

Audited Financial Statements of

School District No. 19 (Revelstoke)

June 30, 2013, June 30, 2012 and July 1, 2011

School District No. 19 (Revelstoke)

June 30, 2013, June 30, 2012 and July 1, 2011

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School District No. 19 (Revelstoke)

MANAGEMENT REPORT

Version: 1359-9614-7631

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 19 (Revelstoke) have been prepared by management in accordance with Canadian public sector accounting standards and provincial reporting legislation 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. 19 (Revelstoke) (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 external audited financial statements yearly.

The external auditors, BDO Canada 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. 19 (Revelstoke) 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. 19 (Revelstoke)

<u>Signature on original</u>	<u>Oct 2/13</u>
Signature of the Chairperson of the Board of Education	Date Signed
<u>Signature on original</u>	<u>Oct 2/13</u>
Signature of the Superintendent	Date Signed
<u>Signature on original</u>	<u>Oct. 2/13</u>
Signature of the Secretary Treasurer	Date Signed



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Independent Auditor's Report

To the Chairperson and Board of Education of School District No. 19 (Revelstoke)

We have audited the accompanying financial statements of the School District #19 (Revelstoke), which comprise the statements of financial position as at June 30, 2013, June 30, 2012 and July 1, 2011 and the statements of operations, changes in net financial debt and cash flows for the years ended June 30, 2013 and June 30, 2012, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements in accordance with the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair 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.



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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 statements of financial position of School District #19 (Revelstoke) as at June 30, 2013, June 30, 2012 and July 1, 2011 and the statements of operations, changes in net financial debt and cash flows for the years ended June 30, 2013 and June 30, 2012 are prepared, in all material respects, in accordance with the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 2 to the financial statements, which describes the basis of accounting and the significant differences between such basis of accounting and Canadian public sector accounting standards as well as the impact of these differences.

BDO Canada LLP

Chartered Accountants

**Revelstoke, British Columbia
September 26, 2013**

School District No. 19 (Revelstoke)

Statement of Financial Position

As at June 30, 2013, June 30, 2012 and July 1, 2011

	June 30, 2013	June 30, 2012 (Restated-Note 2)	July 1, 2011 (Restated-Note 2)
	\$	\$	\$
Financial Assets			
Cash and Cash Equivalents (Note 3)	3,424,303	1,635,159	1,362,929
Accounts Receivable			
Due from Province - Ministry of Education		4,529,096	5,185,582
Other (Note 4)	459,891	705,990	1,521,837
Total Financial Assets	3,884,194	6,870,245	8,070,348
Liabilities			
Accounts Payable and Accrued Liabilities			
Other (Note 6)	3,869,225	5,785,056	4,666,816
Unearned Revenue (Note 7)	91,925	73,744	1,540
Deferred Revenue (Note 16)	85,789	325,586	140,862
Deferred Capital Revenue (Note 17)	61,100,447	57,350,872	40,315,490
Employee Future Benefits (Note 8)	214,706	238,927	253,797
Other Liabilities			2,798,720
Total Liabilities	65,362,092	63,774,185	48,177,225
Net Financial Assets (Debt)	(61,477,898)	(56,903,940)	(40,106,877)
Non-Financial Assets			
Tangible Capital Assets (Note 5)	64,592,369	59,687,620	42,887,192
Prepaid Expenses (Note 3)	43,872	45,844	56,085
Total Non-Financial Assets	64,636,241	59,733,464	42,943,277
Accumulated Surplus (Deficit)	3,158,343	2,829,524	2,836,400

Contractual Obligations and Contingencies

Approved by the Board

<i>Signature on original</i> Signature of the Chairperson of the Board of Education	<i>Oct 2/13</i> Date Signed
<i>Signature on original</i> Signature of the Superintendent	<i>Oct 2/13</i> Date Signed
<i>Signature on original</i> Signature of the Secretary Treasurer	<i>Oct 2/13</i> Date Signed

School District No. 19 (Revelstoke)

Statement of Operations

Years Ending June 30, 2013 and June 30, 2012

	2013 Budget (Unaudited)	2013 Actual	2012 Actual (Restated-Note 2)
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	10,317,705	10,569,386	10,217,800
Other		69,756	30,000
Tuition	40,550	65,375	53,200
Other Revenue	35,166	321,810	378,720
Rentals and Leases	133,392	199,403	131,658
Investment Income	15,000	29,259	23,766
Amortization of Deferred Capital Revenue	425,000	1,298,669	422,521
Total Revenue	<u>10,966,813</u>	<u>12,553,658</u>	<u>11,257,665</u>
Expenses			
Instruction	8,479,428	8,729,955	8,772,978
District Administration	602,336	629,821	627,256
Operations and Maintenance	1,593,137	2,568,703	1,603,360
Transportation and Housing	209,459	296,360	260,947
Total Expense	<u>10,884,360</u>	<u>12,224,839</u>	<u>11,264,541</u>
Surplus (Deficit) for the year	<u>82,453</u>	<u>328,819</u>	<u>(6,876)</u>
Accumulated Surplus (Deficit) from Operations, beginning of year		2,829,524	2,836,400
Accumulated Surplus (Deficit) from Operations, end of year		<u>3,158,343</u>	<u>2,829,524</u>

School District No. 19 (Revelstoke)

Statement of Changes in Net Financial Assets (Debt)

Years Ending June 30, 2013 and June 30, 2012

	2013 Budget (Unaudited) \$	2013 Actual \$	2012 Actual (Restated-Note 2) \$
Surplus (Deficit) for the year	82,453	328,819	(6,876)
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(2,896,617)	(6,301,326)	(17,321,795)
Amortization of Tangible Capital Assets	510,000	1,396,577	521,367
Total Effect of change in Tangible Capital Assets	<u>(2,386,617)</u>	<u>(4,904,749)</u>	<u>(16,800,428)</u>
Use of Prepaid Expenses		1,972	10,241
Total Effect of change in Other Non-Financial Assets	-	<u>1,972</u>	<u>10,241</u>
(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)	<u>(2,304,164)</u>	<u>(4,573,958)</u>	<u>(16,797,063)</u>
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Financial Assets (Debt)		<u>(4,573,958)</u>	<u>(16,797,063)</u>
Net Financial Assets (Debt), beginning of year		<u>(56,903,940)</u>	<u>(40,106,877)</u>
Net Financial Assets (Debt), end of year		<u><u>(61,477,898)</u></u>	<u><u>(56,903,940)</u></u>

School District No. 19 (Revelstoke)

