710	-	644,996	71,327,152
<b>Tangible Capital Assets - Net</b>	<b>8,123,703</b>	<b>75,547,302</b>	<b>607,768</b>	<b>1,222,518</b>	<b>-</b>	<b>1,385,145</b>	<b>86,886,436</b>



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

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2017

	<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>	995,204	-	-	-	995,204
<b>Changes for the Year</b>					
Increase:					
Deferred Capital Revenue - Bylaw	627,719				627,719
	627,719	-	-	-	627,719
Decrease:					
Transferred to Tangible Capital Assets	991,604				991,604
	991,604	-	-	-	991,604
<b>Net Changes for the Year</b>	(363,885)	-	-	-	(363,885)
<b>Work in Progress, end of year</b>	631,319	-	-	-	631,319

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

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2017

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
<b>Deferred Capital Revenue, beginning of year</b>	58,742,956	7,052,735	586,184	66,381,875
<b>Changes for the Year</b>				
Increase:				
Transferred from Deferred Revenue - Capital Additions	740,748	58,007		798,755
Transferred from Work in Progress	991,604			991,604
	1,732,352	58,007	-	1,790,359
Decrease:				
Amortization of Deferred Capital Revenue	2,739,683	204,668	16,049	2,960,400
	2,739,683	204,668	16,049	2,960,400
<b>Net Changes for the Year</b>	(1,007,331)	(146,661)	(16,049)	(1,170,041)
<b>Deferred Capital Revenue, end of year</b>	57,735,625	6,906,074	570,135	65,211,834
<b>Work in Progress, beginning of year</b>	995,204			995,204
<b>Changes for the Year</b>				
Increase				
Transferred from Deferred Revenue - Work in Progress	627,719			627,719
	627,719	-	-	627,719
Decrease				
Transferred to Deferred Capital Revenue	991,604			991,604
	991,604	-	-	991,604
<b>Net Changes for the Year</b>	(363,885)	-	-	(363,885)
<b>Work in Progress, end of year</b>	631,319	-	-	631,319
<b>Total Deferred Capital Revenue, end of year</b>	58,366,944	6,906,074	570,135	65,843,153

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

Schedule 4D (Unaudited)

## Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2017

	Bylaw Capital	MEd Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
<b>Balance, beginning of year</b>	626,443	1,033,062	-			1,659,505
<b>Changes for the Year</b>						
Increase:						
Provincial Grants - Ministry of Education	2,422,713					2,422,713
Provincial Grants - Other			71,640			71,640
	2,422,713	-	71,640	-	-	2,494,353
Decrease:						
Transferred to DCR - Capital Additions	740,748	200	57,807			798,755
Transferred to DCR - Work in Progress	627,719					627,719
Transfer to Capital Revenue	524,905					524,905
	1,893,372	200	57,807	-	-	1,951,379
<b>Net Changes for the Year</b>	529,341	(200)	13,833	-	-	542,974
<b>Balance, end of year</b>	1,155,784	1,032,862	13,833	-	-	2,202,479