

Consolidated Audited Financial Statements of

**School District No. 42 (Maple Ridge - Pitt Meadows)**

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

# School District No. 42 (Maple Ridge - Pitt Meadows)

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

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# School District No. 42 (Maple Ridge - Pitt Meadows)

## MANAGEMENT REPORT

Version: 4705-3960-1977

Management's Responsibility for the Consolidated Financial Statements.

The accompanying consolidated financial statements of School District No. 42 (Maple Ridge - Pitt Meadows) 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 consolidated financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the consolidated 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. 42 (Maple Ridge - Pitt Meadows) (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 consolidated financial statements on a quarterly basis and external audited consolidated financial statements yearly.

The external auditors, KPMG, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of School District No. 42 (Maple Ridge - Pitt Meadows) 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. 42 (Maple Ridge - Pitt Meadows)

Original signed by Mike Murray - September 11, 2013

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Signature of the Chairperson of the Board of Education

Date Signed

Original signed by Jan Unwin - September 11, 2013

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Signature of the Superintendent

Date Signed

Original signed by Flavia Coughlan - September 11, 2013

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Signature of the Secretary Treasurer

Date Signed



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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Education of the School District No. 42 (Maple Ridge-Pitt Meadows)

To the Minister of Education, Province of British Columbia

We have audited the accompanying financial statements of School District No. 42 (Maple Ridge-Pitt Meadows), which comprise the statements of financial position as at June 30, 2013 and the statements of operations, changes in net debt and cash flows for the year ended June 30, 2013, and notes, comprising a summary of significant accounting policies and other explanatory information.

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

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

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our 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 our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.



### *Opinion*

In our opinion, the financial statements of School District No. 42 (Maple Ridge-Pitt Meadows) and the statement of financial position as at June 30, 2013 and its statement of operations, changes in net debt and cash flows for the year ended June 30, 2013 are prepared, in all material respects, in accordance with the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia, supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board.

### *Other Matters*

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

### *Comparative Information*

Without modifying our opinion, we draw attention to Note 2 to the financial statements which describes that the School District No. 42 (Maple Ridge-Pitt Meadows) adopted the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia, supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board on July 1, 2012 with a transition date of July 1, 2011. These standards were applied retroactively by management to the comparative information in these financial statements, including the statements of financial position as at June 30, 2012 and July 1, 2011, and the statements of operations, changes in net debt, and cash flows for the year ended June 30, 2012 and related disclosures. We were not engaged to report on the restated comparative information, and as such, it is unaudited.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. Below the signature is a long, horizontal, slightly wavy line.

Chartered Accountants

September 11, 2013

Burnaby, Canada

# School District No. 42 (Maple Ridge - Pitt Meadows)

Statement 1

## Consolidated Statement of Financial Position

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

	June 30, 2013	June 30, 2012	July 1, 2011
	\$	\$	\$
<b>Financial Assets</b>			
Cash and Cash Equivalents	17,601,927	14,980,625	17,340,636
Accounts Receivable			
Due from Province - Ministry of Education	71,543	71,543	69,443
Due from Province - Other	60,203	89,463	79,397
Due from LEA/Direct Funding	44,719	36,173	34,465
Other (Note 4)	749,722	668,021	713,931
Portfolio Investments (Note 5)	13,411,731	15,025,138	12,742,754
<b>Total Financial Assets</b>	<b>31,939,845</b>	<b>30,870,963</b>	<b>30,980,626</b>
<b>Liabilities</b>			
Accounts Payable and Accrued Liabilities			
Other (Note 6)	10,276,080	9,266,933	7,961,200
Unearned Revenue (Note 7)	3,176,638	4,450,082	4,466,331
Deferred Revenue (Note 8)	2,460,629	2,201,669	5,454,136
Deferred Capital Revenue (Note 9)	124,578,150	126,979,695	130,217,807
Employee Future Benefits (Note 10)	6,112,697	6,002,050	5,806,465
Capital Lease Obligations (Note 12)	699,558	892,054	631,369
<b>Total Liabilities</b>	<b>147,303,752</b>	<b>149,792,483</b>	<b>154,537,308</b>
<b>Net Financial Assets (Debt)</b>	<b>(115,363,907)</b>	<b>(118,921,520)</b>	<b>(123,556,682)</b>
<b>Non-Financial Assets</b>			
Tangible Capital Assets (Note 13)	179,219,308	181,868,743	184,367,499
Prepaid Expenses	288,249	305,695	282,952
Supplies Inventory	474	2,880	4,093
<b>Total Non-Financial Assets</b>	<b>179,508,031</b>	<b>182,177,318</b>	<b>184,654,544</b>
<b>Accumulated Surplus (Deficit) (Note 21)</b>	<b>64,144,124</b>	<b>63,255,798</b>	<b>61,097,862</b>

Contractual Obligations and Contingencies (Note 16 and 17)

Approved by the Board

Original signed by Mike Murray - September 11, 2013

Signature of the Chairperson of the Board of Education

Date Signed

Original signed by Jan Unwin - September 11, 2013

Signature of the Superintendent

Date Signed

Original signed by Flavia Coughlan - September 11, 2013

Signature of the Secretary Treasurer

Date Signed

# School District No. 42 (Maple Ridge - Pitt Meadows)

## Consolidated Statement of Operations

Years Ending June 30, 2013 and June 30, 2012

	2013 Budget	2013 Actual	2012 Actual
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	119,944,694	<b>121,070,636</b>	120,729,223
Other	314,117	<b>449,281</b>	330,468
Federal Grants	100,000	<b>162,110</b>	129,995
Tuition	8,906,725	<b>6,988,534</b>	9,480,215
Other Revenue	5,416,826	<b>5,058,210</b>	5,024,201
Rentals and Leases	320,040	<b>311,274</b>	343,156
Investment Income	251,000	<b>364,830</b>	296,818
Amortization of Deferred Capital Revenue	5,245,942	<b>5,592,046</b>	5,606,197
<b>Total Revenue</b>	<u>140,499,344</u>	<u><b>139,996,921</b></u>	<u>141,940,273</u>
<b>Expenses (Note 20)</b>			
Instruction	118,272,788	<b>113,269,463</b>	114,366,182
District Administration	4,794,589	<b>4,671,250</b>	4,219,014
Operations and Maintenance	20,257,176	<b>19,948,829</b>	19,950,509
Transportation and Housing	1,257,163	<b>1,202,648</b>	1,228,719
Debt Services	17,871	<b>16,405</b>	17,913
<b>Total Expense</b>	<u>144,599,587</u>	<u><b>139,108,595</b></u>	<u>139,782,337</u>
<b>Surplus (Deficit) for the year</b>	<u>(4,100,243)</u>	<u><b>888,326</b></u>	<u>2,157,936</u>
<b>Accumulated Surplus (Deficit) from Operations, beginning of year (Note 21)</b>		<b>63,255,798</b>	61,097,862
<b>Accumulated Surplus (Deficit) from Operations, end of year</b>		<u><u><b>64,144,124</b></u></u>	<u>63,255,798</u>

# School District No. 42 (Maple Ridge - Pitt Meadows)

Statement 4

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

Years Ending June 30, 2013 and June 30, 2012

	2013 Budget	2013 Actual	2012 Actual
	\$	\$	\$
<b>Surplus (Deficit) for the year</b>	<u>(4,100,243)</u>	<u>888,326</u>	<u>2,157,936</u>
<b>Effect of change in Tangible Capital Assets</b>			
Acquisition of Tangible Capital Assets	(3,028,870)	<b>(4,842,386)</b>	(4,790,337)
Amortization of Tangible Capital Assets	6,849,852	<b>7,491,821</b>	7,289,093
<b>Total Effect of change in Tangible Capital Assets</b>	<u>3,820,982</u>	<u>2,649,435</u>	<u>2,498,756</u>
Acquisition of Prepaid Expenses		<b>(504,085)</b>	(778,335)
Use of Prepaid Expenses		<b>521,530</b>	755,593
Acquisition of Supplies Inventory		<b>(16,907)</b>	(10,939)
Use of Supplies Inventory		<b>19,314</b>	12,151
<b>Total Effect of change in Other Non-Financial Assets</b>	<u>-</u>	<u>19,852</u>	<u>(21,530)</u>
<b>(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)</b>	<u>(279,261)</u>	<u>3,557,613</u>	<u>4,635,162</u>
<b>Net Remeasurement Gains (Losses)</b>			
<b>(Increase) Decrease in Net Financial Assets (Debt)</b>		<u>3,557,613</u>	<u>4,635,162</u>
<b>Net Financial Assets (Debt), beginning of year</b>		<b>(118,921,520)</b>	(123,556,682)
<b>Net Financial Assets (Debt), end of year</b>		<u><b>(115,363,907)</b></u>	<u>(118,921,520)</u>