Statement of Cash Flows

Years Ending June 30, 2013 and June 30, 2012

Statement 5

	2013 Actual	2012 Actual (Restated-Note 2)
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	328,819	(6,876)
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	4,775,195	1,472,333
Prepaid Expenses	1,972	10,241
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	(1,915,831)	1,118,240
Unearned Revenue	18,181	72,204
Deferred Revenue	(239,797)	184,724
Employee Future Benefits	(24,221)	(14,870)
Other Liabilities	-	(2,798,720)
Amortization of Tangible Capital Assets	1,396,577	521,367
Amortization of Deferred Capital Revenue	(1,298,669)	(422,521)
Total Operating Transactions	<u>3,042,226</u>	<u>136,122</u>
Capital Transactions		
Tangible Capital Assets Purchased	(4,156,915)	(59,520)
Tangible Capital Assets -WIP Purchased	(2,144,411)	(17,262,275)
Total Capital Transactions	<u>(6,301,326)</u>	<u>(17,321,795)</u>
Financing Transactions		
Capital Revenue Received	5,048,244	17,457,903
Total Financing Transactions	<u>5,048,244</u>	<u>17,457,903</u>
Net Increase (Decrease) in Cash and Cash Equivalents	1,789,144	272,230
Cash and Cash Equivalents, beginning of year	1,635,159	1,362,929
Cash and Cash Equivalents, end of year	<u>3,424,303</u>	<u>1,635,159</u>
Cash and Cash Equivalents, end of year, is made up of:		
Cash	3,424,303	1,635,159
	<u>3,424,303</u>	<u>1,635,159</u>

SCHOOL DISTRICT 19 (REVELSTOKE)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2013 AND JUNE 30, 2012

NOTE 1 AUTHORITY AND PURPOSE

The School District operates under authority of the *School Act* of British Columbia as a corporation under the name of "The Board of Education of School District No. 19 (Revelstoke)" and operates as "School District No. 19 (Revelstoke)." 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. School District No. 19 is exempt from federal and provincial corporate income taxes.

NOTE 2 CONVERSION TO PUBLIC SECTOR ACCOUNTING STANDARDS

Commencing with the 2012/13 fiscal year, the School District began preparing its financial statements 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 ("PSA") standards except as described in Note 3(a). These financial statements are the first financial statements for which the School District has applied this section.

Key adjustments on the School District's financial statements resulting from the adoption of these accounting standards are as follows:

- Previously, the School District was not required to record an accrued benefit obligation related to sick leave benefits as the benefits do not vest. PSA standards require that a liability and an expense be recognized for post-employment benefits and compensated absences that vest or accumulate in the period in which employees render services to the School District in return for the benefits. An adjustment was made to recognize a liability and an expense related to accumulated sick leave entitlements. The adjustment to the liability for employee future benefits at July 1, 2011 was \$70,469 resulting in a revised liability of \$253,797. An additional expense of \$1,389 was recognized in the 2012 fiscal year resulting in a revised liability for employee future benefits at June 30, 2012 of \$238,927 related to the accrual for accumulated sick leave entitlements, determined by an actuarial valuation.
- In accordance with the first time elections, the School District recognized all previous cumulative actuarial gains relating to employee future benefits of \$30,931 at July 1, 2011 resulting in a decrease to the Employee Future Benefits liability and an increase in accumulated surplus.

SCHOOL DISTRICT 19 (REVELSTOKE)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2013 AND JUNE 30, 2012

NOTE 2 CONVERSION TO PUBLIC SECTOR ACCOUNTING STANDARDS
(Continued)

The impact of the conversion to PSA standards on the accumulated surplus (deficit) at July 1, 2011 and the comparative annual surplus is presented below. These accounting changes have been applied retrospectively with restatement of prior periods. During fiscal 2013 it was discovered in reconciling the buildings developed and transferred from work in progress, that previous special purpose funding and capital transfer funding received in 2011 and 2012 to go towards the buildings construction were incorrectly recognized/treated as actual costs incurred/capitalized and the related funding recognized in surplus. The correct this error, tangible capital assets for the opening balance sheet have been decreased by \$124,234, with a corresponding decrease in surplus, decrease in accounts payable and increase in deferred revenue as at July 1, 2011. For 2012, the additional difference of \$350,455 was also corrected as a decrease in accounts payable, decrease in tangible capital assets and accumulated surplus, and a \$195,628 increase in deferred capital contributions and \$154,827 decrease in annual surplus.

Accumulated surplus as originally reported, July 1, 2011	\$	2,929,649
Adjustments to accumulated surplus (deficit)		
Add non-vested benefits to Employee Future Benefits		(70,469)
Recognize cumulative unamortized actuarial gain/loss on Employee Future Benefits		(30,931)
Reclassify Deferred Contributions		132,385
Prior Period Adjustment		(124,234)
Accumulated surplus as restated, July 1, 2011	<u>\$</u>	<u>2,836,400</u>
Annual surplus as originally reported for the year ended June 30, 2012	\$	166,195
Adjustments to annual surplus for the year		
Recognize cumulative unamortized actuarial gain/loss on Employee Future Benefits		1,389
Reclassify Deferred Contributions		(19,633)
Prior Period Adjustment		(154,827)
Annual deficit as restated for the year ended June 30, 2012	<u>\$</u>	<u>(6,876)</u>
Accumulated surplus, end of year as restated June 30, 2012	<u>\$</u>	<u>2,829,524</u>

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

These financial statements have been prepared in accordance with Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia. This Section requires that the financial statements be prepared in accordance with Canadian public sector accounting standards except in regard to the accounting for government transfers as set out in Notes 3(e) and 3(h).

**SCHOOL DISTRICT 19 (REVELSTOKE)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2013 AND JUNE 30, 2012**

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In March 2011, PSAB released a new *Section PS 3410 "Government Transfers"*. 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. The Treasury Board direction on the accounting treatment of restricted contributions is as described in Notes 3(e) and 3(h).

As noted in notes 3 (e) and 3 (h), 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:

July 1, 2011	- increase in accumulated surplus and decrease in deferred contributions by	\$	40,315,490
Year-ended June 30, 2012	- increase in annual surplus by	\$ 17,305,382	
June 30, 2012	- increase in accumulated surplus and decrease in deferred contributions by	\$	57,350,872
Year-ended June 30, 2013	- increase in annual surplus by	\$ 4,639,857	
June 30, 2013	- increase in accumulated surplus and decrease in deferred contributions by	\$	61,981,729

(b) Cash and Cash Equivalents

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

(c) Prepaid Expenses

Prepaid expenses include such items as membership fees, fleet insurance and contracted services. These expenses are stated at acquisition cost and are charged to expense over the periods expected to benefit from it.

