

Audited Financial Statements of

# **School District No. 35 (Langley)**

June 30, 2014

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# School District No. 35 (Langley)

June 30, 2014

## Table of Contents

Management Report .....	1
Independent Auditor's Report .....	2-3
Statement of Financial Position - Statement 1 .....	4
Statement of Operations - Statement 2 .....	5
Statement of Change in Net Financial Assets (Debt) - Statement 4 .....	6
Statement of Cash Flows - Statement 5 .....	7
Notes to the Financial Statements .....	8-24
Schedule of Changes in Accumulated Surplus (Deficit) by Fund - Schedule 1 .....	25
Schedule of Operating Operations - Schedule 2 .....	26
Schedule 2A - Schedule of Operating Revenue by Source .....	27
Schedule 2B - Schedule of Operating Expense by Object .....	28
Schedule 2C - Operating Expense by Function, Program and Object .....	29
Schedule of Special Purpose Operations - Schedule 3 .....	31
Schedule 3A - Changes in Special Purpose Funds and Expense by Object .....	32
Schedule of Capital Operations - Schedule 4 .....	34
Schedule 4A - Tangible Capital Assets .....	35
Schedule 4B - Tangible Capital Assets - Work in Progress .....	36
Schedule 4C - Deferred Capital Revenue .....	37
Schedule 4D - Changes in Unspent Deferred Capital Revenue .....	38

# School District No. 35 (Langley)

## MANAGEMENT REPORT

Version: 8542-7796-5814

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

The accompanying financial statements of School District No. 35 (Langley) have been prepared by management in accordance with the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act of British Columbia, supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

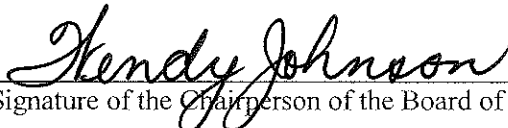
The preparation of financial statements necessarily involves the use of estimates based on management's judgment particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and reliable financial information is produced.

The Board of Education of School District No. 35 (Langley) (called the "Board") is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Board. The Board reviews internal financial statements on a monthly basis and externally audited financial statements yearly.

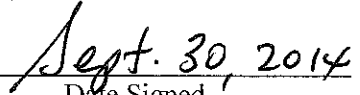
The external auditors, Office of the Auditor General, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of School District No. 35 (Langley) 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.

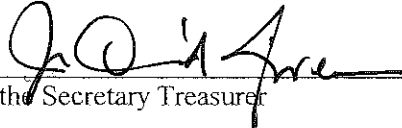
On behalf of School District No. 35 (Langley)

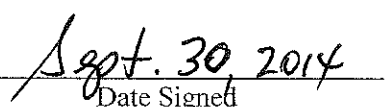
  
Signature of the Chairperson of the Board of Education

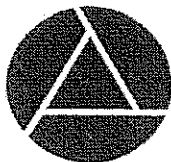
  
Date Signed

  
Signature of the Superintendent

  
Date Signed

  
Signature of the Secretary Treasurer

  
Date Signed



## INDEPENDENT AUDITOR'S REPORT

*To the Board of Education of School District No.35 (Langley), and  
To the Minister of Education, Province of British Columbia*

I have audited the accompanying financial statements of School District No. 35 (Langley), which comprise the statement of financial position as at June 30, 2014, and the statement of operations, statement of changes in net financial assets (debt) and statement of cash flows for the year then ended, 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*

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I 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 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 presentation of the financial statements.

In my view, the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

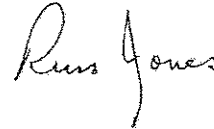
### *Opinion*

In my opinion, the financial statements of School District No. 35 (Langley) for the year ended June 30, 2014, are prepared, in all material respects, in accordance with the accounting requirements of section 23.1 of the *Budget Transparency and Accountability Act* of the Province of British Columbia.

*Emphasis of Matter*

Without modifying my opinion, I draw attention to Note 2a to the financial statements, which discloses that the accounting requirements of section 23.1 of the *Budget Transparency and Accountability Act* of the Province of British Columbia are in accordance with Canadian public sector accounting standards except in regard to the accounting treatment of government transfers. Note 2a to the financial statements discloses the impact of these differences.

Victoria, British Columbia  
September 30, 2014



Russ Jones, MBA, CA  
Deputy Auditor General



# School District No. 35 (Langley)

## Statement of Financial Position

As at June 30, 2014

Statement 1

	2014 Actual	2013 Actual (Recast)
	\$	\$
<b>Financial Assets</b>		
Cash and Cash Equivalents	42,100,271	41,868,443
Accounts Receivable		
Due from Province - Ministry of Education	6,234,386	2,257,277
Other (Note 3)	845,618	1,192,532
Portfolio Investments (Note 4)	5,112,974	173,634
<b>Total Financial Assets</b>	<b>54,293,249</b>	<b>45,491,886</b>
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities		
Due to Province - Ministry of Education (Note 5)	4,521,269	-
Other (Note 5)	18,234,413	19,435,479
Unearned Revenue (Note 7)	7,823,692	5,911,329
Deferred Revenue (Note 8)	824,961	1,145,754
Deferred Capital Revenue (Note 9)	149,318,222	132,216,161
Employee Future Benefits (Note 10, 11 & 23)	5,181,212	5,398,260
Capital Lease Obligations (Note 16)	726,030	976,453
<b>Total Liabilities</b>	<b>186,629,799</b>	<b>165,083,436</b>
<b>Net Financial Assets (Debt)</b>	<b>(132,336,550)</b>	<b>(119,591,550)</b>
<b>Non-Financial Assets</b>		
Tangible Capital Assets (Note 6)	215,844,577	201,015,648
Prepaid Expenses	600,962	583,526
<b>Total Non-Financial Assets</b>	<b>216,445,539</b>	<b>201,599,174</b>
<b>Accumulated Surplus (Deficit) (Note 13)</b>	<b>84,108,989</b>	<b>82,007,624</b>

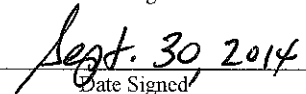
Contractual Obligations and Contingencies (Note 17 & 22)

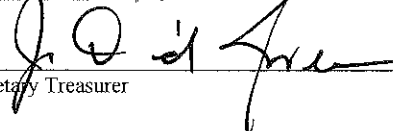
Approved by the Board

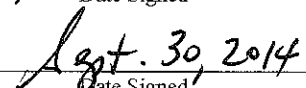
  
Signature of the Chairperson of the Board of Education

  
Date Signed

  
Signature of the Superintendent

  
Date Signed

  
Signature of the Secretary Treasurer

  
Date Signed

**School District No. 35 (Langley)**

Statement 2

Statement of Operations

Year Ended June 30, 2014

	2014 Budget	2014 Actual	2013 Actual (Recast)
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	161,627,164	156,810,279	161,143,262
Other	666,300	612,074	493,294
Tuition	7,100,099	7,218,784	5,992,613
Other Revenue	7,270,584	7,096,104	6,979,372
Rentals and Leases	784,288	888,783	862,070
Investment Income	351,833	436,867	333,651
Gain (Loss) on Disposal of Tangible Capital Assets			2,479,245
Amortization of Deferred Capital Revenue (Note 9)	5,699,198	5,723,403	5,300,642
<b>Total Revenue</b>	<b>183,499,466</b>	<b>178,786,294</b>	<b>183,584,149</b>
<b>Expenses (Note 12)</b>			
Instruction	153,657,878	142,991,434	143,857,852
District Administration	4,870,125	4,966,879	4,626,378
Operations and Maintenance	26,062,737	26,294,881	25,941,499
Transportation and Housing	2,176,975	2,357,148	2,134,420
Debt Services	74,588	74,587	71,126
<b>Total Expense</b>	<b>186,842,303</b>	<b>176,684,929</b>	<b>176,631,275</b>
<b>Surplus (Deficit) for the year</b>	<b>(3,342,837)</b>	<b>2,101,365</b>	<b>6,952,874</b>
<b>Accumulated Surplus (Deficit) from Operations, beginning of year</b>		<b>82,007,624</b>	<b>75,054,750</b>
<b>Accumulated Surplus (Deficit) from Operations, end of year</b>		<b>84,108,989</b>	<b>82,007,624</b>