# School District No. 42 (Maple Ridge - Pitt Meadows)

Statement 5

Consolidated Statement of Cash Flows

Years Ending June 30, 2013 and June 30, 2012

	2013 Actual	2012 Actual
	\$	\$
<b>Operating Transactions</b>		
Surplus (Deficit) for the year	888,326	2,157,936
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(60,987)	32,036
Supplies Inventories	2,406	1,213
Prepaid Expenses	17,446	(22,743)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	985,285	1,218,127
Unearned Revenue	(1,273,444)	(16,249)
Deferred Revenue	258,960	(3,252,467)
Employee Future Benefits	110,647	195,585
Other Liabilities	23,861	87,607
Amortization of Tangible Capital Assets	7,491,821	7,289,093
Amortization of Deferred Capital Revenue	(5,592,046)	(5,606,197)
<b>Total Operating Transactions</b>	<b>2,852,275</b>	<b>2,083,941</b>
<b>Capital Transactions</b>		
Tangible Capital Assets Purchased	(4,411,818)	(4,319,229)
Tangible Capital Assets -WIP Purchased	(382,514)	-
<b>Total Capital Transactions</b>	<b>(4,794,332)</b>	<b>(4,319,229)</b>
<b>Financing Transactions</b>		
Capital Revenue Received	3,190,501	2,368,085
Capital Leases	(240,549)	(210,424)
<b>Total Financing Transactions</b>	<b>2,949,952</b>	<b>2,157,661</b>
<b>Investing Transactions</b>		
Proceeds on Disposal of Portfolio Investments	83,256	(3,822)
Investments in Portfolio Investments	1,530,151	(2,278,562)
<b>Total Investing Transactions</b>	<b>1,613,407</b>	<b>(2,282,384)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>2,621,302</b>	<b>(2,360,011)</b>
<b>Cash and Cash Equivalents, beginning of year</b>	<b>14,980,625</b>	<b>17,340,636</b>
<b>Cash and Cash Equivalents, end of year</b>	<b>17,601,927</b>	<b>14,980,625</b>
<b>Cash and Cash Equivalents, end of year, is made up of:</b>		
Cash	17,601,927	14,980,625
	<b>17,601,927</b>	<b>14,980,625</b>

**SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2013 and JUNE 30, 2012**

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## **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. 42 (Maple Ridge – Pitt Meadows)", and operates as "School District No. 42 (Maple Ridge – Pitt Meadows)." 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. 42 is exempt from federal and provincial corporate income taxes.

## **NOTE 2 CONVERSION TO THE NEW ACCOUNTING FRAMEWORK AND PRIOR PERIOD ADJUSTMENTS**

Commencing with the 2012/13 fiscal year, the School District has adopted accounting standards in accordance with Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board as described in Note 3(a). Previously, the School District's financial statements were prepared in accordance with Part V of Canadian generally accepted accounting principles ("Part V Canadian GAAP").

These standards were applied retroactively by management to the comparative information in these financial statements, including the statements of financial position as at June 30, 2012 and July 1, 2011, and the statements of operations, changes in net debt, and cash flows for the year ended June 30, 2012 and related disclosures. The restated comparative information is unaudited.

The School District has elected to use the following exemptions available as of July 1, 2011, the date of transition to the new accounting framework:

- Retirement and post-employment benefits:
  - a. The School District has elected to delay the application of *Sections PS 3250* and *3255* relative to the discount rate used the next valuation date being March 31, 2013 for use at June 30, 2013;
  - b. The School District has elected to recognize all cumulative actuarial gains at July 1, 2011 directly in accumulated surplus; and
- Tangible capital asset impairment:
  - a. The School District has elected to apply *Section PS 3150* on a prospective basis from the date of transition.

Key adjustments on the School District's consolidated 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 \$ 425,833 resulting in a revised liability of \$ 5,558,571. An additional expense of \$ 46,739 was recognized in the 2012 fiscal year as a result of these additional benefits.

**SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2013 and JUNE 30, 2012**

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**NOTE 2      CONVERSION TO THE NEW ACCOUNTING FRAMEWORK *(Continued)***

- In accordance with the first time elections, the School District recognized all previous cumulative actuarial gains and losses relating to employee future benefits of \$ 317,774 at July 1, 2011 resulting in a decrease to the Employee Future Benefits liability and an increase in accumulated surplus. Additional revenue of \$ 35,499 was recognized in the 2012 fiscal year as a result of elimination of the amortization of the cumulative actuarial losses.
- Under the previous GAAP, the School District adjusted the employee future benefit to reflect contributions made in the period between the valuation date and the fiscal year end. Under PS Section 3255, no adjustment is permitted, this resulted in an increase to the liability and decrease to accumulated surplus of \$247,894 on transition.

Key adjustments on the School District’s consolidated financial statements resulting from prior period restatements are as follows:

- Previously the District received contributions towards the construction of turf fields, the amounts were immediately recognized as a contribution to equity. As the District shares the use of the field with the contributors, the contribution should be amortized over the useful lives, therefore the net unamortized balance has been reclassified to deferred contributions from accumulated surplus.
- Previously the District commenced amortization of tangible capital assets and deferred capital revenue in the period following its commencement of use. The District has adopted the half year rule for amortization as it better reflects the utilization of the assets over its useful life. This resulted in a decrease to tangible capital assets at July 1, 2011 of \$ 3,310,859, decrease to deferred capital revenue of \$ 2,790,237 and reduction in accumulated surplus of \$520,622.
- Previously any playground equipment donated by Parent Advisory Councils, was classified as a site and immediately recognized as a contribution to equity. As the equipment has a limited life the amounts have been reclassified into equipment. The asset and contribution are now being amortized. This resulted in a net adjustment at July 1, 2011 to reduce tangible capital assets and accumulated surplus by \$ 228,621.

The net impact of the conversion to new accounting framework and the prior period adjustments on the accumulated surplus at July 1, 2011 and the comparative annual surplus is presented below. These accounting changes have been applied retrospectively.

<b>Accumulated surplus as originally reported, July 1, 2011</b>	<b>\$ 64,776,171</b>
Adjustments to accumulated surplus for transition to the new framework:	
Recognize liability for non-vested benefits to Employee Future Benefits	(425,833)
Recognize cumulative unamortized actuarial gain on employee future benefits	317,774
Adjust for final quarter contributions for employee future benefits	(247,894)
Adjustments to accumulated surplus for prior period adjustments	
Adjust contribution of turf fields to be amortized over useful life	(2,715,550)
Adjust amortization of tangible capital assets and capital contributions	(378,185)
Adjustment to amortize the playgrounds contributed	(228,621)
<b>Accumulated surplus as restated, July 1, 2011</b>	<b>\$ 61,097,862</b>

**SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2013 and JUNE 30, 2012**

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**NOTE 2      CONVERSION TO THE NEW ACCOUNTING FRAMEWORK *(Continued)***

<b>Annual surplus as originally reported for the year ended June 30, 2012</b>	<b>\$ 2,240,882</b>
Adjustments to accumulated surplus for transition to the new framework:	
Employee Future Benefits expense for unvested benefits	(46,739)
Employee Future Benefits adjust amortization of actuarial gains	35,499
Adjustments to accumulated surplus for prior period adjustments	
Adjust amortization of tangible capital assets	(412,924)
Adjust amortization of deferred capital contributions	341,218
<b>Annual surplus for the year as restated for the year ended June 30, 2012</b>	<b>2,157,936</b>
<b>Accumulated surplus, end of year as restated, June 30, 2012</b>	<b>\$ 63,255,798</b>

**NOTE 3      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

a) **Basis of Accounting**

The consolidated financial statements have been prepared in accordance with Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board. The Budget Transparency and Accountability Act requires that the financial statements be prepared in accordance with the set of standards and guidelines that comprise generally accepted accounting principles for senior governments in Canada, or if the Treasury Board makes a regulation, the set of standards and guidelines that comprise generally accepted accounting principles for senior governments in Canada as modified by the alternate standard or guideline or part thereof adopted in the regulation.

Regulation 257/2010 requires all tax-payer supported organizations in the Schools, Universities, Colleges and Hospitals sectors to adopt Canadian public sector accounting standards without any PS4200 elections effective their first fiscal year commencing after January 1, 2012.

Regulation 198/2011 requires that restricted contributions received or receivable for acquiring or developing a depreciable tangible capital asset or contributions in the form of a depreciable tangible capital asset are to be deferred and recognized in revenue at the same rate that amortization of the related tangible capital asset is recorded.