(d) 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 19 (REVELSTOKE)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2013 AND JUNE 30, 2012

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Deferred Revenue and Deferred Capital Revenue

Deferred revenue includes contributions received with stipulations that meet the description of restricted contributions in the Restricted Contributions Regulation 198/2011 issued by Treasury Board. When restrictions are met, deferred revenue is recognized as revenue in the fiscal year in a manner consistent with the circumstances and evidence used to support the initial recognition of the contributions received as a liability as detailed in Note 3 (h).

Funding received for the acquisition of depreciable tangible capital assets is recorded as deferred capital revenue and amortized over the life of the asset acquired as revenue in the statement of operations. This accounting treatment is not consistent with the requirements of Canadian public sector accounting standards which require that government transfers be recognized as revenue when approved by the transferor and eligibility criteria have been met unless the transfer contains a stipulation that creates a liability in which case the transfer is recognized as revenue over the period that the liability is extinguished. See note 3(a) for the impact of this policy on these financial statements.

(f) Tangible Capital Assets

The following criteria apply:

- Tangible capital assets acquired or constructed are recorded at cost which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost also includes overhead directly attributable to construction as well as interest costs that are directly attributable to the acquisition or construction of the asset.
- Donated tangible capital assets are recorded at their fair market value on the date of donation, except in circumstances where fair value cannot be reasonably determined, which are then recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.
- Work-in-progress is recorded as an acquisition to the applicable asset class at substantial completion.
- Tangible capital assets are written down to residual value when conditions indicate they no longer contribute to the ability of the School District to provide services or when the value of future economic benefits associated with the sites and buildings are less than their net book value. The write-downs are accounted for as expenses in the Statement of Operations.
- Buildings that are demolished or destroyed are written-off.
- Works of art, historic assets and other intangible assets are not recorded as assets in these financial statements.

SCHOOL DISTRICT 19 (REVELSTOKE)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2013 AND JUNE 30, 2012

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Tangible Capital Assets (cont'd)

- The cost, less residual value, of tangible capital assets (excluding sites), is amortized on a straight-line basis over the estimated useful life of the asset. It is management's responsibility to determine the appropriate useful lives for tangible capital assets. These useful lives are reviewed on a regular basis or if significant events initiate the need to revise. Estimated useful life is as follows:

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

(h) 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

SCHOOL DISTRICT 19 (REVELSTOKE)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2013 AND JUNE 30, 2012

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Revenue Recognition (cont'd)

which case the transfer is recognized as revenue over the period that the liability is extinguished. See note 3(a) for the impact of this policy on these financial statements.

Revenue related to fees or services received in advance of the fee being earned or the service being 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.

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

Allocation of Costs

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

(j) 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.

SCHOOL DISTRICT 19 (REVELSTOKE)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2013 AND JUNE 30, 2012

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

(j) **Financial Instruments** *(cont'd)*

Financial instruments consist of cash and cash equivalents, accounts receivable, portfolio investments, bank overdraft, accounts payable and accrued liabilities, long term debt and other liabilities.

Except for portfolio investments in equity instruments quoted in an active market that are recorded at fair value, all financial assets and liabilities are recorded at cost or amortized cost and the associated transaction costs are added to the carrying value of these investments upon initial recognition. Transaction costs are incremental costs directly attributable to the acquisition or issue of a financial asset or a financial liability.

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

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

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

Recognition, derecognition and measurement policies followed in the financial statements for periods prior to July 1, 2012 are not reversed and, therefore, the financial statements of prior periods, including comparative information, have not been restated.

As at June 30, 2013 and for the year then ended, financial instruments are accounted for prospectively in accordance with public sector accounting standards as described above.

As at July 1, 2011, June 30, 2012 and for the year ended June 30, 2012, financial instruments were accounted for in accordance with Part V of the CICA Handbook. There were no changes in the recognition and measurement of financial instruments upon conversion to public sector accounting standards.

SCHOOL DISTRICT 19 (REVELSTOKE)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2013 AND JUNE 30, 2012

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

(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, retirement/severance, vacation, overtime and death benefits. The benefits cost is actuarially determined using the projected unit credit method pro-rated on service and using management's best estimate of expected salary escalation, termination rates, retirement rates and mortality. The discount rate used to measure obligations is based on the cost of borrowing.

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

The most recent valuation of the obligation was performed at March 31, 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.

(l) Measurement Uncertainty

Use of Estimates

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

Examples of significant estimates and assumptions include:

- the estimated useful lives of assets and the resulting estimates for depreciation expense; and
- the provisions for certain contingencies

SCHOOL DISTRICT 19 (REVELSTOKE)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2013 AND JUNE 30, 2012

NOTE 4 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	<u>June 30, 2013</u>	<u>June 30, 2012</u>	<u>July 1, 2011</u>
Due from Federal Government	\$228,564	\$479,710	\$1,413,454
Due from Others	\$231,327	\$208,280	108,383
	<u>\$459,891</u>	<u>\$687,990</u>	<u>\$1,521,837</u>

SCHOOL DISTRICT 19 (REVELSTOKE)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2013 AND JUNE 30, 2012

NOTE 5 TANGIBLE CAPITAL ASSETS

June 30, 2013

Cost:	Balance at July 1, 2012, restated	Additions	Deemed Disposals	Transfers (WIP)	Balance at June 30, 2013
Sites	841,966				841,966
Buildings	53,388,769	3,742,810			57,131,579
Buildings - Work In Progress	17,625,155	2,144,411		-	19,769,566
Furniture & Equipment	575,180	333,312			908,492
Vehicles	773,640	33,679			807,319
Computer Hardware	302,355	47,114	(26,134)		323,335
Total	73,507,065	6,301,326	(26,134)	-	79,782,257

	Balance at July 1, 2012	Additions	Deemed Disposals	Balance at June 30, 2013
Accumulated Amortization	13,382,332	1,201,224		14,583,556
Buildings	30,830	57,518		88,348
Furniture & Equipment	343,530	77,364		420,894
Vehicles	62,753	60,471	(26,134)	97,090
Computer Hardware	13,819,445	1,396,577	(26,134)	15,189,888
Total	13,819,445	1,396,577	(26,134)	15,189,888

June 30, 2012

Cost:	Balance at July 1, 2011, restated	Additions	Deemed Disposals	Transfers (WIP)	Balance at June 30, 2012, restated
Sites	841,966				841,966
Buildings	21,261,270	44,426		32,083,073	53,388,769
Buildings - Work In Progress	33,090,519	17,262,275		(32,727,639)	17,625,155
Furniture & Equipment	67,602	10,498		497,080	575,180
Vehicles	773,640				773,640
Computer Hardware	170,358	4,596	(20,085)	147,486	302,355
Total	56,205,355	17,321,795	(20,085)	-	73,507,065