**School District No. 35 (Langley)**

Statement 4

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

Year Ended June 30, 2014

	2014 Budget	2014 Actual	2013 Actual (Recast)
	\$	\$	\$
<b>Surplus (Deficit) for the year</b>	<u>(3,342,837)</u>	<u>2,101,365</u>	<u>6,952,874</u>
<b>Effect of change in Tangible Capital Assets</b>			
Acquisition of Tangible Capital Assets	(19,354,651)	(22,542,922)	(23,069,155)
Amortization of Tangible Capital Assets	7,664,425	7,713,993	7,223,469
Net carrying value of Tangible Capital Assets disposed of	-	-	951,354
<b>Total Effect of change in Tangible Capital Assets</b>	<u>(11,690,226)</u>	<u>(14,828,929)</u>	<u>(14,894,332)</u>
Acquisition of Prepaid Expenses		(565,399)	(655,588)
Use of Prepaid Expenses		547,963	325,253
<b>Total Effect of change in Other Non-Financial Assets</b>	<u>-</u>	<u>(17,436)</u>	<u>(330,335)</u>
<b>(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)</b>	<u>(15,033,063)</u>	<u>(12,745,000)</u>	<u>(8,271,793)</u>
<b>Net Remeasurement Gains (Losses)</b>			
<b>(Increase) Decrease in Net Financial Assets (Debt)</b>		<u>(12,745,000)</u>	<u>(8,271,793)</u>
<b>Net Financial Assets (Debt), beginning of year</b>		<u>(119,591,550)</u>	<u>(111,319,757)</u>
<b>Net Financial Assets (Debt), end of year</b>		<u>(132,336,550)</u>	<u>(119,591,550)</u>



**School District No. 35 (Langley)**

Statement 5

Statement of Cash Flows

Year Ended June 30, 2014

	2014 Actual	2013 Actual (Recast)
	\$	\$
<b>Operating Transactions</b>		
Surplus (Deficit) for the year	2,101,365	6,952,874
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(3,630,195)	1,157,980
Prepaid Expenses	(17,436)	(330,335)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	3,320,203	3,413,382
Unearned Revenue	1,912,363	843,731
Deferred Revenue	(320,793)	(445,194)
Employee Future Benefits	(217,048)	(331,349)
Loss (Gain) on Disposal of Tangible Capital Assets	-	(2,479,245)
Amortization of Tangible Capital Assets	7,713,993	7,223,469
Amortization of Deferred Capital Revenue	(5,723,403)	(5,300,642)
<b>Total Operating Transactions</b>	<b>5,139,049</b>	<b>10,704,671</b>
<b>Capital Transactions</b>		
Tangible Capital Assets Purchased	(1,910,576)	(1,636,953)
Tangible Capital Assets -WIP Purchased	(20,612,351)	(21,170,372)
District Portion of Proceeds on Disposal	-	2,552,353
Tangible Capital Leased Assets Purchased	-	-
<b>Total Capital Transactions</b>	<b>(22,522,927)</b>	<b>(20,254,972)</b>
<b>Financing Transactions</b>		
Loan Proceeds	-	(2,200,000)
Capital Revenue Received	22,825,464	20,742,024
Capital Lease/Principal Repayment	(270,418)	(257,898)
<b>Total Financing Transactions</b>	<b>22,555,046</b>	<b>18,284,126</b>
<b>Investing Transactions</b>		
Investments in Portfolio Investments	(4,939,340)	3,206,333
<b>Total Investing Transactions</b>	<b>(4,939,340)</b>	<b>3,206,333</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>231,828</b>	<b>11,940,158</b>
<b>Cash and Cash Equivalents, beginning of year</b>	<b>41,868,443</b>	<b>29,928,285</b>
<b>Cash and Cash Equivalents, end of year</b>	<b>42,100,271</b>	<b>41,868,443</b>
<b>Cash and Cash Equivalents, end of year, is made up of:</b>		
Cash	42,100,271	41,868,443
	<b>42,100,271</b>	<b>41,868,443</b>

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# School District No. 35 (Langley)

## Notes to the Financial Statements

Year Ended June 30, 2014

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### 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. 35 (Langley)" and operates as "School District No. 35 (Langley)". 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. 35 (Langley) is exempt from federal and provincial income taxes.

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### 2. Summary of significant accounting policies and reporting practices

#### a) Basis of Accounting

These financial statements have been prepared in accordance with Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia. This Section requires that the financial statements be prepared in accordance with Canadian public sector accounting standards except in regard to the accounting for government transfers as set out in Notes 2(g) and 2(k).

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

As noted in Notes 2(g) and 2(k), Section 23.1 of the Budget Transparency and Accountability Act and its related regulations require the School District to recognize non-capital restricted contributions into revenue in the fiscal period in which the restriction the contribution is subject to is met and 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. Canadian public sector accounting standards would require these contributions, if they are government transfers, to be recognized into revenue immediately when received unless they contain a stipulation that meets the definition of a liability. The impact of these differences on the financial statements of the School District is as follows:

Year-ended June 30, 2013 - increase in annual surplus by \$16,048,149

June 30, 2013 - increase in accumulated surplus by \$129,801,421, decrease in deferred capital revenue by \$129,154,014 and decrease in deferred revenue by \$647,407.

Year-ended June 30, 2014 -- increase in annual surplus by \$15,861,160

June 30, 2014 -- increase in accumulated surplus by \$145,015,174, decrease in deferred capital revenue by \$144,649,110 and decrease in deferred revenue by \$366,064.

#### b) Cash and Cash Equivalents

Cash and cash equivalents include cash in the bank and deposits in the Provincial Ministry of Finance Central Deposit Program which are readily convertible to cash and that are not subject to a significant risk of change in value. The deposits with the Ministry of Finance can be withdrawn from the program with three days of notice.

#### c) Portfolio Investments (See Note 4)

The School District has investments in term deposits and guaranteed investment certificates that have maturities of greater than 3 months at the time of acquisition. These investments have been reported at cost and are not subject to impairment.

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# School District No. 35 (Langley)

## Notes to the Financial Statements

Year Ended June 30, 2014

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### 2. Summary of significant accounting policies and reporting practices (continued)

#### d) Accounts Receivable (See Note 3)

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

#### e) Prepaid Expenses

Prepaid expenses include costs prepaid for insurance, equipment and software maintenance, and other fees. These prepaid expenses are stated at acquisition cost and are charged to expense over the future periods expected to benefit from them.

#### f) Unearned Revenue

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

#### g) Deferred Revenue and Deferred Capital Revenue

Deferred revenue includes both government transfers and other contributions received with stipulations that meet the description of restricted contributions in the Restricted Contributions Regulation 198/2011 issued by Treasury Board. When restrictions are met, deferred revenue is recognized as revenue in the fiscal year in a manner consistent with the circumstances and evidence used to support the initial recognition of the contributions received as a liability as detailed in Note 2 (k).

Funding received for the acquisition of depreciable tangible capital assets is recorded as deferred capital revenue and amortized over the life of the asset acquired as revenue in the statement of operations. This accounting treatment is not consistent with the requirements of Canadian public sector accounting standards which require that government transfers be recognized as revenue when approved by the transferor and eligibility criteria have been met unless the transfer contains a stipulation that creates a liability in which case the transfer is recognized as revenue over the period that the liability is extinguished. See Note 2(a) for the impact of this policy on these financial statements.

#### h) Tangible Capital Assets

Capital assets acquired or constructed are recorded at cost. Equipment under capital leases is initially recorded at an amount equal to the lesser of the fair value of the equipment and the net present value of the future lease payments.

Donated tangible capital assets are recorded at their fair market value on the date of donation, if available. Otherwise a nominal value is used.

Work-in-progress is recorded as an acquisition to the applicable asset class at substantial completion.

Tangible capital assets that no longer contribute to the ability of the district to provide services are written-down to residual value and accounted for as expenses in the Statement of Operations.

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**School District No. 35 (Langley)**  
**Notes to the Financial Statements**  
**Year Ended June 30, 2014**

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**2. Summary of significant accounting policies and reporting practices (continued)**

Buildings that are demolished or destroyed are written-off.

The cost, less any residual value, of tangible capital assets (excluding sites) is amortized on a straight line basis over the estimated useful life of the asset. Estimated useful lives for the District's tangible capital assets, as determined by management, are as follows:

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

Amortization of tangible capital assets is taken at one-half the normal annual rate in the year of acquisition and in the year of disposal. Amortization of equipment under capital leases is taken monthly over the term of the leases.

**i) 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 a tangible capital asset and an obligation. Capital lease obligations are recorded at the present value of the minimum lease payments excluding executor costs. 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.