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

The accounting policy requirements under Regulation 198/2011 are significantly different from the requirements of Canadian public sector accounting standards which requires that

- government transfers, which do not contain a stipulation that creates a liability, be recognized as revenue by the recipient when approved by the transferor and the eligibility criteria have been met in accordance with public sector accounting standard PS3410; and
- externally restricted contributions be recognized as revenue in the period in which the resources are used for the purpose or purposes specified in accordance with public sector accounting standard PS3100.

**SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2013 and JUNE 30, 2012**

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

As a result, revenue recognized in the statement of operations and certain related deferred capital revenue would be recorded differently under Canadian Public Sector Accounting Standards

Detailed information on the impact of conversion to the new accounting framework is provided in Note 2.

**b) Basis of Consolidation**

These consolidated financial statements reflect the assets, liabilities, revenues, and expenses of the reporting entity, which is comprised of all controlled entities. The School District No. 42 Business Company is 100% owned by the School District. The Company was established to operate not-for-profit programs in order to provide funding to the School District as well as entering into potential off shore arrangements. The Company was dissolved on March 5, 2013.

**c) Financial Instruments**

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

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

Except for portfolio investments in equity instruments quoted in an active market, or items designated by management, 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. The School District has not invested in any equity instruments that are actively quoted in the market and has not designated any financial instruments to be recorded at fair value. All financial instruments are recorded at cost or amortized cost.

For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense. Interest and dividends attributable to financial instruments are reported in the statement of operations.

Unless otherwise noted, it is management's opinion that the School District is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying value, unless otherwise noted.

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.

**d) Cash and Cash Equivalents**

Cash and cash equivalents include cash in the bank and funds held with the Ministry in the Central Deposit program that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value. These 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.

**SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2013 and JUNE 30, 2012**

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

e) **Accounts Receivable**

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

f) **Portfolio Investments**

The School District has investments in equity instruments with no maturity and term deposits, which have a maturity of greater than 3 months at the time of acquisition.

The term deposits and the pooled private equity fund investments (not quoted in an active market) are reported at 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.

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.

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.

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.

i) **Employee Future Benefits**

i) **Post-employment 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, except as per the election described in Note 2.

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

**SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2013 and JUNE 30, 2012**

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

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.

ii) Pension Plans

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.

j) Asset Retirement Obligations

Liabilities are recognized for statutory, contractual or legal obligations associated with the retirement of tangible capital assets when those obligations result from the acquisition, construction, development or normal operation of the assets. The obligations are measured initially at fair value, determined using present value methodology, and the resulting costs capitalized into the carrying amount of the related tangible capital asset. In subsequent periods, the liability is adjusted for accretion and any changes in the amount or timing of the underlying future cash flows. The capitalized asset retirement cost is amortized on the same basis as the related asset and accretion expense is included in the Consolidated Statement of Operations.

k) Tangible Capital Assets

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 Consolidated 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 consolidated financial statements.

**SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2013 and JUNE 30, 2012**

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

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

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

**l) 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.

**m) Prepaid Expenses**

Several insurance policies, maintenance agreements and other payments paid in advance are included as a prepaid expense and stated at acquisition cost and are expensed over the periods expected to benefit from it.

**n) Supplies Inventory**

Supplies inventory held for consumption or use include supplies and materials and are recorded at the lower of historical cost or replacement cost.

**o) Internally restricted reserves**

Certain amounts, as approved by the Board are segregated as reserves within the accumulated surplus for future operating and capital purposes. Transfers to and from these reserves are an adjustment to the respective funds when approved.

**p) 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.



**SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**NOTE 3**      **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** *(Continued)*

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

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.

q) **Expenses**

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 related programs.

**SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2013 and JUNE 30, 2012**

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

- 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.

r) **Measurement Uncertainty**

Preparation of consolidated financial statements in accordance with the basis of accounting described in Note 3(a) requires management to make estimates and assumptions that impact reported amounts of assets and liabilities at the date of the consolidated financial statements and revenues and expenses during the reporting periods. Significant areas requiring the use of management estimates relate to the potential impairment of assets, liabilities for contaminated sites, rates for amortization and estimated employee future benefits. Actual results could differ from those estimates.

s) **Adoption of New Accounting Policy**

On July 1, 2012, the School District adopted PS3450, Financial Instruments. 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 in Note 3(c).

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.

**NOTE 4**      **ACCOUNTS RECEIVABLE – OTHER RECEIVABLES**

	<b>June 30, 2013</b>	<b>June 30, 2012</b>	<b>July 1, 2011</b>
Due from Federal Government	\$ 211,770	\$ 297,967	\$ 306,662
Due from Other Educational Institutions	133,073	155,188	164,561
Due from school parent advisory councils	8,586	15,796	25,694
Due from rental agreements	6,852	11,544	12,138
Other	389,441	187,526	204,876
	<b>\$ 749,722</b>	<b>\$ 668,021</b>	<b>\$ 713,931</b>

**SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**NOTE 5 PORTFOLIO INVESTMENTS**

	<b>June 30, 2013</b>	<b>June 30, 2012</b>	<b>July 1, 2011</b>
Term deposits	\$ 13,307,991	\$ 14,838,142	\$ 12,559,580
Fixed income fund	47,840	93,841	87,074
Canadian equity fund	26,497	52,137	55,521
U.S. Equity fund	15,145	19,475	18,021
International equity fund	14,258	21,543	22,558
	<b>\$ 13,411,731</b>	<b>\$ 15,025,138</b>	<b>\$ 12,742,754</b>

Term deposits held within our portfolio investments are held with local banking institutions for a period not exceeding 1 year from the statement of financial position date and are earning average interest of 1.93% (2012 – 1.79%, 2011 – 1.77%).

**NOTE 6 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES - OTHER**

	<b>June 30, 2013</b>	<b>June 30, 2012</b>	<b>July 1, 2011</b>
Trade payables	\$ 3,366,818	\$ 3,088,769	\$ 1,849,341
Salaries and benefits payable	4,288,029	4,631,920	4,726,233
Accrued vacation pay	1,030,271	1,030,271	999,094
Other	1,590,962	515,973	386,532
	<b>\$ 10,276,080</b>	<b>\$ 9,266,933</b>	<b>\$ 7,961,200</b>

**NOTE 7 UNEARNED REVENUE**

	<b>June 30, 2013</b>	<b>June 30, 2012</b>
Balance, beginning of year	\$ 4,450,082	\$ 4,466,331
Tuition fees received	5,073,033	8,784,982
Tuition fees recognized as revenue	(6,346,477)	(8,801,231)
<b>Balance, end of year</b>	<b>\$ 3,176,638</b>	<b>\$ 4,450,082</b>

**NOTE 8 DEFERRED REVENUE**

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

	<b>June 30, 2013</b>	<b>June 30, 2012</b>
Balance, beginning of year	\$ 2,201,669	\$ 5,454,136
Grants received:		
Provincial grants	3,447,740	1,959,684
Other grants	4,328,421	4,001,904
Investment income	18,438	12,004
Subtotal grants received	7,794,599	5,973,592
Revenue recognized	(7,535,639)	(9,226,059)
<b>Balance, end of year</b>	<b>\$ 2,460,629</b>	<b>\$ 2,201,669</b>

**SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2013 and JUNE 30, 2012**

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**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.