	Balance at July 1, 2011	Additions	Deemed Disposals	Balance at June 30, 2012
Accumulated Amortization	12,979,161	403,171		13,382,332
Buildings	24,070	6,760		30,830
Furniture & Equipment	266,166	77,364		343,530
Vehicles	48,766	34,072	(20,085)	62,753
Computer Hardware	13,318,163	521,367	(20,085)	13,819,445
Total	13,318,163	521,367	(20,085)	13,819,445

Net Book Value	Net Book Value June 30, 2013	Net Book Value June 30, 2012, restated	Net Book Value June 30, 2011, restated
Sites	841,966	841,966	841,966
Buildings	42,548,023	40,006,437	8,282,109
Buildings - Work In Progress	19,769,566	17,625,155	33,090,519
Furniture & Equipment	820,144	544,350	43,532
Vehicles	386,425	430,110	507,474
Computer Hardware	226,245	239,602	121,592
Total	64,592,369	59,687,620	42,887,192

SCHOOL DISTRICT 19 (REVELSTOKE)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2013 AND JUNE 30, 2012

NOTE 5 TANGIBLE CAPITAL ASSETS *(Continued)*

Included in buildings - work in progress is the Begbie View Elementary School expected to be completed and transferred from work in progress in 2013. Total budgeted costs related to this project were estimated at \$18.6M and the project is substantially complete. Related to the capital project there is \$1,506,460 (2012- \$2,515,495) of holdbacks included in accounts payable and accrued liabilities.

NOTE 6 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	June 30, 2013	June 30, 2012	July 1, 2011
Trades Payables	\$ 611,939	\$ 69,189	\$ 4,082,456
Salaries and Benefits Payable	261,773	937,928	571,191
Accrued Vacation Payable	33,325	18,217	13,169
Holdback/Capital Project Payable	2,962,188	4,759,722	
	<u>\$ 3,869,225</u>	<u>\$ 5,785,056</u>	<u>\$ 4,666,816</u>

NOTE 7 UNEARNED REVENUE

	June 30, 2013	June 30, 2012	July 1, 2011
Balance, beginning of year	\$73,743	\$1,540	\$100
Changes for the year:			
Increase:			
Tuition fees/other	11,000	-	1,540
Rental/Lease of facilities	80,925	73,743	
	<u>165,668</u>	<u>75,283</u>	<u>1,640</u>
Decrease:			
Tuition fees/other	-	(1,540)	(100)
Rental/Lease of facilities	(73,743)	-	-
Net changes for the year	<u>(73,743)</u>	<u>(1,540)</u>	<u>(100)</u>
Balance, end of year	<u>\$91,925</u>	<u>\$73,743</u>	<u>\$1,540</u>

SCHOOL DISTRICT 19 (REVELSTOKE)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2013 AND JUNE 30, 2012

NOTE 8 EMPLOYEE FUTURE BENEFITS

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

	<u>June 30, 2013</u>	<u>June 30, 2012</u>
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	261,175	183,328
Non-vested Benefit Obligation - July 1, 2011		70,469
Service Cost	20,074	18,812
Interest Cost	11,224	12,236
Benefit Payments	(55,178)	(7,802)
Actuarial (Gain) Loss	74,523	(15,868)
Accrued Benefit Obligation – March 31	<u>311,818</u>	<u>261,175</u>
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation - March 31	311,818	261,175
Market Value of Plan Assets - March 31	0	0
Funded Status - Deficit	(311,818)	(261,175)
Employer Contributions After Measurement Date	36,654	38,116
Unamortized Net Actuarial Loss	60,458	(15,868)
Accrued Benefit Liability - June 30	<u>(214,706)</u>	<u>(238,927)</u>
Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability - July 1	238,927	152,397
Recognize Non-Vested Benefits - July 1, 2011		70,469
Recognize Unamortized Losses - July 1, 2011		30,931
Accrued Benefit Liability - July 1 (restated)	238,927	253,797
Net Expense for Fiscal Year	29,495	31,048
Employer Contributions	(53,716)	(45,918)
Accrued Benefit Liability - June 30	<u>214,706</u>	<u>238,927</u>
Components of Net Benefit Expense		
Service Cost	20,074	18,812
Interest Cost	11,224	12,236
Immediate Recognition of Plan Amendment	0	0
Amortization of Net Actuarial Gain	(1,803)	0
Net Benefit Expense	<u>29,495</u>	<u>31,048</u>

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

	<u>June 30, 2013</u>	<u>June 30, 2012</u>
Assumptions		
Discount Rate - April 1	4.25%	4.75%
Discount Rate - March 31	3.00%	4.25%
Long Term Salary Growth - April 1	2.50% + seniority	2.50% + seniority
Long Term Salary Growth - March 31	2.50% + seniority	2.50% + seniority
EARSL - March 31	9.7	8.8

**SCHOOL DISTRICT 19 (REVELSTOKE)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2013 AND JUNE 30, 2012**

NOTE 9 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 46,000 active members from school districts, and approximately 31,000 retired members from school districts. The Municipal Pension Plan has about 178,000 active members, of which approximately 23,000 are from school districts.

Every three years, an actuarial valuation is performed to assess the financial position of the plans and the adequacy of plan funding. The most recent actuarial valuation of the Teachers' Pension Plan as at December 31, 2011 indicated an \$855 million funding deficit for basic pension benefits. The next valuation will be as at December 31, 2014 with results available in 2015. The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2009 indicated a \$1,024 million funding deficit for basic pension benefits. The next valuation will be as at December 31, 2012 with results available in 2013. Defined contribution plan accounting is applied to the plan as the plan exposes the participating entities to actuarial risks associated with the current and former employees of other entities, with the result that there is no consistent and reliable basis for allocating the obligation, plan assets and cost to individual entities participating in the plan.

The Revelstoke School District paid \$929,402 for employer contributions to these plans for the year ended June 30, 2013.