**j) Funds and Reserves**

Certain amounts, as approved by the Board are set aside in accumulated surplus for future operating and capital purposes. Transfers to and from funds and reserves are an adjustment to the respective fund when approved (see Note 14 – Interfund Transfers and Note 13 – Accumulated Surplus – Operating Fund).

**k) Revenue Recognition**

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

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

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**School District No. 35 (Langley)**  
**Notes to the Financial Statements**  
**Year Ended June 30, 2014**

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**2. Summary of significant accounting policies and reporting practices (continued)**

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

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

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

The accounting treatment for restricted contributions is not consistent with the requirements of Canadian public sector accounting standards which require that government transfers be recognized as revenue when approved by the transferor and eligibility criteria have been met unless the transfer contains a stipulation that meets the criteria for liability recognition in which case the transfer is recognized as revenue over the period that the liability is extinguished. See Note 2(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 is performed is deferred and recognized when the fee is earned or service performed.

Investment income is reported in the period earned. When required by the funding party or related Act, investment income earned on deferred revenue is added to the deferred revenue balance.

**l) Expenditures**

Expenses are reported on an accrual basis. The cost of goods consumed and services received during the year is expensed. Interest expense relates to the interest on capital leases.

**m) Financial Instruments (see Note 20)**

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 and other current liabilities.

All financial assets and liabilities are recorded at cost or amortized cost and the associated transaction costs are added to the carrying value of these investments upon initial recognition. Transaction costs are incremental costs directly attributable to the acquisition or issue of a financial asset or a financial liability.

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

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## School District No. 35 (Langley)

### Notes to the Financial Statements

Year Ended June 30, 2014

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#### 2. Summary of significant accounting policies and reporting practices (continued)

##### n) 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. Benefits include vested sick leave, accumulating non-vested sick leave, retirement allowances, vacation pay and life insurance.

The School District accrues its obligations and related costs under employee future benefit plans. The future benefits cost is actuarially determined using the projected unit credit method pro-rata on service and using management's best estimate of expected salary escalation, termination and retirement rates, and mortality. The discount rate used to measure obligations is based on the cost of borrowing.

The cumulative unrecognized actuarial gains (losses) are amortized over the expected average remaining service lifetime (EARS�) of active employees covered under the plan. The EARS� for employees of the School District is 9.3 years.

The most recent valuation of the obligation was performed at March 31, 2013 and projected to June 30, 2015. 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.

##### o) Measurement Uncertainty

Preparation of financial statements in accordance with the basis of accounting described in Note 2 (a) requires management to make estimates and assumptions that impact reported amounts for assets and liabilities at the date of the financial statements and revenues and expenses during the reporting period. Significant areas requiring the use of management estimates relate to the potential impairment of assets, amortization rates, estimated employee future benefits, asset retirement obligations and contingent liabilities. Actual results could differ from those estimates.

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#### 3. Accounts receivable – other receivables

	<u>June 30, 2014</u>	<u>June 30, 2013</u>
Due from Federal Government	\$ 358,270	\$ 625,252
Other accounts receivable	530,974	585,780
Due from Langley School District Foundation	0	500
Allowance for doubtful accounts	(43,626)	(19,000)
	<u>\$ 845,618</u>	<u>\$1,192,532</u>

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**School District No. 35 (Langley)**  
**Notes to the Financial Statements**  
**Year Ended June 30, 2014**

**4. Portfolio Investments**

	June 30, 2014	June 30, 2013
Investments in the cost and amortized cost category:		
Term deposits	\$ 112,974	\$ 173,634
Guaranteed Investment Certificate	5,000,000	
	<u>\$ 5,112,974</u>	<u>\$ 173,634</u>

**5. Due to Province – Ministry of Education**

The Due to Province - Ministry of Education amount of \$4,521,269 represents the recouping of Ministry grant funding due to teacher salary savings resulting from teacher strike activities.

**Accounts Payable and Accrued Liabilities - other**

	June 30, 2014	June 30, 2013
Trade payables	\$ 5,452,102	\$ 5,385,922
Salaries and benefits payable	7,817,821	10,560,785
Accrued vacation pay	2,877,886	2,894,464
CUPE wage contingency (see Note 22)	1,367,151	0
Langley School District Foundation	6,469	0
Other	712,984	594,308
	<u>\$18,234,413</u>	<u>\$19,435,479</u>

**6. Tangible Capital assets**

**June 30, 2014**

Cost:	Balance at July 1, 2013	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2014
Sites	\$ 30,624,332	\$	\$	\$	\$ 30,624,332
Buildings	277,519,836	406,324		13,639,533	291,565,693
Buildings – work in progress	17,069,791	19,004,854		(13,639,533)	22,435,112
Furniture & Equipment	6,584,810	2,157,150	321,259		8,420,701
Vehicles	2,223,220	635,118	276,970		2,581,368
Computer Software	224,035	191,775	53,181		362,629
Computer Hardware	497,350	127,706	125,182		499,874
Equipment under capital lease	1,302,043	19,995			1,322,038
<b>Total</b>	<b>\$336,045,417</b>	<b>\$22,542,922</b>	<b>\$ 776,592</b>	<b>\$ 0</b>	<b>\$357,811,747</b>

**School District No. 35 (Langley)**  
**Notes to the Financial Statements**

**Year Ended June 30, 2014**

**6. Tangible Capital assets (continued)**

	Balance at July 1, 2013	Additions	Disposals	Balance at June 30, 2014
Accumulated Amortization:				
Sites	\$	\$	\$	\$
Buildings	130,592,837	6,304,651		136,897,488
Furniture & Equipment	2,433,140	740,306	321,259	2,852,187
Vehicles	1,365,823	240,229	276,970	1,329,082
Computer Software	96,185	58,666	53,181	101,670
Computer Hardware	216,194	99,723	125,182	190,735
Equipment under capital lease	325,590	270,418		596,008
Total	\$135,029,769	\$7,713,993	\$ 776,592	\$141,967,170

**June 30, 2013**

	Balance at July 1, 2012	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2013
Cost:					
Sites	\$ 30,697,440	\$	\$ 73,108	\$	\$ 30,624,332
Buildings	265,834,969	802,257	2,092,532	12,975,142	277,519,836
Buildings – work in progress	10,307,725	19,737,208		(12,975,142)	17,069,791
Furniture & Equipment	5,780,358	1,799,410	994,958		6,584,810
Vehicles	2,417,620	280,999	475,399		2,223,220
Computer Software	189,317	36,991	2,273		224,035
Computer Hardware	484,131	150,460	137,241		497,350
Equipment under capital lease	1,040,213	261,830			1,302,043
Total	\$316,751,773	\$23,069,155	\$3,775,511	\$ 0	\$336,045,417

	Balance at July 1, 2012	Additions	Disposals	Balance at June 30, 2013
Accumulated Amortization:				
Sites	\$	\$	\$	\$
Buildings	125,820,131	5,986,992	1,214,286	130,592,837
Furniture & Equipment	2,818,170	609,928	994,958	2,433,140
Vehicles	1,609,180	232,042	475,399	1,365,823
Computer Software	57,123	41,335	2,273	96,185
Computer Hardware	255,287	98,148	137,241	216,194
Equipment under capital lease	70,566	255,024		325,590
Total	\$130,630,457	\$7,223,469	\$2,824,157	\$135,029,769



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**School District No. 35 (Langley)**  
**Notes to the Financial Statements**

**Year Ended June 30, 2014**

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**6. Tangible Capital assets (continued)**

**Net Book Value**

	<b>June 30, 2014</b>	<b>June 30, 2013</b>
Sites	\$ 30,624,332	\$ 30,624,332
Buildings	154,668,205	146,926,999
Buildings – work in progress	22,435,112	17,069,791
Furniture & Equipment	5,568,514	4,151,670
Vehicles	1,252,286	857,397
Computer Software	260,959	127,850
Computer Hardware	309,139	281,156
Equipment under capital lease	726,030	976,453
Total	\$215,844,577	\$201,015,648

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Buildings – work in progress have not been amortized. Amortization of these assets will commence when the asset is put into service.