	<b>June 30, 2013</b>	<b>June 30, 2012</b>
<b><u>Deferred capital revenue subject to amortization</u></b>		
Balance, beginning of year	\$ 121,497,194	\$ 124,628,649
Transfers from deferred revenue – capital additions	2,377,041	2,474,742
Amortization of deferred capital revenue	(5,592,046)	(5,606,197)
<b>Balance, end of year</b>	<b>\$ 118,282,189</b>	<b>\$ 121,497,194</b>
<b><u>Deferred capital revenue – Work in Progress</u></b>		
Work in Progress, beginning of year	\$ -	\$ -
Transfer in from deferred revenue – work in progress	382,514	-
Transfer to spent deferred capital	-	-
<b>Balance, end of year</b>	<b>\$ 382,514</b>	<b>\$ -</b>
<b><u>Deferred capital revenue – Unspent portion</u></b>		
Unspent Deferred Capital, beginning of year	\$ 5,482,501	\$ 5,238,749
Provincial Grant – Ministry of Education	2,604,774	1,808,071
Other	516,619	498,550
Investment Income	69,108	61,464
Transfer to Deferred Capital Revenue – Capital Additions	(2,377,041)	(2,124,333)
Transfer to Deferred Capital Revenue – Work in Progress	(382,514)	-
<b>Balance, end of year</b>	<b>\$ 5,913,447</b>	<b>\$ 5,482,501</b>
<b>Total deferred capital revenue balance, end of year</b>	<b>\$ 124,578,150</b>	<b>\$ 126,979,695</b>

**SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**NOTE 10 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>
<b><i>Reconciliation of Accrued Benefit Obligation</i></b>		
Accrued Benefit Obligation – April 1	\$ 5,988,898	\$ 5,166,512
Non-vested Benefit Obligation – July 1, 2011	-	425,833
Final quarter contributions – July 1, 2011	-	247,894
Service Cost	394,930	367,744
Interest Cost	252,833	269,161
Benefit Payments	(517,097)	(475,093)
Increase (Decrease) in obligation due to Plan Amendment	(18,569)	-
Actuarial (Gain) Loss	1,498,325	(13,153)
Accrued Benefit Obligation – March 31	<u>\$ 7,599,320</u>	<u>\$ 5,988,898</u>
<b><i>Reconciliation of Funded Status at End of Fiscal Year</i></b>		
Accrued Benefit Obligation – March 31	\$ 7,599,320	\$ 5,988,898
Market Value of Plan Assets – March 31	-	-
Funded Status – Surplus (Deficit)	(7,599,320)	(5,988,898)
Unamortized Net Actuarial (Gain) Loss	1,486,623	(13,152)
Accrued Benefit Asset (Liability) – June 30	<u>\$ (\$6,112,697)</u>	<u>\$ (6,002,050)</u>
<b><i>Reconciliation of Change in Accrued Benefit Liability</i></b>		
Accrued Benefit Liability – July 1, 2011	\$ 6,002,050	\$ 5,450,512
Recognize Non-Vested Benefits – July 1, 2011	-	425,833
Recognize Unamortized Gains– July 1, 2011	-	(317,774)
Final quarter contributions – July 1, 2011	-	247,894
Accrued Benefit Liability – July 1 (restated)	6,002,050	5,806,465
Net expense for Fiscal Year	627,749	636,905
Employer Contributions	(517,102)	(441,320)
Accrued Benefit Liability – June 30	<u>\$6,112,697</u>	<u>\$ 6,002,050</u>
<b>Components of Net Benefit Expense</b>		
Service Cost	\$ 394,930	\$ 367,744
Interest Cost	252,833	269,161
Immediate Recognition of Plan Amendment	(18,569)	-
Amortization of Net Actuarial Gain	(1,445)	-
Net Benefit Expense	<u>\$ 627,749</u>	<u>\$ 636,905</u>

**SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2013 and JUNE 30, 2012**

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**NOTE 10 EMPLOYEE FUTURE BENEFITS *(Continued)***

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>
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	9.2 years	9.1 years

**NOTE 11 DEBT**

The School District has an approved line of credit of \$6.5 million with interest at prime rate plus 0.25%. The available borrowing consists of \$2.5 million of line of credit and \$4.0 million of additional funds for meeting current operating and debt service expenditures. As of June 30, 2013, the School District had nil borrowings (2012: \$ nil; 2011: \$ nil) under these facilities.

**NOTE 12 CAPITAL LEASE OBLIGATIONS**

The School District currently has three capital leases that are held by the M.F.A. Leasing Corporation. The leases are for computers and multi business devices. A fourth lease of computers has been entered into commencing July 2014.

Repayments are due as follows:

	<u>June 30, 2013</u>
2014	\$ 265,985
2015	210,211
2016	158,903
2017	83,917
Total minimum lease payments	<u>\$ 719,016</u>
Less amounts representing interest at 1.5% - 2.0%	<u>(19,458)</u>
Present value of net minimum capital lease payments	<u><b>\$ 699,558</b></u>

For the year ended June 30, 2013, interest expense in capital lease obligations was \$16,405 (2012: \$17,913).

**SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**NOTE 13 TANGIBLE CAPITAL ASSETS**

**June 30, 2013**

<b>Cost:</b>	<b>Balance at July 1, 2012</b>	<b>Additions</b>	<b>Disposals</b>	<b>Balance at June 30, 2013</b>
Sites	\$ 29,183,232	\$ -	\$ -	\$ 29,183,232
Buildings	248,224,576	2,366,850	-	250,591,426
Buildings – work in progress	-	382,514	-	382,514
Furniture & Equipment	10,213,496	689,666	578,215	10,324,947
Vehicles	251,836	108,513	-	360,349
Computer Software	434,460	31,545	160,414	305,591
Computer Hardware	1,219,264	1,215,244	69,101	2,365,407
Capital leased Computer hardware	2,457,241	48,054	-	2,505,295
<b>Total</b>	<b>\$ 291,984,105</b>	<b>\$ 4,842,386</b>	<b>\$ 807,730</b>	<b>\$ 296,018,761</b>

<b>Accumulated Amortization:</b>	<b>Balance at July 1, 2012</b>	<b>Additions</b>	<b>Disposals</b>	<b>Balance at June 30, 2013</b>
Buildings	\$ 102,683,802	\$ 5,783,742	\$ -	\$ 108,467,544
Furniture & Equipment	5,392,584	1,106,577	578,215	5,920,946
Vehicles	106,902	22,416	-	129,318
Computer Software	281,197	91,767	160,414	212,550
Computer Hardware	634,013	363,123	69,101	928,035
Capital leased Computer hardware	1,016,864	124,196	-	1,141,060
<b>Total</b>	<b>\$ 110,115,362</b>	<b>\$ 7,491,821</b>	<b>\$ 807,730</b>	<b>\$ 116,799,453</b>

**June 30, 2012**

<b>Cost:</b>	<b>Balance at July 1, 2011</b>	<b>Additions</b>	<b>Disposals</b>	<b>Balance at June 30, 2012</b>
Sites	\$ 29,183,232	\$ -	\$ -	\$ 29,183,232
Buildings	244,393,434	3,831,142	-	248,224,576
Buildings – work in progress	-	-	-	-
Furniture & Equipment	10,651,258	170,450	608,212	10,213,496
Vehicles	215,866	35,970	-	251,836
Computer Software	774,465	60,631	400,636	434,460
Computer Hardware	1,035,757	221,036	37,529	1,219,264
Capital leased Computer hardware	1,986,132	471,109	-	2,457,241
<b>Total</b>	<b>\$ 288,240,144</b>	<b>\$ 4,790,338</b>	<b>\$ 1,046,377</b>	<b>\$ 291,984,105</b>

<b>Accumulated Amortization:</b>	<b>Balance at July 1, 2011</b>	<b>Additions</b>	<b>Disposals</b>	<b>Balance at June 30, 2012</b>
Buildings	97,003,342	5,680,460	-	102,683,802
Furniture & Equipment	5,047,975	952,821	608,212	5,392,584
Vehicles	83,525	23,377	-	106,902
Computer Software	560,941	120,892	400,636	281,197
Computer Hardware	399,880	271,662	37,529	634,013
Capital leased Computer hardware	776,982	239,882	-	1,016,864
<b>Total</b>	<b>\$ 103,872,645</b>	<b>\$ 7,289,094</b>	<b>\$ 1,046,377</b>	<b>\$ 110,115,362</b>

**SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**NOTE 13 TANGIBLE CAPITAL ASSETS *(Continued)***

<b>Net Book Value:</b>	<b>June 30, 2013</b>	<b>June 30, 2012</b>	<b>July 1, 2011</b>
Sites	\$ 29,183,232	\$ 29,183,232	\$ 29,183,232
Buildings	142,123,882	145,540,774	147,390,092
Buildings – work in progress	382,514	-	-
Furniture & Equipment	4,609,123	4,820,912	5,603,283
Vehicles	231,031	144,934	132,341
Computer Software	95,743	153,263	213,524
Computer Hardware	1,598,333	585,251	635,877
Capital leased Computer hardware	1,364,235	1,440,377	1,209,150
<b>Total</b>	<b>\$ 179,219,308</b>	<b>\$181,868,743</b>	<b>\$ 184,367,499</b>

**NOTE 14 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 plans as the plans expose the participating entities to actuarial risks associated with the current and former employees of other entities, with the result that there is no consistent and reliable basis for allocating the obligation, plan assets and cost to individual entities participating in the plan.

The School District paid \$ 11,523,963 for employer contributions to these plans in the year ended June 30, 2013 (2012: \$ 11,324,683).

**NOTE 15 RELATED PARTY TRANSACTIONS**

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



**SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**NOTE 16 CONTRACTUAL OBLIGATIONS**

The School District has entered into a number of multiple-year contracts for the delivery of services and the construction of tangible capital assets. These contractual obligations will become liabilities in the future when the terms of the contracts are met. Disclosure relates to the unperformed portion of the contracts.