NOTE 10 EXPENSE BY OBJECT

	2013	2012
Salaries and benefits	\$ 9,300,779	\$ 9,327,816
Services and supplies	1,527,483	1,415,358
Amortization	1,396,577	521,367
	<u>\$ 12,224,839</u>	<u>\$ 11,264,541</u>

**SCHOOL DISTRICT 19 (REVELSTOKE)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2013 AND JUNE 30, 2012**

NOTE 11 INTERNALLY RESTRICTED SURPLUS – OPERATING FUND

Internally Restricted by Board for:

School Surpluses	\$ 162
Aboriginal Education Surplus	28,792
Farwell Capital Reserve	51,286
Therapies Grant	16,602
Staff Appreciation	1,000
Professional Development Funds	105,633
Literacy Planning	5,837
Screen Smart	659
Education Plan	7,000
School Generated Funds	128,982
Vehicle Appropriation	23,355
Revelstoke Performing Arts Centre Reserve	1,001
Energy Consultation Appropriation	7,317
Technology Grant	23,025
Sub-Total Internally Restricted Funds	\$ 400,651
Unrestricted	-
Underfunded and Accrued Employee Future Benefits	(43,271)
Total Available for Future Operations	\$ 357,380

NOTE 12 INTERFUND TRANSFERS

Interfund transfers between the operating, special purpose and capital funds for the year ended June 30, 2013, were as follows:

Capital Asset Purchases transferred from operating:	\$ 51,390
Capital Asset Purchases transferred from Special Purpose Funds	\$279,500

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.

NOTE 14 BUDGET FIGURES

Budgeted figures were approved by the Board through the adoption of an annual budget on June 18th 2012. In May 2013, the Board approved the Amended Annual Budget under which it operated for the 2012/13 year.

SCHOOL DISTRICT 19 (REVELSTOKE)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2013 AND JUNE 30, 2012

NOTE 15 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 in accordance with Canadian GAAP for Public sector enterprises. This contemplates continuation of the School District as a "going concern".

NOTE 16 DEFERRED REVENUE

Deferred Revenue includes unspent grants and contributions received that meet the description of a restricted contribution in the Restricted Contributions Regulation 198/2011 issued by the 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.

NOTE 17 DEFERRED CAPITAL REVENUE

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

NOTE 18 CONTINGENT LIABILITY

At the time of preparation of the financial statements, both CUPE and BC Teacher's Federation (BCTF) contracts had expired and negotiations at a Provincial level were underway. CUPE negotiations have been concluded, and are pending ratification, with an estimated cost to the district of \$22,000 in the 2013/14 year. While occurrence of the successful negotiations with the BCTF is likely, the amount of the liability cannot be reasonably estimated.

In September 2013, a Lien was placed against the property which houses the Revelstoke Secondary School and Mount Begbie Elementary School, both of which are included in the capital project. Liens are placed when suppliers are awaiting payment, and are typical in a project of this complexity. Graham Design Builders, a JV, has made the district aware of the lien and when the district releases funds to Graham, in the near future, based on a reassessment of completed deficiencies; it will only do so when Graham has cleared the lien.

SCHOOL DISTRICT 19 (REVELSTOKE)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2013 AND JUNE 30, 2012

NOTE 19 RISK MANAGEMENT

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

a) Credit risk:

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

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

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

b) Market risk :

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

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

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The School District is exposed to interest rate risk through its investments. It is management's opinion that the School District is not exposed to significant interest rate risk as they invest solely in term deposits that have a maturity date of no more than 3 years.

c) Liquidity risk

Liquidity risk is the risk that the School District will not be able to meet its financial obligations as they become due.

The School District manages liquidity risk by continually monitoring actual and forecasted cash flows from operations and anticipated investing activities to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the School District's reputation.

SCHOOL DISTRICT 19 (REVELSTOKE)
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2013 AND JUNE 30, 2012

NOTE 19 RISK MANAGEMENT *(Continued)*

Risk Management and insurance services for all School Districts in British Columbia are provided by the Risk Management Branch of the Ministry of Finance.

NOTE 20 CONTRACTUAL OBLIGATIONS

In relation to the new schools, the School District entered into a contractual agreement to purchase thermal energy from the Revelstoke Community Energy Corporation in September 2010 for a term expiring in 2034. In the event that the School District decides to terminate this agreement, the School District would be required to pay any liabilities accrued up to the date of termination. The agreement will take effect upon substantial completion of the elementary school. Estimated payments for the next five years and thereafter under the terms of the agreements are as follows:

<u>Year</u>	<u>Amount</u>
2014	\$ 54,902
2015	57,441
2016	58,589
2017	59,761
2018	60,956
Thereafter	967,782
Total	<u>\$ 1,259,431</u>

NOTE 21 ASSET RETIREMENT OBLIGATIONS

The School District is required to recognize any liabilities that may occur as a result of the removal and disposal, or abatement of asbestos in any schools within the District that may undergo major renovations or be subject to demolition. A reasonable estimate of fair value of the potential liability related to the disposal cannot be reasonably determined as the amount and distribution of asbestos and method of resolving has not yet been determined. As such no liability has been included in the balance sheet.



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Independent Auditor's Report on Supplemental Information

To the Chairperson and Board of Education of School District No. 19(Revelstoke)

We have audited the accompanying financial statements of the Board of Education of School District No. 19(Revelstoke), which comprise the statements of financial position as at June 30, 2013, June 30, 2012 and July 1, 2011 and the statements of operations, changes in net financial debt and cash flows for the years ended June 30, 2013 and June 30, 2012, and a summary of significant accounting policies and other explanatory information, and have issued our report thereon dated September 26, 2013 which contained an unmodified opinion of those financial statements. The audit was performed to form an opinion on the financial statements as a whole. The financial information presented hereinafter is presented for the purposes of additional analysis and is not a required part of the financial statements. Such supplementary information is the responsibility of management and was derived from the underlying accounting and other records used to prepare the financial statements.

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

Restriction on Distribution and Use

The supplementary information is prepared to assist School District No. 19(Revelstoke) to meet the requirements of the Ministry of Education. As a result, the supplementary information may not be suitable for another purpose. Our report is intended solely for School District No. 19(Revelstoke) and the Ministry of Education and should not be distributed to or used by parties other than School District No. 19(Revelstoke) and the Ministry of Education.

BDO Canada LLP

Chartered Accountants

Revelstoke, British Columbia
September 26, 2013

School District No. 19 (Revelstoke)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund
Years Ending June 30, 2013 and June 30, 2012

	Operating Fund	Special Purpose Fund	Capital Fund	2013 Actual	2012 Actual (Restated-Note 2)
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year					
Change in Accounting Policies/Prior Period Adjustments	261,542		2,567,982	2,829,524	2,929,649
Add non-vested benefits to Employee Future Benefits					(70,469)
Recognize unamortized gain (loss) on Employee Future Benefits					(30,931)
Reclassify Deferred Contributions					132,385
Adjustments to 2011/12 Fiscal Year					(124,234)
Accumulated Surplus (Deficit), beginning of year, as restated	261,542	-	2,567,982	2,829,524	2,836,400
Changes for the year					
Surplus (Deficit) for the year	147,228	279,499	(97,908)	328,819	(6,876)
Interfund Transfers					
Tangible Capital Assets Purchased	(51,390)	(438)	51,828	-	
Tangible Capital Assets - Work in Progress		(279,061)	279,061	-	
Net Changes for the year	95,838	-	232,981	328,819	(6,876)
Accumulated Surplus (Deficit), end of year - Statement 2	357,380	-	2,800,963	3,158,343	2,829,524