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**7. Unearned revenue**

	<b>June 30, 2014</b>	<b>June 30, 2013</b>
Balance, Beginning of Year, July 1	\$ 5,911,329	\$ 5,067,598
Changes		
Increase:		
Tuition fees	7,675,594	5,807,632
Rentals	11,680	4,180
Transportation	136,323	76,870
Grants		15,000
Other	96	7,647
	<u>7,823,692</u>	<u>5,911,329</u>
Decrease:		
Tuition fees	5,807,632	4,961,423
Rentals	4,180	1,800
Transportation	76,870	88,135
Grants	15,000	16,035
Other	7,647	205
	<u>5,911,329</u>	<u>5,067,598</u>
Balance, End of Year	\$ 7,823,692	\$ 5,911,329

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## School District No. 35 (Langley)

### Notes to the Financial Statements

Year Ended June 30, 2014

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#### 8. Deferred revenue

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

	June 30, 2014	June 30, 2013
Balance, Beginning of year, July 1	\$ 1,145,754	\$ 1,590,948
Changes for the year:		
Increase		
Receipts in the year		
Provincial Grants - MOE	5,002,092	5,348,135
Provincial Grants - Other	274,178	295,404
Other Revenue	5,548,324	4,997,826
	10,824,594	10,641,365
Decrease		
Transferred to Revenue	(11,145,387)	(11,086,559)
Balance End of Year	\$ 824,961	\$ 1,145,754

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#### 9. Deferred Capital Revenue

	June 30, 2014	June 30, 2013
Balance, Beginning of year	\$ 132,216,161	\$ 117,653,025
Increase		
Provincial Grants - MOE	22,849,124	19,105,888
Other Revenue	431,451	472,125
Investment Income	78,882	39,204
Transfer to income statement for AFG	(533,993)	
Disposal proceeds		1,124,807
	22,825,464	20,742,024
Decrease		
Amortization	(5,723,403)	(5,300,642)
Revenue recognition on disposal building		(878,246)
	(5,723,403)	(6,178,888)
Balance End of Year	\$ 149,318,222	\$ 132,216,161

# School District No. 35 (Langley)

## Notes to the Financial Statements

Year Ended June 30, 2014

### 9. Deferred Capital Revenue (continued)

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.

### 10. Employee future benefits

Benefits include vested sick leave, accumulating non-vested sick leave, retirement allowances, vacation pay and life insurance. The accrued benefit obligation for employee future benefits is not funded as funding is provided when the benefits are paid. 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>2014</u>	<u>2013</u> <u>(Restated)</u>
<b>Reconciliation of accrued benefit obligation</b>		
Accrued benefit obligation, April 1	\$ 5,568,080	\$ 4,299,579
Service cost	399,873	337,591
Interest cost	166,021	183,686
Benefit payments – April 1 to March 31	(398,934)	(357,982)
Plan Amendment Increase (Decrease) in Obligation	0	27,863
Actuarial (Gain) Loss	<u>(549,534)</u>	<u>1,077,343</u>
Accrued benefit obligation, March 31	\$ <u>5,185,506</u>	\$ <u>5,568,080</u>
<b>Reconciliation of funded status at end of fiscal year</b>		
Accrued Benefit Obligation – March 31	\$ 5,185,506	\$ 5,568,080
Market value of plan assets – March 31	<u>0</u>	<u>0</u>
Funded status – Surplus (Deficit)	\$ (5,185,506)	\$ (5,568,080)
Employer contributions after measurement date	132,250	65,817
Benefits Expense After Measurement Date	(143,022)	(141,474)
Unamortized net actuarial (gain) loss	<u>348,867</u>	<u>1,004,827</u>
Accrued benefit liability - June 30	\$ <u>(4,847,411)</u>	\$ <u>(4,638,910)</u>
<b>Reconciliation of change in accrued benefit liability</b>		
Accrued benefit Liability – July 1	\$ 4,638,910	\$ 4,380,789
Recognize benefits expense April 1 – June 30, 2012	<u>130,319</u>	<u>130,319</u>
Accrued benefit liability – July 1 (restated)	4,638,910	4,511,109
Net expense for fiscal year	673,868	523,014
Employers contributions	<u>(465,367)</u>	<u>(395,213)</u>
Accrued benefit liability - June 30	\$ <u>4,847,411</u>	\$ <u>4,638,910</u>

# School District No. 35 (Langley)

## Notes to the Financial Statements

Year Ended June 30, 2014

### 10. Employee future benefits (continued)

#### Components of net benefit expense

Service cost	\$	400,006	\$	353,162
Interest cost		167,437		179,270
Immediate Recognition of Plan Amendment		0		27,863
Amortization of net actuarial gain		106,426		(37,281)
Net benefit expense	\$	673,868	\$	523,014

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

	<u>2014</u>	<u>2013</u>
Discount rate - April 1	3.00%	4.25%
Discount rate - March 31	3.25%	3.00%
Long term salary growth - April 1	2.50% + seniority	2.50% + seniority
Long term salary growth - March 31	2.50% + seniority	2.50% + seniority
EARSL - March 31	9.3 years	9.3 years

The employee future benefits liability of \$5,181,212 (2013 - \$5,398,260) identified on the statement of financial position includes the liability for the district's retirement plan for non-teaching employees (See Below), in addition to the vested and non-vested employee future benefits described above.

The total employee future benefits liability amount is comprised of:

	<u>2014</u>	<u>2013</u> <u>(Restated)</u>
Vested and non-vested district benefits	\$ 4,847,412	\$ 4,638,910
Retirement plan for non-teaching employees (Note 11)	333,800	759,350
Total accrued benefit liability	<u>\$ 5,181,212</u>	<u>\$ 5,398,260</u>

### 11. Employee pension plans

#### a) Teachers' Pension Plan and Municipal Pension Plan

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

Every three years, an actuarial valuation is performed to assess the financial position of the plans and the adequacy of plan funding. The most recent actuarial valuation of the Teachers' Pension Plan as at

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## **School District No. 35 (Langley)**

### **Notes to the Financial Statements**

**Year Ended June 30, 2014**

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#### **11. Employee pension plans (continued)**

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

The School District's employer contributions to these plans in the fiscal year ended June 30, 2014 were \$15,550,774 (2013 - \$14,885,441).

The contribution formula for these pension plans is as follows: (1) for the Teachers' Pension Plan, the maximum contribution rate for eligible employees was 14.0% (2013 - 12.7%). The School District's maximum contribution rate was 16.13% (2013 - 14.83%); (2) for the Municipal Pension Plan the maximum contribution rate for eligible employees was 9.3% (2013 - 9.3%). The School District's maximum contribution rate was 9.65% (2013 - 9.74%).

#### **b) Retirement Plan for Non-Teaching Employees of School District No. 35 (Langley)**

The Retirement Plan for Non-Teaching Employees of School District No. 35 (Langley) is a defined pension plan that has been effective since October 1, 1964. Effective January 1, 1991, new employees are not permitted to join the plan and are required to join the Municipal Pension Plan. The pension plan has 2 active members and 28 retired members. The plan provides benefits based on years of service and the average compensation of the year in which the member retires.

The Board has appointed a Retirement Committee consisting of management, union and plan members to be in charge of the general administration of the plan. The school district uses the services of outside firms to provide pension administration services and management of the pension plan including investment of the assets and administration of benefits.

An actuarial valuation is normally performed every three years to assess the financial position of the plan. The actuarial valuation conducted as at December 31, 2010 reported a going-concern deficit of \$58,000 (2007: \$900,000 surplus) and a solvency deficiency of \$668,000 (2007: \$70,000 surplus). Due to the significant solvency deficiency as at December 2010 the District requested another actuarial valuation as at December 31, 2011. The valuation reports a going concern deficit of \$436,000 (2010: \$58,000) and a solvency deficiency of \$1,198,000 (2010: \$668,000). The District has recognized the solvency deficiency as a liability in the financial statements as a component of the employee future benefits liability. The District is required to make employer contributions equal to the current service cost retroactive to January 1, 2011 and to make special payments to fund the solvency deficiency either over five years or in a lump sum payment. The District has decided to make special payments to fund the solvency deficiency on a quarterly basis. The next actuarial valuation will be performed as at December 31, 2014.

For the fiscal year ended June 30, 2014 the school district has accrued service costs of \$29,300 (2013: \$8,350) and a liability of \$333,800 (2013: \$759,350).