	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>Thereafter</b>
Future Operating Lease Payments	\$ 24,452	\$ 6,650	\$ -	\$ -	\$ -	\$ -
MFA Computer Equipment Lease	52,671	58,124	59,297	60,494	5,096	-
Capital Contractor Commitments	751,095	-	-	-	-	-
	<b>\$ 828,218</b>	<b>\$ 64,774</b>	<b>\$ 59,297</b>	<b>\$ 60,494</b>	<b>\$ 5,096</b>	<b>\$ -</b>

**NOTE 17 CONTINGENCIES**

In the normal course of business, lawsuits and claims have been brought against the School District. The School District contests these lawsuits and claims. Management believes that the results of any pending legal proceeding will not have a material effect on the financial position of the School District.

In 2011, the School District was served a writ of summons in a class action lawsuit involving 25 other school districts throughout the Province, seeking recovery of tuition fees paid for summer school courses in prior fiscal periods. The parties are in the midst of a settlement process. Based on the information available at this time and the settlement offers being negotiated, the District has accrued its best estimate of the net liability, after considering Provincial funding and settlement costs in the financial statements.

**NOTE 18 BUDGET FIGURES**

Budget figures included in the financial statements were approved by the Board through the adoption of the preliminary annual budget on June 27, 2012.

**NOTE 19 ASSET RETIREMENT OBLIGATION**

Legal liabilities may exist for the removal or disposal of asbestos in schools that will undergo major renovations or demolition. The fair value of this liability for asbestos removal or disposal will be recognized in the period in which it is incurred if a reasonable estimate of fair value can be made. As at June 30, 2013, a liability is not reasonably determinable (2012 – nil; 2011 – nil).

**NOTE 20 EXPENSE BY OBJECT**

	<b>June 30, 2013</b>	<b>June 30, 2012</b>
Salaries and benefits	\$ 114,790,420	\$ 112,616,079
Services and supplies	16,809,949	19,859,252
Interest	16,405	17,913
Amortization	7,540,228	7,361,444
	<b>\$ 139,157,002</b>	<b>\$ 139,854,688</b>

**SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2013 and JUNE 30, 2012**

**NOTE 21 ACCUMULATED SURPLUS**

	<b>June 30, 2013</b>	<b>June 30, 2012</b>
<b>Operating Fund Accumulated Surplus</b>		
Internally Restricted (appropriated) by Board for:		
Schools	\$ 383,834	\$ 468,752
Special projects	421,024	184,448
Aboriginal education	54,908	142,999
Personal professional development	147,677	156,852
Contingency reserve		975,000
Transfer from contingency reserve to fund next year's budget	1,514,543	-
Total Internally Restricted Operating Surplus	2,521,986	1,928,051
Unrestricted Operating Surplus ( <i>restated</i> )	-	1,847,212
<b>Total Operating Fund Accumulated Surplus</b>	<b>2,521,986</b>	<b>3,775,263</b>
<b>Special Purpose Fund Accumulated Surplus</b>	<b>-</b>	<b>-</b>
<b>Capital Fund Accumulated Surplus</b>		
Local Capital and Contingency Reserve	1,767,075	1,041
Invested in Capital Assets	59,855,063	59,479,494
<b>Total Capital Fund Accumulated Surplus</b>	<b>61,622,138</b>	<b>59,480,535</b>
<b>Total Accumulated Surplus</b>	<b>\$64,144,124</b>	<b>\$63,255,798</b>

**NOTE 22 ECONOMIC DEPENDENCE**

The operations of the School District are dependent on continued funding from the Ministry of Education and various governmental agencies to carry out its programs. These consolidated financial statements have been prepared on a going concern basis.

**NOTE 23 RISK MANAGEMENT**

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

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

a) Credit risk:

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

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

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

**SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2013 and JUNE 30, 2012**

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**NOTE 23 RISK MANAGEMENT** *(Continued)*

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.

c) **Currency 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.

d) **Interest rate risk :**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. 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 guaranteed investment certificates and term deposits that have a maturity date of no more than 1 year.

e) **Liquidity risk :**

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

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

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

**NOTE 24 SUPPLEMENTARY CASH FLOW INFORMATION**

	<u>June 30, 2013</u>	<u>June 30, 2012</u>
Interest paid	\$ 16,405	\$ 17,913
Interest received	364,830	296,818
Assets acquired under capital lease	-	471,109
Adjustment to capital lease for PST	48,054	-

# School District No. 42 (Maple Ridge - Pitt Meadows)

Schedule 1 (Unaudited)

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
	\$	\$	\$	\$	\$
<b>Accumulated Surplus (Deficit), beginning of year</b>	3,775,263		59,480,535	<b>63,255,798</b>	61,453,815
Change in Accounting Policies/Prior Period Adjustments					(673,727)
Add non-vested benefits to Employee Future Benefits					317,774
Recognize unamortized gain (loss) on Employee Future Benefits					
<b>Accumulated Surplus (Deficit), beginning of year, as restated</b>	<b>3,775,263</b>	-	<b>59,480,535</b>	<b>63,255,798</b>	61,097,862
<b>Changes for the year</b>					
Surplus (Deficit) for the year	2,403,499	401,007	(1,916,180)	<b>888,326</b>	2,157,936
Interfund Transfers					
Tangible Capital Assets Purchased	(1,633,770)	(401,007)	2,034,777	-	
Local Capital	(1,766,034)		1,766,034	-	
Other	(256,972)		256,972	-	
<b>Net Changes for the year</b>	<b>(1,253,277)</b>	-	<b>2,141,603</b>	<b>888,326</b>	<b>2,157,936</b>
<b>Accumulated Surplus (Deficit), end of year - Statement 2</b>	<b>2,521,986</b>	-	<b>61,622,138</b>	<b>64,144,124</b>	63,255,798

# School District No. 42 (Maple Ridge - Pitt Meadows)

Schedule 2 (Unaudited)

## Schedule of Operating Operations

Years Ending June 30, 2013 and June 30, 2012

	2013 Budget	2013 Actual	2012 Actual
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	116,655,397	<b>117,881,733</b>	117,259,178
Other	314,117	<b>449,281</b>	328,606
Federal Grants	100,000	<b>162,110</b>	129,995
Tuition	8,906,725	<b>6,988,534</b>	9,480,215
Other Revenue	646,826	<b>729,271</b>	787,689
Rentals and Leases	320,040	<b>311,274</b>	343,156
Investment Income	250,000	<b>347,033</b>	286,242
<b>Total Revenue</b>	<u>127,193,105</u>	<u><b>126,869,236</b></u>	<u>128,615,081</u>
<b>Expenses</b>			
Instruction	110,902,980	<b>106,429,579</b>	109,065,848
District Administration	4,794,589	<b>4,671,250</b>	4,219,014
Operations and Maintenance	12,937,835	<b>12,162,260</b>	12,052,403
Transportation and Housing	1,257,163	<b>1,202,648</b>	1,228,719
<b>Total Expense</b>	<u>129,892,567</u>	<u><b>124,465,737</b></u>	<u>126,565,984</u>
<b>Operating Surplus (Deficit) for the year</b>	<u>(2,699,462)</u>	<u><b>2,403,499</b></u>	<u>2,049,097</u>
<b>Budgeted Appropriation (Retirement) of Surplus (Deficit)</b>	<u>3,370,065</u>		
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased		<b>(1,633,770)</b>	
Local Capital	(670,603)	<b>(1,766,034)</b>	(591,995)
Other		<b>(256,972)</b>	
<b>Total Net Transfers</b>	<u>(670,603)</u>	<u><b>(3,656,776)</b></u>	<u>(591,995)</u>
<b>Total Operating Surplus (Deficit), for the year</b>	<u>-</u>	<u><b>(1,253,277)</b></u>	<u>1,457,102</u>
<b>Operating Surplus (Deficit), beginning of year</b>		<b>3,775,263</b>	2,674,114
Change in Accounting Policies/Prior Period Adjustments			
Add non-vested benefits to Employee Future Benefits			(673,727)
Recognize unamortized gain (loss) on Employee Future Benefits			317,774
Reclassify Deferred Contributions			-
<b>Operating Surplus (Deficit), beginning of year, as restated</b>		<u><b>3,775,263</b></u>	<u>2,318,161</u>
<b>Operating Surplus (Deficit), end of year</b>		<u><b>2,521,986</b></u>	<u>3,775,263</u>
<b>Operating Surplus (Deficit), end of year</b>			
Internally Restricted		<b>2,521,986</b>	1,928,051
Unrestricted			1,847,212
<b>Total Operating Surplus (Deficit), end of year</b>		<u><b>2,521,986</b></u>	<u>3,775,263</u>