School District No. 19 (Revelstoke)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Years Ending June 30, 2013 and June 30, 2012

	2013 Budget \$	2013 Actual \$	2012 Actual (Restated-Note 2) \$
Revenues			
Provincial Grants			
Ministry of Education	9,971,189	10,042,005	10,062,619
Other		30,333	
Tuition	40,550	65,375	53,200
Other Revenue	35,166	321,810	378,720
Rentals and Leases	133,392	199,403	131,658
Investment Income	15,000	29,259	22,253
Total Revenue	10,195,297	10,688,185	10,648,450
Expenses			
Instruction	8,213,216	8,460,150	8,625,035
District Administration	602,336	629,821	627,256
Operations and Maintenance	1,083,137	1,154,626	1,081,993
Transportation and Housing	209,459	296,360	260,947
Total Expense	10,108,148	10,540,957	10,595,231
Operating Surplus (Deficit) for the year	87,149	147,228	53,219
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(87,149)	(51,390)	(20,769)
Total Net Transfers	(87,149)	(51,390)	(20,769)
Total Operating Surplus (Deficit), for the year	-	95,838	32,450
Operating Surplus (Deficit), beginning of year		261,542	198,107
Change in Accounting Policies/Prior Period Adjustments			
Add non-vested benefits to Employee Future Benefits			(70,469)
Recognize unamortized gain (loss) on Employee Future Benefits			(30,931)
Reclassify Deferred Contributions			132,385
Operating Surplus (Deficit), beginning of year, as restated		261,542	229,092
Operating Surplus (Deficit), end of year		357,380	261,542
Operating Surplus (Deficit), end of year			
Internally Restricted (Note 11)		400,651	359,241
Unrestricted		-	2,312
Unfunded Accrued Employee Future Benefits		(43,271)	(100,011)
Total Operating Surplus (Deficit), end of year		357,380	261,542

School District No. 19 (Revelstoke)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Years Ending June 30, 2013 and June 30, 2012

	2013 Budget	2013 Actual	2012 Actual (Restated-Note 2)
	\$	\$	\$
Provincial Grants - Ministry of Education			
Operating Grant, Ministry of Education	9,869,691	9,936,159	9,956,773
Other Ministry of Education Grants			
Pay Equity	101,498	101,498	101,498
Provincial Assessment		4,348	4,348
Total Provincial Grants - Ministry of Education	9,971,189	10,042,005	10,062,619
Provincial Grants - Other	-	30,333	
Tuition			
Offshore Tuition Fees	40,550	65,375	53,200
Total Tuition	40,550	65,375	53,200
Other Revenues			
Miscellaneous			
Miscellaneous Revenue	35,166	53,126	149,196
Roots of Empathy		2,400	1,200
Career Education			18,249
Interior Health		18,000	
Screen Smart		2,000	
School Generated Funds		246,284	210,075
Total Other Revenue	35,166	321,810	378,720
Rentals and Leases	133,392	199,403	131,658
Investment Income	15,000	29,259	22,253
Total Operating Revenue	10,195,297	10,688,185	10,648,450

School District No. 19 (Revelstoke)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Years Ending June 30, 2013 and June 30, 2012

	2013 Budget	2013 Actual	2012 Actual (Restated-Note 2)
	\$	\$	\$
Salaries			
Teachers	4,558,562	4,586,399	4,648,288
Principals and Vice Principals	675,177	549,709	710,362
Educational Assistants	451,631	448,207	476,892
Support Staff	884,797	893,747	937,297
Other Professionals	554,688	580,126	515,612
Substitutes	234,343	247,263	222,418
Total Salaries	7,359,198	7,305,451	7,510,869
Employee Benefits	1,718,062	1,754,270	1,707,274
Total Salaries and Benefits	9,077,260	9,059,721	9,218,143
Services and Supplies			
Services	277,272	390,261	353,213
Student Transportation	25,995	22,991	23,255
Professional Development and Travel	95,173	107,739	91,174
Rentals and Leases	1,900	903	3,653
Dues and Fees	55,420	51,300	52,659
Insurance	31,043	43,740	43,897
Supplies	253,230	561,892	506,718
Utilities	290,855	302,410	302,519
Total Services and Supplies	1,030,888	1,481,236	1,377,088
Total Operating Expense	10,108,148	10,540,957	10,595,231

School District No. 19 (Revelstoke)

Operating Expense by Function, Program and Object
Year Ended June 30, 2013

	Teachers Salaries	Principals and Vice Principals Salaries	Educational Assistants Salaries	Support Staff Salaries	Other Professionals Salaries	Substitutes Salaries	Total Salaries
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	3,375,598	200,977		116,850	30,502	155,229	3,879,156
1.03 Career Programs	42,477						42,477
1.07 Library Services	174,904			57,952		719	233,575
1.08 Counselling	203,596			3,979			207,575
1.10 Special Education	777,866	50,289	440,173	15,095	126,237	20,775	1,430,435
1.31 Aboriginal Education	11,958	4,602	8,034	17,884	45,175		87,653
1.41 School Administration	293,841			151,635		19,333	464,809
Total Function 1	4,586,399	549,709	448,207	363,395	201,914	196,056	6,345,680
4 District Administration							
4.11 Educational Administration				6,442	101,442	456	108,340
4.40 School District Governance					48,845		48,845
4.41 Business Administration				83,813	129,257	3,258	216,328
Total Function 4	-	-	-	90,255	279,544	3,714	373,513
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				2,360	76,191		78,551
5.50 Maintenance Operations				339,942		28,766	368,708
5.52 Maintenance of Grounds				16,729		13,813	30,542
5.56 Utilities							-
Total Function 5	-	-	-	359,031	76,191	42,579	477,801
7 Transportation and Housing							
7.41 Transportation and Housing Administration					22,477		22,477
7.70 Student Transportation				81,066		4,914	85,980
Total Function 7	-	-	-	81,066	22,477	4,914	108,457
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	4,586,399	549,709	448,207	893,747	580,126	247,263	7,305,451

School District No. 19 (Revelstoke)