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## School District No. 35 (Langley)

### Notes to the Financial Statements

Year Ended June 30, 2014

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#### 12. Expense by object

	June 30, 2014	June 30, 2013 Restated
Salaries and benefits	\$147,964,262	\$148,697,677
Services and supplies	16,018,507	15,987,557
Interest	82,739	78,301
Amortization	7,713,993	7,223,469
Other	4,905,428	4,644,271
	<u>\$176,684,929</u>	<u>\$176,631,275</u>

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#### 13. Accumulated Surplus – Operating Fund

The School District attributes a portion of its overall accumulated surplus to an internal operating fund and internally restricts the balance for various purposes. The detail of the operating fund surplus is as follows:

	2014	2013
Restricted operating surplus		
Internally restricted (appropriated) by the Board	\$ 3,188,260	\$ 3,188,260
School generated funds	2,106,071	2,057,564
Aboriginal Education	10,600	
District Initiative to support technology	750,000	250,000
District initiative in support of schools	493,946	393,027
Internally restricted surplus	6,548,877	5,888,851
Unrestricted operating surplus (deficit)	<u>5,747,000</u>	<u>3,782,018</u>
Total surplus (deficit)	<u>\$12,295,877</u>	<u>\$ 9,670,869</u>

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#### 14. Interfund transfers

The School District manages its accounts using three different funds – Operating, Special Purpose and Capital. Transfers between these funds during the year ended June 30, 2014, were as follows:

- A transfer in the amount of \$393,425 (2013: \$265,169) was made from the special purpose fund to the capital fund for payment of capital assets purchased.
  - A transfer in the amount of \$1,119,116 was made from the operating fund to the capital fund for payment of capital assets purchased (2013: \$500,516).
- 

#### 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 generally considered to be in the normal course of

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## School District No. 35 (Langley)

### Notes to the Financial Statements

Year Ended June 30, 2014

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#### 15. Related party transactions (continued)

operations and are recorded at the exchange amount. The cumulative total of transactions with related parties during the year was not material in amount.

The School District has an economic interest in the Langley School District Foundation (Foundation) which acts as a fundraising agency for the School District. The Foundation is a separate legal entity and is a registered charity under the provisions of the *Income Tax Act* of Canada. The Foundation has its own board of directors who approve grants to support various initiatives of the School District.

During the year, the School District received \$332,218 (2013: \$257,656) in contributions from the Foundation to support and promote programs not funded by the Ministry of Education. The School District made contributions to the Foundation to support its operations of \$4,000 (2013: \$4,000). The School District also has an amount receivable from the Foundation of \$0 (2013: \$500) – see Note 3, and a payables amount of \$6,469.13 (2013: \$0) – see Note 5.

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#### 16. Obligations under capital leases

The District entered into a capital lease during March 2012 to replace photocopier and printer equipment in schools and business offices. The lease expires at the end of February 2017. The minimum future lease payments for the years ended June 30 are as follows:

2015	\$ 346,020
2016	346,020
2017	237,086
2018	
Thereafter	
Total minimum lease payments	<u>\$ 929,126</u>
Less amounts representing interest	<u>(203,096)</u>
Present value of net minimum capital lease payments	<u>\$ 726,030</u>

For the year ended June 30, 2014, the District recorded interest expense on the obligations under capital leases of \$ 74,587 (2013- \$ 50,267).

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#### 17. 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.

	2015	2016	Thereafter
Construction of Richard Bulpitt Elementary	\$ 97,010	\$0	\$0
Construction of Yorkson Area Middle School	3,154,061		
Various AFG projects	1,088,909	\$0	\$0
	<u>\$ 4,339,980</u>	<u>\$0</u>	<u>\$0</u>

# School District No. 35 (Langley)

## Notes to the Financial Statements

Year Ended June 30, 2014

### 18. Asset retirement obligations

Legal liabilities may exist for the removal or disposal of asbestos in schools that will undergo major renovations or demolition or as a requirement of a disposal. The fair value of the 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, 2014, the liability is not reasonably determinable and the District has accordingly not made any provision in the financial statements to reflect future removal costs or reduced sale proceeds.

### 19. Budget Figures

Budget figures were approved by the Board of Education through the adoption of an annual amended budget bylaw on February 25, 2014.

Budget figures included in the financial statements reflect the amended planned budget approved by the Board. The District has elected to present the amended budget as it reflects a budget based on funding as a result of final enrollment numbers versus estimated enrollment projections.

	Original Budget	Amended Budget	Change
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	\$ 160,291,426	\$ 161,627,164	\$ 1,335,738
Other	537,262	666,300	129,038
Tuition	7,146,200	7,100,099	(46,101)
Other Revenue	6,501,994	7,270,584	768,590
Rentals and Leases	777,688	784,288	6,600
Investment Income	210,863	351,833	140,970
Amortization of Deferred Capital Revenue	5,836,945	5,699,198	(137,747)
<b>Total Revenue</b>	<b>181,302,378</b>	<b>183,499,466</b>	<b>2,197,088</b>
<b>Expenses</b>			
Instruction	151,128,152	153,657,878	2,529,726
District Administration	5,020,926	4,870,125	(150,801)
Operations and Maintenance	26,196,840	26,062,737	(134,103)
Transportation and Housing	2,232,463	2,176,975	(55,488)
Debt Services	32,216	74,588	42,372
<b>Total Expense</b>	<b>184,610,597</b>	<b>186,842,303</b>	<b>2,231,706</b>
			-
<b>Net Revenue (Expense)</b>	<b>(3,308,219)</b>	<b>(3,342,837)</b>	<b>(34,618)</b>
			-
<b>Budgeted Allocation (Retirement) of Surplus (Deficit)</b>	<b>1,964,696</b>	<b>2,510,412</b>	<b>545,716</b>
<b>Budgeted Surplus (Deficit), for the year</b>	<b>\$ (1,343,523)</b>	<b>\$ (832,425)</b>	<b>\$ 511,098</b>

Significant changes between the original and amended budgets are as follows:

- Ministry grants - release of the provincial operating grant holdback amount was reflected in the amended budget.
- Other revenue - increased salary recoveries, school generated funds and benefit reimbursements.
- Instruction expenses - increases in Special Education staffing and instructional supplies



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## **School District No. 35 (Langley)**

### **Notes to the Financial Statements**

**Year Ended June 30, 2014**

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#### **20. Risk management**

The School District has exposure to the following risks from its use of financial instruments: credit risk, market risk and liquidity risk. The Board ensures that the School District has identified its risks and ensures that management monitors and controls them.

a) Credit risk:

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

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 and guaranteed investment certificates that have a maturity date of no more than 3 years.

c) Liquidity risk

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

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

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

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#### **21. 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 on a going concern basis.

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## **School District No. 35 (Langley)**

### **Notes to the Financial Statements**

**Year Ended June 30, 2014**

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#### **22. Contingencies**

In previous years the School District reported it had been 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. During the year the class action lawsuit proceeded with class members being informed of their right to recover tuitions paid or obtain credits for future courses. The action has now concluded with no liability to the District.

The School District has recorded a liability of \$1,367,151 to reflect a condition of a Provincial Framework Agreement that has been reached with support staff unions. The condition states support staff will be compensated for lost wages resulting from not crossing lawful picket lines established by the British Columbia Teachers Federation (BCTF), provided that the agreement is ratified at the local level by November 30, 2014.

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#### **23. Prior period adjustment**

In prior years school districts reported annual Employee Future Benefit (EFB) expense equal to the 12 months ended March 31 expenses as determined by the actuary rather than the 12 months ended June 30. An adjustment was made to increase the Employee Future Benefit (EFB) liability to include benefits expense incurred after the early measurement date of March 31 (see Note 10). The June 30, 2013 EFB liability increased by \$141,474 representing the EFB expenses April 1 to June 30, 2013. The opening surplus as at July 1, 2012 was decreased by \$130,319 representing the April 1 – June 2012 EFB expenses. The surplus for the year ended June 30, 2013 was decreased by \$11,155 representing the April 1 – June 2013 EFB expense minus the April 1 – June 2012 EFB expense.