# School District No. 42 (Maple Ridge - Pitt Meadows)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Years Ending June 30, 2013 and June 30, 2012

	2013 Budget	2013 Actual	2012 Actual
	\$	\$	\$
<b>Provincial Grants - Ministry of Education</b>			
Operating Grant, Ministry of Education	114,986,517	<b>115,913,078</b>	115,315,154
AANDC/LEA Recovery	(385,586)	<b>(385,586)</b>	(385,586)
Other Ministry of Education Grants			
Pay Equity	1,874,966	<b>1,874,965</b>	1,874,965
Other		<b>67,503</b>	18,503
Education Guarantee	129,500	<b>322,427</b>	363,261
Carbon Tax	50,000	<b>89,346</b>	72,881
<b>Total Provincial Grants - Ministry of Education</b>	<b>116,655,397</b>	<b>117,881,733</b>	117,259,178
<b>Provincial Grants - Other</b>	<b>314,117</b>	<b>449,281</b>	328,606
<b>Federal Grants</b>	<b>100,000</b>	<b>162,110</b>	129,995
<b>Tuition</b>			
Summer School Fees	-	<b>20,580</b>	22,855
Continuing Education	709,638	<b>533,609</b>	616,713
Offshore Tuition Fees	8,157,087	<b>6,346,477</b>	8,801,231
Adult Highschool Completion	40,000	<b>87,868</b>	39,416
<b>Total Tuition</b>	<b>8,906,725</b>	<b>6,988,534</b>	9,480,215
<b>Other Revenues</b>			
LEA/Direct Funding from First Nations	385,586	<b>446,029</b>	435,608
Miscellaneous			
Miscellaneous Other	261,240	<b>283,242</b>	352,081
<b>Total Other Revenue</b>	<b>646,826</b>	<b>729,271</b>	787,689
<b>Rentals and Leases</b>	<b>320,040</b>	<b>311,274</b>	343,156
<b>Investment Income</b>	<b>250,000</b>	<b>347,033</b>	286,242
<b>Total Operating Revenue</b>	<b>127,193,105</b>	<b>126,869,236</b>	128,615,081

# School District No. 42 (Maple Ridge - Pitt Meadows)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object  
 Years Ending June 30, 2013 and June 30, 2012

	2013 Budget	2013 Actual	2012 Actual
	\$	\$	\$
<b>Salaries</b>			
Teachers	59,417,154	<b>59,345,908</b>	58,702,575
Principals and Vice Principals	5,690,526	<b>5,671,476</b>	5,681,148
Educational Assistants	8,754,786	<b>8,952,176</b>	8,491,486
Support Staff	10,524,244	<b>10,360,870</b>	10,600,688
Other Professionals	2,753,189	<b>2,805,254</b>	2,644,032
Substitutes	4,005,344	<b>3,974,126</b>	3,836,057
<b>Total Salaries</b>	<b>91,145,243</b>	<b>91,109,810</b>	89,955,986
<b>Employee Benefits</b>	22,050,685	<b>21,159,125</b>	21,499,184
<b>Total Salaries and Benefits</b>	<b>113,195,928</b>	<b>112,268,935</b>	111,455,170
<b>Services and Supplies</b>			
Services	6,502,182	<b>4,543,573</b>	5,956,912
Student Transportation	1,270,780	<b>1,232,943</b>	1,252,153
Professional Development and Travel	952,532	<b>538,801</b>	619,547
Rentals and Leases	453,253	<b>52,863</b>	546,503
Dues and Fees	248,716	<b>237,777</b>	237,168
Insurance	752,774	<b>292,361</b>	685,991
Supplies	4,246,376	<b>3,109,445</b>	3,658,396
Utilities	2,270,026	<b>2,189,039</b>	2,154,144
<b>Total Services and Supplies</b>	<b>16,696,639</b>	<b>12,196,802</b>	15,110,814
<b>Total Operating Expense</b>	<b>129,892,567</b>	<b>124,465,737</b>	126,565,984

# School District No. 42 (Maple Ridge - Pitt Meadows)

Schedule 2C (Unaudited)

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
	\$	\$	\$	\$	\$	\$	\$
<b>1 Instruction</b>							
1.02 Regular Instruction	43,053,203	1,300,040	499,583	487,755		2,387,963	47,728,544
1.03 Career Programs	2,104,277		459,186			92,166	2,655,629
1.07 Library Services	1,072,770			7,619		52,504	1,132,893
1.08 Counselling	1,363,982					66,796	1,430,778
1.10 Special Education	8,239,915	223,762	7,498,087	1,326,627	5,429	937,834	18,231,654
1.30 English Language Learning	976,254					48,057	1,024,311
1.31 Aboriginal Education	389,571	91,582	487,260	42,455		38,071	1,048,939
1.41 School Administration		3,831,360		2,149,204		88,019	6,068,583
1.60 Summer School	161,905	9,677		6,875			178,457
1.61 Continuing Education	209,277			91,963	70,748		371,988
1.62 Off Shore Students	1,774,754	97,490	8,060	407,889	172,108	6,155	2,466,456
1.64 Other							-
<b>Total Function 1</b>	<b>59,345,908</b>	<b>5,553,911</b>	<b>8,952,176</b>	<b>4,520,387</b>	<b>248,285</b>	<b>3,717,565</b>	<b>82,338,232</b>
<b>4 District Administration</b>							
4.11 Educational Administration				93,926	732,997	14,914	841,837
4.40 School District Governance					139,369		139,369
4.41 Business Administration		117,565		462,619	928,200	60,049	1,568,433
<b>Total Function 4</b>	<b>-</b>	<b>117,565</b>	<b>-</b>	<b>556,545</b>	<b>1,800,566</b>	<b>74,963</b>	<b>2,549,639</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration				200,023	490,898	14,091	705,012
5.50 Maintenance Operations				4,755,899	234,293	167,507	5,157,699
5.52 Maintenance of Grounds				328,016			328,016
5.56 Utilities							-
<b>Total Function 5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,283,938</b>	<b>725,191</b>	<b>181,598</b>	<b>6,190,727</b>
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration					31,212		31,212
7.70 Student Transportation							-
<b>Total Function 7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>31,212</b>	<b>-</b>	<b>31,212</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>59,345,908</b>	<b>5,671,476</b>	<b>8,952,176</b>	<b>10,360,870</b>	<b>2,805,254</b>	<b>3,974,126</b>	<b>91,109,810</b>



# School District No. 42 (Maple Ridge - Pitt Meadows)

Schedule 2C (Unaudited)

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
	\$	\$	\$	\$	\$	\$	\$
<b>1 Instruction</b>							
1.02 Regular Instruction	47,728,544	10,703,438	58,431,982	1,948,008	60,379,990	61,634,427	60,507,453
1.03 Career Programs	2,655,629	631,061	3,286,690	370,115	3,656,805	3,699,648	3,737,174
1.07 Library Services	1,132,893	256,568	1,389,461	143,441	1,532,902	1,568,051	1,517,351
1.08 Counselling	1,430,778	324,985	1,755,763	33,725	1,789,488	1,824,488	1,680,962
1.10 Special Education	18,231,654	4,414,054	22,645,708	277,101	22,922,809	23,057,996	22,416,095
1.30 English Language Learning	1,024,311	231,574	1,255,885	11,691	1,267,576	1,234,777	1,324,533
1.31 Aboriginal Education	1,048,939	235,126	1,284,065	85,827	1,369,892	1,374,700	1,292,263
1.41 School Administration	6,068,583	1,573,495	7,642,078	405,660	8,047,738	8,335,861	8,382,880
1.60 Summer School	178,457	33,889	212,346	22,815	235,161	299,057	171,131
1.61 Continuing Education	371,988	54,761	426,749	265,342	692,091	710,435	687,829
1.62 Off Shore Students	2,466,456	558,608	3,025,064	1,510,063	4,535,127	7,143,540	7,314,769
1.64 Other	-	-	-	-	-	20,000	33,408
<b>Total Function 1</b>	<b>82,338,232</b>	<b>19,017,559</b>	<b>101,355,791</b>	<b>5,073,788</b>	<b>106,429,579</b>	110,902,980	109,065,848
<b>4 District Administration</b>							
4.11 Educational Administration	841,837	258,346	1,100,183	81,035	1,181,218	1,503,469	1,221,612
4.40 School District Governance	139,369	2,440	141,809	87,068	228,877	276,076	289,837
4.41 Business Administration	1,568,433	390,551	1,958,984	1,302,171	3,261,155	3,015,044	2,707,565
<b>Total Function 4</b>	<b>2,549,639</b>	<b>651,337</b>	<b>3,200,976</b>	<b>1,470,274</b>	<b>4,671,250</b>	4,794,589	4,219,014
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration	705,012	155,101	860,113	381,700	1,241,813	1,381,920	1,189,598
5.50 Maintenance Operations	5,157,699	1,253,726	6,411,425	1,793,664	8,205,089	8,579,740	8,074,275
5.52 Maintenance of Grounds	328,016	74,519	402,535	123,784	526,319	706,149	634,385
5.56 Utilities	-	-	-	2,189,039	2,189,039	2,270,026	2,154,145
<b>Total Function 5</b>	<b>6,190,727</b>	<b>1,483,346</b>	<b>7,674,073</b>	<b>4,488,187</b>	<b>12,162,260</b>	12,937,835	12,052,403
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration	31,212	6,883	38,095	2,064	40,159	44,353	40,487
7.70 Student Transportation	-	-	-	1,162,489	1,162,489	1,212,810	1,188,232
<b>Total Function 7</b>	<b>31,212</b>	<b>6,883</b>	<b>38,095</b>	<b>1,164,553</b>	<b>1,202,648</b>	1,257,163	1,228,719
<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>91,109,810</b>	<b>21,159,125</b>	<b>112,268,935</b>	<b>12,196,802</b>	<b>124,465,737</b>	129,892,567	126,565,984