Operating Expense by Function, Program and Object

Year Ended June 30, 2013

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2013 Actual	2013 Budget	2012
							Actual (Restated-Note 2)
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	3,879,156	872,435	4,751,591	502,232	5,253,823	5,044,275	5,532,216
1.03 Career Programs	42,477	10,546	53,023	153	53,176	38,763	51,725
1.07 Library Services	233,575	66,055	299,630	20,604	320,234	320,440	333,169
1.08 Counselling	207,575	49,109	256,684		256,684	243,798	222,696
1.10 Special Education	1,430,435	382,881	1,813,316	22,633	1,835,949	1,827,523	1,702,530
1.31 Aboriginal Education	87,653	26,152	113,805	13,750	127,555	135,720	109,841
1.41 School Administration	464,809	103,968	568,777	43,952	612,729	602,697	672,858
Total Function 1	6,345,680	1,511,146	7,856,826	603,324	8,460,150	8,213,216	8,625,035
4 District Administration							
4.11 Educational Administration	108,340	28,905	137,245	26,395	163,640	164,538	166,274
4.40 School District Governance	48,845	2,244	51,089	29,902	80,991	82,334	90,910
4.41 Business Administration	216,328	49,932	266,260	118,930	385,190	355,464	370,072
Total Function 4	373,513	81,081	454,594	175,227	629,821	602,336	627,256
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	78,551	12,828	91,379	37,886	129,265	118,293	115,892
5.50 Maintenance Operations	368,708	111,333	480,041	150,882	630,923	607,310	581,362
5.52 Maintenance of Grounds	30,542	6,719	37,261	54,767	92,028	66,679	82,220
5.56 Utilities	-	-	-	302,410	302,410	290,855	302,519
Total Function 5	477,801	130,880	608,681	545,945	1,154,626	1,083,137	1,081,993
7 Transportation and Housing							
7.41 Transportation and Housing Administration	22,477	3,969	26,446	1,041	27,487	28,672	24,574
7.70 Student Transportation	85,980	27,194	113,174	155,699	268,873	180,787	236,373
Total Function 7	108,457	31,163	139,620	156,740	296,360	209,459	260,947
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	7,305,451	1,754,270	9,059,721	1,481,236	10,540,957	10,108,148	10,595,231

School District No. 19 (Revelstoke)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations
 Years Ending June 30, 2013 and June 30, 2012

	2013 Budget	2013 Actual	2012 Actual (Restated-Note 2)
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	346,516	527,381	155,181
Other		39,423	30,000
Other Revenue			-
Investment Income			1,513
Total Revenue	<u>346,516</u>	<u>566,804</u>	<u>186,694</u>
Expenses			
Instruction	266,212	269,805	147,943
Operations and Maintenance		17,500	
Total Expense	<u>266,212</u>	<u>287,305</u>	<u>147,943</u>
Special Purpose Surplus (Deficit) for the year	<u>80,304</u>	<u>279,499</u>	<u>38,751</u>
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(80,304)	(438)	(38,751)
Tangible Capital Assets - Work in Progress		(279,061)	-
Total Net Transfers	<u>(80,304)</u>	<u>(279,499)</u>	<u>(38,751)</u>
Total Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>-</u>	<u>-</u>
Special Purpose Surplus (Deficit), beginning of year			
Special Purpose Surplus (Deficit), end of year		<u>-</u>	<u>-</u>
Special Purpose Surplus (Deficit), end of year			
Total Special Purpose Surplus (Deficit), end of year		<u>-</u>	<u>-</u>

School District No. 19 (Revelstoke)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2013

Deferred Revenue, beginning of year
 Transfer (to) from Operating Surplus - as at July 1, 2011
 Transfer to/from Operating Revenue/Expense - year ended June 30, 2012
 Transfer to/from Capital Fund - year ended June 30, 2012
 Deferred Revenue, beginning of year, as restated

Add: Restricted Grants
 Provincial Grants - Ministry of Education
 Provincial Grants - Other

Less: Allocated to Revenue
Deferred Revenue, end of year

Revenues

Provincial Grants - Ministry of Education
 Provincial Grants - Other

Expenses

Salaries
 Teachers
 Educational Assistants
 Support Staff
 Substitutes

Employee Benefits
 Services and Supplies

Net Revenue (Expense) before Interfund Transfers

Interfund Transfers

Tangible Capital Assets Purchased
 Tangible Capital Assets - Work in Progress

Net Revenue (Expense)

	Annual Facility Grant	Learning Improvement Fund	Special Education Equipment	School Generated Funds	Strong Start
	\$	\$	\$	\$	\$
	-	-	5,381	112,750	3,618
	246,638			(132,385)	
	246,638	-	5,381	19,635	3,618
Add: Restricted Grants					
Provincial Grants - Ministry of Education	43,401	127,866	2,344		32,000
Provincial Grants - Other	43,401	127,866	2,344		32,000
	247,076	127,866	3,539		33,349
Less: Allocated to Revenue					
Deferred Revenue, end of year	42,963	-	4,186	-	2,269
Revenues					
Provincial Grants - Ministry of Education	247,076	127,866	3,539		33,349
Provincial Grants - Other	247,076	127,866	3,539		33,349
Expenses					
Salaries					
Teachers		94,450			
Educational Assistants		13,360			
Support Staff					20,239
Substitutes					
Employee Benefits		107,810			20,239
Services and Supplies		20,056	3,539		7,578
		127,866	3,539		5,532
					33,349
Net Revenue (Expense) before Interfund Transfers	247,076	-	-	-	-
Interfund Transfers					
Tangible Capital Assets Purchased	(438)				
Tangible Capital Assets - Work in Progress	(246,638)				
	(247,076)				
Net Revenue (Expense)	-	-	-	-	-

School District No. 19 (Revelstoke)

Schedule 3A (Unaudited)

Changes in Special Purpose Funds and Expense by Object Year Ended June 30, 2013

	Ready, Set, Learn	Community- LINK	Early Learning	Federal French	School Community Connections	TOTAL
	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	2,874	11,379	16,774	6,499	-	159,275
Transfer (to) from Operating Surplus - as at July 1, 2011						(132,385)
Transfer to/from Operating Revenue/Expense - year ended June 30, 2012				10,500	21,923	19,635
Transfer to/from Capital Fund - year ended June 30, 2012	2,874	11,379	16,774	16,999	21,923	279,061
Deferred Revenue, beginning of year, as restated						325,586
Add: Restricted Grants	7,350	87,390		9,156	17,500	309,507
Provincial Grants - Ministry of Education						17,500
Provincial Grants - Other	7,350	87,390	-	9,156	17,500	327,007
Less: Allocated to Revenue	8,867	88,770	4,000	13,914	39,423	566,804
Deferred Revenue, end of year	1,357	9,999	12,774	12,241	-	85,789
Revenues	8,867	88,770	4,000	13,914	-	527,381
Provincial Grants - Ministry of Education						39,423
Provincial Grants - Other	8,867	88,770	4,000	13,914	39,423	566,804
Expenses						
Salaries						
Teachers		11,460				105,910
Educational Assistants		57,010				70,370
Support Staff						20,239
Substitutes		2,564				2,564
Employee Benefits		71,034				199,083
Services and Supplies	8,867	14,341	4,000	3,414	17,500	41,975
	8,867	88,770	4,000	3,414	17,500	46,247
						287,305
Net Revenue (Expense) before Interfund Transfers	-	-	-	10,500	21,923	279,499
Interfund Transfers						
Tangible Capital Assets Purchased						(438)
Tangible Capital Assets - Work in Progress				(10,500)	(21,923)	(279,061)
				(10,500)	(21,923)	(279,499)
Net Revenue (Expense)	-	-	-	-	-	-