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# School District No. 35 (Langley)

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

Schedule 1 (Unaudited)

	Operating Fund	Special Purpose Fund	Capital Fund	2014 Actual	2013 Actual (Recast)
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	9,670,869		72,336,755	82,007,624	75,185,069
Prior Period Adjustments					(130,319)
Accumulated Surplus (Deficit), beginning of year, as restated	9,670,869	-	72,336,755	82,007,624	75,054,750
Changes for the year					
Surplus (Deficit) for the year	3,744,124	393,425	(2,036,184)	2,101,365	6,952,874
Interfund Transfers					
Tangible Capital Assets Purchased		(393,425)	393,425	-	-
Local Capital	(774,111)		774,111	-	-
Other	(345,005)		345,005	-	-
Net Changes for the year	2,625,008	-	(523,643)	2,101,365	6,952,874
Accumulated Surplus (Deficit), end of year - Statement 2	12,295,877	-	71,813,112	84,108,989	82,007,624

**School District No. 35 (Langley)**

Schedule 2 (Unaudited)

## Schedule of Operating Operations

Year Ended June 30, 2014

	2014 Budget	2014 Actual	2013 Actual (Recast)
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	155,349,514	151,099,170	154,263,087
Other	280,284	290,434	240,834
Tuition	7,100,099	7,218,784	5,992,613
Other Revenue	1,182,100	1,461,304	1,856,444
Rentals and Leases	784,288	888,783	862,070
Investment Income	301,500	407,874	289,483
<b>Total Revenue</b>	<b>164,997,785</b>	<b>161,366,349</b>	<b>163,504,531</b>
<b>Expenses</b>			
Instruction	142,320,204	132,465,531	133,702,088
District Administration	4,870,125	4,909,533	4,594,767
Operations and Maintenance	17,741,770	18,130,242	16,915,011
Transportation and Housing	1,959,788	2,116,919	2,134,420
Debt Services			20,859
<b>Total Expense</b>	<b>166,891,887</b>	<b>157,622,225</b>	<b>157,367,145</b>
<b>Operating Surplus (Deficit) for the year</b>	<b>(1,894,102)</b>	<b>3,744,124</b>	<b>6,137,386</b>
<b>Budgeted Appropriation (Retirement) of Surplus (Deficit)</b>	<b>2,510,412</b>		
<b>Net Transfers (to) from other funds</b>			
Local Capital	(298,310)	(774,111)	(192,351)
Other	(318,000)	(345,005)	(308,165)
<b>Total Net Transfers</b>	<b>(616,310)</b>	<b>(1,119,116)</b>	<b>(500,516)</b>
<b>Total Operating Surplus (Deficit), for the year</b>	<b>-</b>	<b>2,625,008</b>	<b>5,636,870</b>
<b>Operating Surplus (Deficit), beginning of year</b>		<b>9,670,869</b>	<b>4,164,318</b>
Prior Period Adjustments			
April - June 2012 EFB Expense Restatement			(130,319)
<b>Operating Surplus (Deficit), beginning of year, as restated</b>		<b>9,670,869</b>	<b>4,033,999</b>
<b>Operating Surplus (Deficit), end of year</b>		<b>12,295,877</b>	<b>9,670,869</b>
<b>Operating Surplus (Deficit), end of year</b>			
Internally Restricted (Note 13)		6,548,877	5,888,851
Unrestricted		5,747,000	3,782,018
<b>Total Operating Surplus (Deficit), end of year</b>		<b>12,295,877</b>	<b>9,670,869</b>

**School District No. 35 (Langley)**

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2014

	2014 Budget	2014 Actual	2013 Actual (Recast)
	\$	\$	\$
<b>Provincial Grants - Ministry of Education</b>			
Operating Grant, Ministry of Education	154,578,430	150,263,611	153,273,004
AANDC/LEA Recovery	(167,100)	(161,878)	(156,490)
Other Ministry of Education Grants			
Education Guarantee	222,469	254,309	430,559
Other Ministry of Education Grants	18,840	18,842	18,840
Pay Equity	551,875	551,875	551,875
Carbon Tax	145,000	172,411	145,299
<b>Total Provincial Grants - Ministry of Education</b>	<b>155,349,514</b>	<b>151,099,170</b>	<b>154,263,087</b>
<b>Provincial Grants - Other</b>	<b>280,284</b>	<b>290,434</b>	<b>240,834</b>
<b>Tuition</b>			
Summer School Fees	139,000	139,375	133,880
Continuing Education	117,369	110,577	79,703
Offshore Tuition Fees	6,843,730	6,968,832	5,779,030
<b>Total Tuition</b>	<b>7,100,099</b>	<b>7,218,784</b>	<b>5,992,613</b>
<b>Other Revenues</b>			
LEA/Direct Funding from First Nations	167,100	161,878	156,490
Miscellaneous			
Other Miscellaneous Revenue	745,000	979,849	1,354,930
Transportation	195,000	195,570	205,817
BC Hydro Grant	75,000	75,500	62,500
School Generated Funds	-	48,507	76,707
<b>Total Other Revenue</b>	<b>1,182,100</b>	<b>1,461,304</b>	<b>1,856,444</b>
<b>Rentals and Leases</b>	<b>784,288</b>	<b>888,783</b>	<b>862,070</b>
<b>Investment Income</b>	<b>301,500</b>	<b>407,874</b>	<b>289,483</b>
<b>Total Operating Revenue</b>	<b>164,997,785</b>	<b>161,366,349</b>	<b>163,504,531</b>

**School District No. 35 (Langley)**

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2014

	2014 Budget	2014 Actual	2013 Actual (Recast)
	\$	\$	\$
<b>Salaries</b>			
Teachers	76,915,246	70,341,174	74,337,011
Principals and Vice Principals	8,952,142	8,964,714	8,592,005
Educational Assistants	12,749,579	12,195,770	10,974,818
Support Staff	14,057,675	13,468,127	12,983,326
Other Professionals	3,373,251	3,518,928	3,273,655
Substitutes	5,235,013	6,000,474	5,942,550
<b>Total Salaries</b>	<b>121,282,906</b>	<b>114,489,187</b>	<b>116,103,365</b>
<b>Employee Benefits</b>	<b>31,180,514</b>	<b>28,872,363</b>	<b>27,831,951</b>
<b>Total Salaries and Benefits</b>	<b>152,463,420</b>	<b>143,361,550</b>	<b>143,935,316</b>
<b>Services and Supplies</b>			
Services	2,958,051	3,135,382	2,762,846
Student Transportation	69,910	80,200	274,190
Professional Development and Travel	1,162,362	1,034,978	791,579
Rentals and Leases	10,900	6,133	11,886
Dues and Fees	555,960	496,399	506,618
Insurance	473,200	505,098	472,513
Interest	-	8,152	28,034
Supplies	6,491,084	6,211,713	5,996,678
Bad Debts	2,000	36,104	16,331
Utilities	2,705,000	2,746,516	2,571,154
<b>Total Services and Supplies</b>	<b>14,428,467</b>	<b>14,260,675</b>	<b>13,431,829</b>
<b>Total Operating Expense</b>	<b>166,891,887</b>	<b>157,622,225</b>	<b>157,367,145</b>

# School District No. 35 (Langley)

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

Schedule 2C (Unaudited)

	Teachers Salaries	Principals and Vice Principals Salaries	Educational Assistants Salaries	Support Staff Salaries	Other Professionals Salaries	Substitutes Salaries	Total Salaries
	\$	\$	\$	\$	\$	\$	\$
<b>1 Instruction</b>							
1.02 Regular Instruction	55,004,735	1,709,139	209,868	1,243,367	44,098	3,914,012	62,125,219
1.03 Career Programs	318,374		36,278	33,304		1,689	389,645
1.07 Library Services	518,039		444,707	51,473		16,014	1,030,233
1.08 Counselling	2,667,573	115,561	372	40,337	6,563	550	2,824,393
1.10 Special Education	8,932,946	198,934	10,257,493	47,404		671,853	20,115,193
1.30 English Language Learning	997,380	45,527	86,836			10,311	1,140,054
1.31 Aboriginal Education	394,287	78,019	787,011	79,888		28,689	1,367,894
1.41 School Administration		6,170,288	1,262	2,204,962	70,736	164,180	8,611,428
1.60 Summer School	518,024	85,537	20,663	1,298			625,522
1.61 Continuing Education							
1.62 Off Shore Students	989,816	195,932	255,425	132,518	342,804	65,749	1,982,244
1.64 Other							
<b>Total Function 1</b>	<b>70,341,174</b>	<b>8,598,937</b>	<b>12,099,915</b>	<b>3,834,551</b>	<b>464,201</b>	<b>4,873,047</b>	<b>100,211,825</b>
<b>4 District Administration</b>							
4.11 Educational Administration		91,697	920		876,701	2,200	971,518
4.40 School District Governance					130,269		130,269
4.41 Business Administration		274,080		704,212	1,082,432	77,905	2,138,629
<b>Total Function 4</b>	<b>-</b>	<b>365,777</b>	<b>920</b>	<b>704,212</b>	<b>2,089,402</b>	<b>80,105</b>	<b>3,240,416</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration				85,544	674,629	16,018	776,191
5.50 Maintenance Operations				7,592,136	221,947	800,661	8,614,744
5.52 Maintenance of Grounds				324,267		24,449	348,716
5.56 Utilities							
<b>Total Function 5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,001,947</b>	<b>896,576</b>	<b>841,128</b>	<b>9,739,651</b>
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration				89,672	68,749	9,290	167,711
7.70 Student Transportation			94,935	837,745		196,904	1,129,584
<b>Total Function 7</b>	<b>-</b>	<b>-</b>	<b>94,935</b>	<b>927,417</b>	<b>68,749</b>	<b>206,194</b>	<b>1,297,295</b>
<b>9 Debt Services</b>							
9.94 Interest on Temporary Borrowing							
<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>70,341,174</b>	<b>8,964,714</b>	<b>12,195,770</b>	<b>13,468,127</b>	<b>3,518,928</b>	<b>6,000,474</b>	<b>114,489,187</b>