# School District No. 42 (Maple Ridge - Pitt Meadows)

Schedule 3 (Unaudited)

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

	2013 Budget	2013 Actual	2012 Actual
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	3,289,297	<b>3,188,903</b>	3,470,045
Other			1,862
Other Revenue	4,770,000	<b>4,328,939</b>	4,236,512
Investment Income		<b>17,797</b>	10,576
<b>Total Revenue</b>	<u>8,059,297</u>	<u><b>7,535,639</b></u>	<u>7,718,995</u>
<b>Expenses</b>			
Instruction	7,369,808	<b>6,839,884</b>	5,300,334
Operations and Maintenance	469,489	<b>294,748</b>	609,013
<b>Total Expense</b>	<u>7,839,297</u>	<u><b>7,134,632</b></u>	<u>5,909,347</u>
<b>Special Purpose Surplus (Deficit) for the year</b>	<u>220,000</u>	<u><b>401,007</b></u>	<u>1,809,648</u>
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased	(220,000)	<b>(401,007)</b>	(1,809,648)
<b>Total Net Transfers</b>	<u>(220,000)</u>	<u><b>(401,007)</b></u>	<u>(1,809,648)</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>
<b>Special Purpose Surplus (Deficit), end of year</b>			
<b>Total Special Purpose Surplus (Deficit), end of year</b>		<u><u>-</u></u>	<u><u>-</u></u>

# School District No. 42 (Maple Ridge - Pitt Meadows)

Schedule 3A (Unaudited)

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

	Annual Facility Grant	Learning Improvement Fund	Special Education Equipment	School Generated Funds	Strong Start
	\$	\$	\$	\$	\$
<b>Deferred Revenue, beginning of year</b>	42,983	-	68,176	1,878,247	46,629
<b>Adjust to reflect additional quarter to June 20, 2013</b>				(447,504)	
<b>Deferred Revenue, beginning of year, as restated</b>	42,983	-	68,176	1,430,743	46,629
<b>Add:</b> Restricted Grants					
Provincial Grants - Ministry of Education	866,711	1,468,294	35,365		256,000
Other				3,914,424	
Investment Income	4,158		705		645
	870,869	1,468,294	36,070	3,914,424	256,645
<b>Less:</b> Allocated to Revenue	381,920	1,468,294	49,307	3,929,516	253,053
<b>Deferred Revenue, end of year</b>	<b>531,932</b>	<b>-</b>	<b>54,939</b>	<b>1,415,651</b>	<b>50,221</b>
<b>Revenues</b>					
Provincial Grants - Ministry of Education	377,762	1,468,294	48,602		252,408
Other Revenue				3,929,516	
Investment Income	4,158		705		645
	381,920	1,468,294	49,307	3,929,516	253,053
<b>Expenses</b>					
Salaries					
Teachers		674,289			
Educational Assistants		509,678		27,434	168,096
Support Staff	102,637			6,604	15,662
Substitutes		22,760		12,226	
	102,637	1,206,727	-	46,264	183,758
Employee Benefits	21,104	261,567		9,967	51,388
Services and Supplies	171,007		49,307	3,873,285	17,907
	294,748	1,468,294	49,307	3,929,516	253,053
<b>Net Revenue (Expense) before Interfund Transfers</b>	87,172	-	-	-	-
<b>Interfund Transfers</b>					
Tangible Capital Assets Purchased	(87,172)				
	(87,172)	-	-	-	-
<b>Net Revenue (Expense)</b>	-	-	-	-	-

# School District No. 42 (Maple Ridge - Pitt Meadows)

Schedule 3A (Unaudited)

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

	Ready, Set, Learn	OLEP	Community- LINK	Youth Education Support Fund	Literacy Initiative
	\$	\$	\$	\$	\$
<b>Deferred Revenue, beginning of year</b>	119,780	182,302	10,451	218,365	52,320
<b>Adjust to reflect additional quarter to June 20, 2013</b>					
<b>Deferred Revenue, beginning of year, as restated</b>	119,780	182,302	10,451	218,365	52,320
<b>Add:</b> Restricted Grants					
Provincial Grants - Ministry of Education	49,000	238,478	533,892		
Other				413,997	
Investment Income	1,121		264	10,904	252
	50,121	238,478	534,156	424,901	252
<b>Less:</b> Allocated to Revenue	82,456	404,005	524,050	410,075	32,963
<b>Deferred Revenue, end of year</b>	<b>87,445</b>	<b>16,775</b>	<b>20,557</b>	<b>233,191</b>	<b>19,609</b>
<b>Revenues</b>					
Provincial Grants - Ministry of Education	81,335	404,005	523,786		32,711
Other Revenue				399,171	252
Investment Income	1,121		264	10,904	
	82,456	404,005	524,050	410,075	32,963
<b>Expenses</b>					
Salaries					
Teachers	37,792	38,650	22,020		
Educational Assistants	5,466		454,044		
Support Staff					
Substitutes	8,514	19,681			23,062
	51,772	58,331	476,064	-	23,062
Employee Benefits	11,693	13,510			3,641
Services and Supplies	18,991	153,266	47,986	275,138	6,260
	82,456	225,107	524,050	275,138	32,963
<b>Net Revenue (Expense) before Interfund Transfers</b>	-	178,898	-	134,937	-
<b>Interfund Transfers</b>					
Tangible Capital Assets Purchased		(178,898)		(134,937)	
	-	(178,898)	-	(134,937)	-
<b>Net Revenue (Expense)</b>	-	-	-	-	-

# School District No. 42 (Maple Ridge - Pitt Meadows)

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

	<b>Building Envelope Design</b>	<b>TOTAL</b>
	\$	\$
<b>Deferred Revenue, beginning of year</b>	29,920	2,649,173
<b>Adjust to reflect additional quarter to June 20, 2013</b>		(447,504)
<b>Deferred Revenue, beginning of year, as restated</b>	29,920	2,201,669
<b>Add:</b> Restricted Grants		
Provincial Grants - Ministry of Education		3,447,740
Other		4,328,421
Investment Income	389	18,438
	389	7,794,599
<b>Less:</b> Allocated to Revenue	-	7,535,639
<b>Deferred Revenue, end of year</b>	<b>30,309</b>	<b>2,460,629</b>
<b>Revenues</b>		
Provincial Grants - Ministry of Education		3,188,903
Other Revenue		4,328,939
Investment Income		17,797
	-	7,535,639
<b>Expenses</b>		
Salaries		
Teachers		772,751
Educational Assistants		1,164,718
Support Staff		124,903
Substitutes		86,243
	-	2,148,615
Employee Benefits		372,870
Services and Supplies		4,613,147
	-	7,134,632
<b>Net Revenue (Expense) before Interfund Transfers</b>	-	401,007
<b>Interfund Transfers</b>		
Tangible Capital Assets Purchased		(401,007)
	-	(401,007)
<b>Net Revenue (Expense)</b>	-	-

# School District No. 42 (Maple Ridge - Pitt Meadows)

Schedule 4 (Unaudited)