School District No. 19 (Revelstoke)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Years Ending June 30, 2013 and June 30, 2012

	2013 Budget	2013 Actual			2012 Actual (Restated-Note 2)
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Provincial Grants					
Amortization of Deferred Capital Revenue	425,000	1,298,669		1,298,669	422,521
Total Revenue	425,000	1,298,669	-	1,298,669	422,521
Expenses					
Amortization of Tangible Capital Assets					
Operations and Maintenance	510,000	1,396,577		1,396,577	521,367
Total Expense	510,000	1,396,577	-	1,396,577	521,367
Capital Surplus (Deficit) for the year	(85,000)	(97,908)	-	(97,908)	(98,846)
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	167,453	51,828		51,828	59,520
Tangible Capital Assets - Work in Progress		279,061		279,061	-
Total Net Transfers	167,453	330,889	-	330,889	59,520
Total Capital Surplus (Deficit) for the year	82,453	232,981	-	232,981	(39,326)
Capital Surplus (Deficit), beginning of year		2,541,812	26,170	2,567,982	2,731,542
Change in Accounting Policies/Prior Period Adjustments					
Adjustments to 2010/11 Fiscal Year				-	(124,234)
Capital Surplus (Deficit), beginning of year, as restated		2,541,812	26,170	2,567,982	2,607,308
Capital Surplus (Deficit), end of year		2,774,793	26,170	2,800,963	2,567,982

School District No. 19 (Revelstoke)

Tangible Capital Assets
Year Ended June 30, 2013

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	841,966	21,305,696	78,100	773,640	-	154,869	23,154,271
Changes in Accounting Policies/Prior Period Adjustments							
Adjustment to 2011/12 Fiscal Year	32,083,073	497,080				147,486	32,727,639
Cost, beginning of year, as restated	841,966	53,388,769	575,180	773,640	-	302,355	55,881,910
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		3,742,372	333,312	28,448		955	4,105,087
Operating Fund				5,231		46,159	51,390
Special Purpose Funds		438					438
Decrease:							
Deemed Disposals		3,742,810	333,312	33,679		47,114	4,156,915
Cost, end of year	841,966	57,131,579	908,492	807,319	-	323,335	60,012,691
Work in Progress, end of year		19,769,566					19,769,566
Cost and Work in Progress, end of year	841,966	76,901,145	908,492	807,319	-	323,335	79,782,257
Accumulated Amortization, beginning of year		13,382,332	30,830	343,530		62,753	13,819,445
Changes for the Year		1,201,224	57,518	77,364		60,471	1,396,577
Increase: Amortization for the Year							
Decrease:							
Deemed Disposals							
Accumulated Amortization, end of year		14,583,556	88,348	420,894		97,090	15,189,888
Tangible Capital Assets - Net	841,966	62,317,589	820,144	386,425	-	226,245	64,592,369

School District No. 19 (Revelstoke)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2013

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
Work in Progress, beginning of year	50,827,483				50,827,483
Changes in Accounting Policies/Prior Period Adjustments					
Adjustments to 2011/12 Fiscal Year	(474,689)				(474,689)
Adjustments to 2011/12 Fiscal Year	(32,727,639)				(32,727,639)
Work in Progress, beginning of year, as restated	17,625,155	-	-	-	17,625,155
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	1,113,785				1,113,785
Special Purpose Funds	279,061				279,061
Temporary Borrowing / Other Capital	751,565				751,565
	2,144,411	-	-	-	2,144,411
Net Changes for the Year	2,144,411	-	-	-	2,144,411
Work in Progress, end of year	19,769,566	-	-	-	19,769,566

School District No. 19 (Revelstoke)

Schedule 4C (Unaudited)

Deferred Capital Revenue
Year Ended June 30, 2013

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	6,793,013			6,793,013
Changes in Accounting Policies/Prior Period Adjustments				
Adjustment to 2011/12 Fiscal Year	32,727,639			32,727,639
Deferred Capital Revenue, beginning of year, as restated	39,520,652	-	-	39,520,652
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	4,105,087			4,105,087
	4,105,087	-	-	4,105,087
Decrease:				
Amortization of Deferred Capital Revenue	1,298,669			1,298,669
	1,298,669	-	-	1,298,669
Net Changes for the Year	2,806,418	-	-	2,806,418
Deferred Capital Revenue, end of year	42,327,070	-	-	42,327,070
Work in Progress, beginning of year	50,548,422			50,548,422
Changes in Accounting Policies/Prior Period Adjustments				
Adjustments to 2011/12 Fiscal Year	(195,628)			(195,628)
Adjustments to 2011/12 Fiscal Year	(32,727,639)			(32,727,639)
Work in Progress, beginning of year, as restated	17,625,155	-	-	17,625,155
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	1,113,785			1,113,785
	1,113,785	-	-	1,113,785
Decrease				
Transferred to Deferred Capital Revenue	-			-
	-	-	-	-
Net Changes for the Year	1,113,785	-	-	1,113,785
Work in Progress, end of year	18,738,940	-	-	18,738,940
Total Deferred Capital Revenue, end of year	61,066,010	-	-	61,066,010

School District No. 19 (Revelstoke)

Changes in Unspent Deferred Capital Revenue
Year Ended June 30, 2013

	Bylaw Capital	MEEd Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	-	9,437	-	-	-	9,437
Changes in Accounting Policies/Prior Period Adjustments Adjustments to 2011/12 Fiscal Year	195,628	-	-	-	-	195,628
Balance, beginning of year, as restated	195,628	9,437	-	-	-	205,065
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	5,048,244	-	-	-	-	5,048,244
Decrease:						
Transferred to DCR - Capital Additions	4,105,087	-	-	-	-	4,105,087
Transferred to DCR - Work in Progress	1,113,785	-	-	-	-	1,113,785
	5,218,872	-	-	-	-	5,218,872
Net Changes for the Year	(170,628)	-	-	-	-	(170,628)
Balance, end of year	25,000	9,437	-	-	-	34,437