**School District No. 35 (Langley)**  
Operating Expense by Function, Program and Object  
Year Ended June 30, 2014

Schedule 2C (Unaudited)

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2014 Actual	2014 Budget	2013 Actual (Recast)
	\$	\$	\$	\$	\$	\$	\$
<b>1 Instruction</b>							
1.02 Regular Instruction	62,125,219	16,515,573	78,640,792	3,822,717	82,463,509	90,553,170	86,427,829
1.03 Career Programs	389,645	94,462	484,107	98,826	582,933	564,319	570,279
1.07 Library Services	1,030,233	246,185	1,276,418	95,575	1,371,993	1,375,662	1,634,385
1.08 Counselling	2,824,393	644,924	3,469,317	52,753	3,522,070	3,503,225	3,203,761
1.10 Special Education	20,115,193	4,975,461	25,090,654	361,486	25,452,140	26,883,991	24,292,652
1.30 English Language Learning	1,140,054	269,804	1,409,858	22,936	1,432,794	1,577,515	1,850,940
1.31 Aboriginal Education	1,367,894	327,863	1,695,757	327,123	2,022,880	2,093,339	2,073,939
1.41 School Administration	8,611,428	2,070,425	10,681,853	444,386	11,126,239	11,307,725	10,456,665
1.60 Summer School	625,522	124,957	750,479	18,283	768,762	762,024	369,533
1.61 Continuing Education	-	-	-	-	-	-	769
1.62 Off Shore Students	1,982,244	459,980	2,442,224	1,276,987	3,719,211	3,684,234	2,804,403
1.64 Other	-	-	-	3,000	3,000	15,000	16,933
<b>Total Function 1</b>	<b>100,211,825</b>	<b>25,729,634</b>	<b>125,941,459</b>	<b>6,524,072</b>	<b>132,465,531</b>	<b>142,320,204</b>	<b>133,702,088</b>
<b>4 District Administration</b>							
4.11 Educational Administration	971,518	192,536	1,164,054	243,991	1,408,045	1,216,915	1,074,624
4.40 School District Governance	130,269	3,218	133,487	114,355	247,842	248,420	250,170
4.41 Business Administration	2,138,629	455,823	2,594,452	659,194	3,253,646	3,404,790	3,269,973
<b>Total Function 4</b>	<b>3,240,416</b>	<b>651,577</b>	<b>3,891,993</b>	<b>1,017,540</b>	<b>4,909,533</b>	<b>4,870,125</b>	<b>4,594,767</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration							
5.50 Maintenance Operations	776,191	148,273	924,464	499,125	1,423,589	1,471,130	1,420,073
5.52 Maintenance of Grounds	8,614,744	1,962,494	10,577,238	2,751,961	13,329,199	12,908,119	12,400,350
5.56 Utilities	348,716	85,117	433,833	204,331	638,164	665,521	527,273
<b>Total Function 5</b>	<b>9,739,651</b>	<b>2,195,884</b>	<b>11,935,535</b>	<b>6,194,707</b>	<b>18,130,242</b>	<b>17,741,770</b>	<b>16,915,011</b>
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration							
7.70 Student Transportation	167,711	40,665	208,376	4,704	213,080	216,268	207,356
<b>Total Function 7</b>	<b>1,129,584</b>	<b>254,603</b>	<b>1,384,187</b>	<b>519,652</b>	<b>1,903,839</b>	<b>1,743,520</b>	<b>1,927,064</b>
<b>9 Debt Services</b>							
9.94 Interest on Temporary Borrowing	-	-	-	-	-	-	20,859
<b>Total Function 9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20,859</b>
<b>Total Functions 1 - 9</b>	<b>114,489,187</b>	<b>28,872,363</b>	<b>143,361,550</b>	<b>14,260,675</b>	<b>157,622,225</b>	<b>166,891,887</b>	<b>157,367,145</b>



**School District No. 35 (Langley)**

Schedule 3 (Unaudited)

## Schedule of Special Purpose Operations

Year Ended June 30, 2014

	2014 Budget	2014 Actual	2013 Actual (Recast)
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	5,762,933	5,177,116	5,709,537
Other	386,016	321,640	252,460
Other Revenue	6,088,484	5,634,800	5,122,928
<b>Total Revenue</b>	<u>12,237,433</u>	<u>11,133,556</u>	<u>11,084,925</u>
<b>Expenses</b>			
Instruction	11,337,674	10,525,903	10,155,764
District Administration		57,346	31,611
Operations and Maintenance	359,012	156,882	632,381
<b>Total Expense</b>	<u>11,696,686</u>	<u>10,740,131</u>	<u>10,819,756</u>
<b>Special Purpose Surplus (Deficit) for the year</b>	<u>540,747</u>	<u>393,425</u>	<u>265,169</u>
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased	(540,747)	(393,425)	(265,169)
<b>Total Net Transfers</b>	<u>(540,747)</u>	<u>(393,425)</u>	<u>(265,169)</u>
<b>Total Special Purpose Surplus (Deficit) for the year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Special Purpose Surplus (Deficit), beginning of year</b>			
<b>Special Purpose Surplus (Deficit), end of year</b>		<u>-</u>	<u>-</u>

# School District No. 35 (Langley)

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

Schedule 3A (Unaudited)

	Annual Facility Grant	Learning Improvement Fund	Special Education Equipment	Transportation for Deaf and Hard of Hearing	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	Community- LINK
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	229,633	1,305	157,822	10,527	425,527	27,551	39,401	72,820	69,331
Add: Restricted Grants									
Provincial Grants - Ministry of Education	286,470	1,854,737	26,023	359,787	5,543,029	286,210	70,283	215,675	1,902,907
Provincial Grants - Other									
Less: Allocated to Revenue	516,103	1,819,947	34,204	359,551	5,629,505	298,127	53,309	173,944	1,927,226
Recovered		1,304		10,527					
Deferred Revenue, end of year	-	34,791	149,641	236	339,051	15,634	56,375	119,846	45,012
<b>Revenues</b>									
Provincial Grants - Ministry of Education	516,103	1,819,947	34,204	359,551		298,127	53,309	168,649	1,927,226
Provincial Grants - Other									
Other Revenue					5,629,505			5,295	
<b>Expenses</b>									
Salaries									
Teachers									
Principals and Vice Principals		1,204,693		84,090		27,668	11,670	34,665	270,032
Educational Assistants		200,559		26,651					344
Support Staff	43,673			132,427		187,605			1,125,432
Substitutes		40,132		950					8,839
Employee Benefits	43,673	1,445,384		438		1,093	14,900	17,204	14,575
Services and Supplies	7,555	374,563		244,556		216,366	26,570	51,869	1,419,222
	105,654			50,216		63,836	2,775	13,079	377,856
	156,882	1,819,947		64,779	5,629,505	17,925	23,964	108,996	130,148
				359,551	5,629,505	298,127	53,309	173,944	1,927,226
<b>Net Revenue (Expense) before Interfund Transfers</b>	359,221	-	34,204	-	-	-	-	-	-
<b>Interfund Transfers</b>									
Tangible Capital Assets Purchased	(359,221)		(34,204)						
	(359,221)	-	(34,204)	-	-	-	-	-	-
<b>Net Revenue (Expense)</b>	-	-	-	-	-	-	-	-	-

**School District No. 35 (Langley)**  
Changes in Special Purpose Funds and Expense by Object  
Year Ended June 30, 2014

Schedule 3A (Unaudited)