## Schedule of Capital Operations

Years Ending June 30, 2013 and June 30, 2012

	2013 Budget	2013 Actual			2012 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
<b>Revenues</b>					
Provincial Grants					
Investment Income	1,000			-	
Amortization of Deferred Capital Revenue	5,245,942	5,592,046		5,592,046	5,606,197
<b>Total Revenue</b>	<b>5,246,942</b>	<b>5,592,046</b>	<b>-</b>	<b>5,592,046</b>	<b>5,606,197</b>
<b>Expenses</b>					
Amortization of Tangible Capital Assets					
Operations and Maintenance	6,849,852	7,491,821		7,491,821	7,289,093
Debt services					
Capital Lease Interest	17,871		16,405	16,405	17,913
<b>Total Expense</b>	<b>6,867,723</b>	<b>7,491,821</b>	<b>16,405</b>	<b>7,508,226</b>	<b>7,307,006</b>
<b>Capital Surplus (Deficit) for the year</b>	<b>(1,620,781)</b>	<b>(1,899,775)</b>	<b>(16,405)</b>	<b>(1,916,180)</b>	<b>(1,700,809)</b>
<b>Net Transfers (to) from other funds</b>					
Tangible Capital Assets Purchased	220,000	2,034,777		2,034,777	1,809,648
Local Capital	670,603		1,766,034	1,766,034	591,995
Capital Lease Payment			256,972	256,972	
<b>Total Net Transfers</b>	<b>890,603</b>	<b>2,034,777</b>	<b>2,023,006</b>	<b>4,057,783</b>	<b>2,401,643</b>
<b>Other Adjustments to Fund Balances</b>					
Principal Payment					
Capital Lease		240,567	(240,567)	-	
<b>Total Other Adjustments to Fund Balances</b>		<b>240,567</b>	<b>(240,567)</b>	<b>-</b>	
<b>Total Capital Surplus (Deficit) for the year</b>	<b>(730,178)</b>	<b>375,569</b>	<b>1,766,034</b>	<b>2,141,603</b>	<b>700,834</b>
<b>Capital Surplus (Deficit), beginning of year</b>		<b>59,479,494</b>	<b>1,041</b>	<b>59,480,535</b>	<b>58,779,701</b>
<b>Capital Surplus (Deficit), end of year</b>		<b>59,855,063</b>	<b>1,767,075</b>	<b>61,622,138</b>	<b>59,480,535</b>

# School District No. 42 (Maple Ridge - Pitt Meadows)

Schedule 4A (Unaudited)

Tangible Capital Assets  
Year Ended June 30, 2013

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
<b>Cost, beginning of year</b>	33,005,034	248,069,224	8,069,871	366,835	434,460	1,440,681	<b>291,386,105</b>
<b>Changes in Accounting Policies/Prior Period Adjustments</b>							
Turf Field Restatement - July 1, 2011			598,000				<b>598,000</b>
Turf Fields	(3,821,802)	155,352	3,666,450				-
<b>Cost, beginning of year, as restated</b>	29,183,232	248,224,576	12,334,321	366,835	434,460	1,440,681	<b>291,984,105</b>
<b>Changes for the Year</b>							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		2,279,679	97,362				<b>2,377,041</b>
Operating Fund			471,726	108,513	31,545	1,021,986	<b>1,633,770</b>
Special Purpose Funds		87,171	120,578			193,258	<b>401,007</b>
Capital Lease addition			43,020			5,034	<b>48,054</b>
	-	2,366,850	732,686	108,513	31,545	1,220,278	<b>4,459,872</b>
Decrease:							
Deemed Disposals			578,215		160,414	69,101	<b>807,730</b>
	-	-	578,215	-	160,414	69,101	<b>807,730</b>
<b>Cost, end of year</b>	29,183,232	250,591,426	12,488,792	475,348	305,591	2,591,858	<b>295,636,247</b>
<b>Work in Progress, end of year</b>		382,514					<b>382,514</b>
<b>Cost and Work in Progress, end of year</b>	29,183,232	250,973,940	12,488,792	475,348	305,591	2,591,858	<b>296,018,761</b>
<b>Accumulated Amortization, beginning of year</b>		99,907,202	4,181,394	152,689	235,050	477,159	<b>104,953,494</b>
<b>Changes in Accounting Policies/Prior Period Adjustments</b>							
Amortization Adjustments for Turf Fields and Half Year Rule		2,776,600	2,142,664	17,460	46,147	178,997	<b>5,161,868</b>
<b>Accumulated Amortization, beginning of year, as restated</b>		102,683,802	6,324,058	170,149	281,197	656,156	<b>110,115,362</b>
<b>Changes for the Year</b>							
Increase: Amortization for the Year		5,783,742	1,173,489	39,342	91,767	403,481	<b>7,491,821</b>
Decrease:							
Deemed Disposals			578,215		160,414	69,101	<b>807,730</b>
			578,215		160,414	69,101	<b>807,730</b>
<b>Accumulated Amortization, end of year</b>		108,467,544	6,919,332	209,491	212,550	990,536	<b>116,799,453</b>
<b>Tangible Capital Assets - Net</b>	<b>29,183,232</b>	<b>142,506,396</b>	<b>5,569,460</b>	<b>265,857</b>	<b>93,041</b>	<b>1,601,322</b>	<b>179,219,308</b>

# School District No. 42 (Maple Ridge - Pitt Meadows)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2013

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
<b>Work in Progress, beginning of year</b>	-	-	-	-	-
<b>Changes for the Year</b>					
Increase:					
Deferred Capital Revenue - Bylaw	382,514	-	-	-	382,514
	382,514	-	-	-	382,514
<b>Net Changes for the Year</b>	382,514	-	-	-	382,514
<b>Work in Progress, end of year</b>	<b>382,514</b>	-	-	-	<b>382,514</b>



# School District No. 42 (Maple Ridge - Pitt Meadows)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2013

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
<b>Deferred Capital Revenue, beginning of year</b>	121,805,888	854,526	6,585	122,666,999
<b>Changes in Accounting Policies/Prior Period Adjustments</b>				
Deferred Capital Revenue Amortization Adjustment	(2,819,755)			(2,819,755)
Turf Fields Adjustments to July 1, 2013			1,649,950	1,649,950
<b>Deferred Capital Revenue, beginning of year, as restated</b>	118,986,133	854,526	1,656,535	121,497,194
<b>Changes for the Year</b>				
Increase:				
Transferred from Deferred Revenue - Capital Additions	2,377,041			2,377,041
	2,377,041	-	-	2,377,041
Decrease:				
Amortization of Deferred Capital Revenue	5,224,078	26,250	341,718	5,592,046
	5,224,078	26,250	341,718	5,592,046
<b>Net Changes for the Year</b>	(2,847,037)	(26,250)	(341,718)	(3,215,005)
<b>Deferred Capital Revenue, end of year</b>	116,139,096	828,276	1,314,817	118,282,189
<b>Work in Progress, beginning of year</b>				-
<b>Changes for the Year</b>				
Increase				
Transferred from Deferred Revenue - Work in Progress	382,514			382,514
	382,514	-	-	382,514
<b>Net Changes for the Year</b>	382,514	-	-	382,514
<b>Work in Progress, end of year</b>	382,514	-	-	382,514
<b>Total Deferred Capital Revenue, end of year</b>	116,521,610	828,276	1,314,817	118,664,703

# School District No. 42 (Maple Ridge - Pitt Meadows)

Schedule 4D (Unaudited)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2013

	Bylaw Capital	MEd Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
<b>Balance, beginning of year</b>	\$ 692,979	\$ 1,384,114	\$ -	\$ 3,405,408	\$ -	<b>5,482,501</b>
<b>Changes for the Year</b>						
Increase:						
Provincial Grants - Ministry of Education	2,604,774					<b>2,604,774</b>
Other				516,619		<b>516,619</b>
Investment Income		18,122		50,986		<b>69,108</b>
	<u>2,604,774</u>	<u>18,122</u>	<u>-</u>	<u>567,605</u>	<u>-</u>	<u><b>3,190,501</b></u>
Decrease:						
Transferred to DCR - Capital Additions	2,377,041					<b>2,377,041</b>
Transferred to DCR - Work in Progress	382,514					<b>382,514</b>
	<u>2,759,555</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u><b>2,759,555</b></u>
<b>Net Changes for the Year</b>	<u>(154,781)</u>	<u>18,122</u>	<u>-</u>	<u>567,605</u>	<u>-</u>	<u><b>430,946</b></u>
<b>Balance, end of year</b>	<u><b>538,198</b></u>	<u><b>1,402,236</b></u>	<u><b>-</b></u>	<u><b>3,973,013</b></u>	<u><b>-</b></u>	<u><b>5,913,447</b></u>