	SWIS	TOTAL
	\$	\$
Deferred Revenue, beginning of year	111,837	1,145,754
Add: Restricted Grants		
Provincial Grants - Ministry of Education		5,002,092
Provincial Grants - Other	274,178	274,178
		5,548,324
	274,178	10,824,594
Less: Allocated to Revenue		
Recovered	321,640	11,133,556
Deferred Revenue, end of year	64,375	824,961
Revenues		
Provincial Grants - Ministry of Education		5,177,116
Provincial Grants - Other	321,640	321,640
Other Revenue		5,634,800
	321,640	11,133,556
Expenses		
Salaries		
Teachers	865	1,633,683
Principals and Vice Principals	30,351	57,346
Educational Assistants	160,330	1,806,353
Support Staff	11,069	64,531
Substitutes	10,210	98,552
	212,825	3,660,465
Employee Benefits	52,367	942,247
Services and Supplies	56,448	6,137,419
	321,640	10,740,131
Net Revenue (Expense) before Interfund Transfers	-	393,425
Interfund Transfers		
Tangible Capital Assets Purchased		(393,425)
	-	(393,425)
Net Revenue (Expense)	-	-

# School District No. 35 (Langley)

Schedule 4 (Unaudited)

## Schedule of Capital Operations

Year Ended June 30, 2014

	2014 Budget	2014 Actual			2013 Actual (Recast)
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
<b>Revenues</b>					
Provincial Grants					
Ministry of Education	514,717	533,993		533,993	1,170,638
Investment Income	50,333		28,993	28,993	44,168
Gain (Loss) on Disposal of Tangible Capital Assets				-	2,479,245
Amortization of Deferred Capital Revenue	5,699,198	5,723,403		5,723,403	5,300,642
<b>Total Revenue</b>	<b>6,264,248</b>	<b>6,257,396</b>	<b>28,993</b>	<b>6,286,389</b>	<b>8,994,693</b>
<b>Expenses</b>					
Operations and Maintenance	514,717	533,993		533,993	1,170,638
Amortization of Tangible Capital Assets					
Operations and Maintenance	7,447,238	7,473,764		7,473,764	7,223,469
Transportation and Housing	217,187	240,229		240,229	-
Debt services					
Capital Lease Interest	74,588		74,587	74,587	50,267
<b>Total Expense</b>	<b>8,253,730</b>	<b>8,247,986</b>	<b>74,587</b>	<b>8,322,573</b>	<b>8,444,374</b>
<b>Capital Surplus (Deficit) for the year</b>	<b>(1,989,482)</b>	<b>(1,990,590)</b>	<b>(45,594)</b>	<b>(2,036,184)</b>	<b>550,319</b>
<b>Net Transfers (to) from other funds</b>					
Tangible Capital Assets Purchased	540,747	393,425		393,425	265,169
Local Capital	298,310		774,111	774,111	192,351
Capital Lease Payment	318,000		345,005	345,005	308,165
<b>Total Net Transfers</b>	<b>1,157,057</b>	<b>393,425</b>	<b>1,119,116</b>	<b>1,512,541</b>	<b>765,685</b>
<b>Other Adjustments to Fund Balances</b>					
Tangible Capital Assets Purchased from Local Capital		911,003	(911,003)	-	
Principal Payment					
Capital Lease		270,418	(270,418)	-	
<b>Total Other Adjustments to Fund Balances</b>		<b>1,181,421</b>	<b>(1,181,421)</b>	<b>-</b>	
<b>Total Capital Surplus (Deficit) for the year</b>	<b>(832,425)</b>	<b>(415,744)</b>	<b>(107,899)</b>	<b>(523,643)</b>	<b>1,316,004</b>
<b>Capital Surplus (Deficit), beginning of year</b>		<b>71,128,810</b>	<b>1,207,945</b>	<b>72,336,755</b>	<b>71,020,751</b>
<b>Capital Surplus (Deficit), end of year</b>		<b>70,713,066</b>	<b>1,100,046</b>	<b>71,813,112</b>	<b>72,336,755</b>

# School District No. 35 (Langley)

Tangible Capital Assets

Year Ended June 30, 2014

Schedule 4A (Unaudited)

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	30,624,332	277,519,836	7,786,877	2,223,220	224,035	497,350	318,875,650
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw			187,358	418,790			418,790
Deferred Capital Revenue - Other			58,137				187,358
Special Purpose Funds		334,506				782	393,425
Local Capital		71,818	304,158	216,328	191,775	126,924	911,003
Capital Lease			19,995				19,995
Transferred from Work in Progress		13,639,533	1,608,048				15,247,581
	-	14,045,857	2,177,696	635,118	191,775	127,706	17,178,152
Decrease:							
Disposed of	-	-	-	-	-	-	-
Deemed Disposals			321,259	276,970	53,181	125,182	776,592
	-	-	321,259	276,970	53,181	125,182	776,592
Cost, end of year	30,624,332	291,565,693	9,643,314	2,581,368	362,629	499,874	335,277,210
Work in Progress, end of year		22,435,112	99,425				22,534,537
Cost and Work in Progress, end of year	30,624,332	314,000,805	9,742,739	2,581,368	362,629	499,874	357,811,747
Accumulated Amortization, beginning of year		130,592,837	2,758,730	1,365,823	96,185	216,194	135,029,769
Changes for the Year							
Increase: Amortization for the Year		6,304,651	1,010,724	240,229	58,666	99,723	7,713,993
Decrease:							
Disposed of		-	-	-	-	-	-
Deemed Disposals			321,259	276,970	53,181	125,182	776,592
	-	-	321,259	276,970	53,181	125,182	776,592
Accumulated Amortization, end of year		136,897,488	3,448,195	1,329,082	101,670	190,735	141,967,170
Tangible Capital Assets - Net	30,624,332	177,103,317	6,294,544	1,252,286	260,959	309,139	215,844,577

**School District No. 35 (Langley)**

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2014

	<b>Buildings</b>	<b>Furniture and Equipment</b>	<b>Computer Software</b>	<b>Computer Hardware</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Work in Progress, beginning of year</b>	17,069,791	99,976			17,169,767
<b>Changes for the Year</b>					
Increase:					
Deferred Capital Revenue - Bylaw	19,004,854	1,607,497			20,612,351
	19,004,854	1,607,497	-	-	20,612,351
Decrease:					
Transferred to Tangible Capital Assets	13,639,533	1,608,048			15,247,581
	13,639,533	1,608,048	-	-	15,247,581
<b>Net Changes for the Year</b>	5,365,321	(551)	-	-	5,364,770
<b>Work in Progress, end of year</b>	22,435,112	99,425	-	-	22,534,537

**School District No. 35 (Langley)**

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2014

	<b>Bylaw Capital</b>	<b>Other Provincial</b>	<b>Other Capital</b>	<b>Total Capital</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Deferred Capital Revenue, beginning of year</b>	110,443,381	474,375	1,066,491	111,984,247
<b>Changes for the Year</b>				
Increase:				
Transferred from Deferred Revenue - Capital Additions	418,790		187,358	606,148
Transferred from Work in Progress	15,247,581			15,247,581
	15,666,371	-	187,358	15,853,729
Decrease:				
Amortization of Deferred Capital Revenue	5,555,677	14,375	153,351	5,723,403
	5,555,677	14,375	153,351	5,723,403
<b>Net Changes for the Year</b>	10,110,694	(14,375)	34,007	10,130,326
<b>Deferred Capital Revenue, end of year</b>	120,554,075	460,000	1,100,498	122,114,573
<b>Work in Progress, beginning of year</b>	17,169,767			17,169,767
<b>Changes for the Year</b>				
Increase				
Transferred from Deferred Revenue - Work in Progress	20,612,351			20,612,351
	20,612,351	-	-	20,612,351
Decrease				
Transferred to Deferred Capital Revenue	15,247,581			15,247,581
	15,247,581	-	-	15,247,581
<b>Net Changes for the Year</b>	5,364,770	-	-	5,364,770
<b>Work in Progress, end of year</b>	22,534,537	-	-	22,534,537
<b>Total Deferred Capital Revenue, end of year</b>	143,088,612	460,000	1,100,498	144,649,110

**School District No. 35 (Langley)**  
Changes in Unspent Deferred Capital Revenue  
Year Ended June 30, 2014

Schedule 4D (Unaudited)

	By/Law Capital	MEd Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	(2,856,752)	3,909,229	-	2,009,670	-	3,062,147
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	22,849,124					22,849,124
Other				244,093	187,358	431,451
Investment Income		51,060		27,822		78,882
Transfer to Income Statement for AFG projects	(533,993)					(533,993)
	22,315,131	51,060	-	271,915	187,358	22,825,464
Decrease:						
Transferred to DCR - Capital Additions	418,790				187,358	606,148
Transferred to DCR - Work in Progress	20,612,351					20,612,351
	21,031,141	-	-	-	187,358	21,218,499
Net Changes for the Year	1,283,990	51,060	-	271,915	-	1,606,965
Balance, end of year	(1,572,762)	3,960,289	-	2,281,585	-	4,669,112