

Consolidated Financial Statements of

**HALIFAX REGIONAL
SCHOOL BOARD**

Year ended March 31, 2016



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INDEPENDENT AUDITORS' REPORT

To the Chairperson and Members of the Board

We have audited the accompanying consolidated financial statements of Halifax Regional School Board which comprise the consolidated statement of financial position as at March 31, 2016, consolidated statements of accumulated surplus, operations and accumulated surplus, changes in net financial assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian Public Sector Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Halifax Regional School Board as at March 31, 2016 and its consolidated results of operations, accumulated surplus and its consolidated cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Other matters

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of the Halifax Regional School Board taken as a whole. The supplementary information included in the Schedules is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Chartered Accountants
June 22, 2016
Halifax, Canada

HALIFAX REGIONAL SCHOOL BOARD

Consolidated Financial Statements

Year ended March 31, 2016

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HALIFAX REGIONAL SCHOOL BOARD


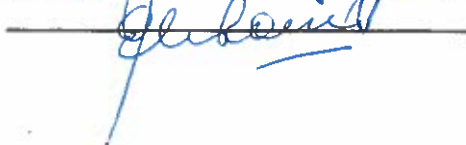
Consolidated Statement of Financial Position

March 31, 2016, with comparative information for 2015

	2016	2015
		(As restated - Note 2)
Financial Assets		
Cash	\$ 8,790,867	\$ 12,753,582
Cash Held by Schools (note 3)	8,485,114	7,986,262
Short-Term Investments	6,327,379	6,136,712
Accounts Receivable:		
Province of Nova Scotia	12,270,835	13,431,446
Province of Nova Scotia - Teachers' Salary Accrual	6,761,400	8,008,000
Province of Nova Scotia - Long-Term Service Awards (note 4)	51,809,719	36,757,237
Province of Nova Scotia - Long-Term Sick Leave Accrual (note 5)	63,979,573	63,791,003
Government of Canada	4,312,344	2,777,048
Other	1,720,754	2,269,534
Total Financial Assets	164,457,985	153,910,824
Financial Liabilities		
Payables and Accruals - Trade	18,924,349	23,220,927
School Based Accrued Liabilities (note 3)	274,413	189,538
Payables and Accruals - Government:		
Province of Nova Scotia	181,055	1,162,446
Halifax Regional Municipality	138,919	303,576
Other	4,757,348	4,814,396
Teachers' Salary Accrual	6,761,400	8,008,000
Employee Pension and Post Employment Benefits	580,700	617,800
Deferred Revenue	6,893,967	5,935,103
School Based Deferred Revenue (note 3)	2,843,537	1,959,787
Long-Term Service Awards Liability (note 4)	51,809,719	36,757,237
Long-Term Sick Leave Accrual (note 5)	63,979,573	63,791,003
Total Liabilities	157,144,980	146,759,813
Net Financial Assets	7,313,005	7,151,011
Non-Financial Assets:		
Prepaid Expenses	1,325,080	1,239,887
School Based Prepays (note 3)	512,194	450,731
Tangible Capital Assets (note 6)	6,630,758	7,133,308
	8,468,032	8,823,926
Accumulated Surplus	\$ 15,781,037	\$ 15,974,937
Designation of Accumulated Surplus:		
General Fund - Unrestricted	\$ 3,331,208	\$ 2,219,033
General Fund - Program Resources (Schools)	27,240	425,373
General Fund - Capital Amortization	4,682,122	5,058,326
School Based Funds (note 3)	5,879,358	6,287,668
General Fund - Citadel Theatre Amortization	1,861,109	1,984,537
Commitments (note 7)		
Contingencies (note 8)		
	\$ 15,781,037	\$ 15,974,937

See accompanying notes to consolidated financial statements.

On behalf of the Board:

Chairperson

Superintendent

HALIFAX REGIONAL SCHOOL BOARD

Consolidated Statement of Accumulated Surplus

Year ended March 31, 2016, with comparative information for 2015

						2016	2015
	General Fund Unrestricted	General Fund Program Resources (Schools)	General Fund Capital Amortization	School Based Funds	General Fund Citadel Theatre Amortization	Total	Total
Opening Balance, Beginning of Year	\$ 2,219,033	\$ 425,373	\$ 5,058,326	\$ 6,287,668	\$ 1,984,537	\$ 15,974,937	\$ 16,261,784
Excess of Revenue Over Expenditure							
(Expenditure Over Revenue)	214,410	-	-	(408,310)	-	(193,900)	(286,847)
Use of Program Resources	398,133	(398,133)	-	-	-	-	-
Amortization of Tangible Capital Assets	499,632	-	(376,204)	-	(123,428)	-	-
Closing Balance, End of Year	\$ 3,331,208	\$ 27,240	\$ 4,682,122	\$ 5,879,358	\$ 1,861,109	\$ 15,781,037	\$ 15,974,937

See accompanying notes to consolidated financial statements.

HALIFAX REGIONAL SCHOOL BOARD

Consolidated Statement of Operations and Accumulated Surplus

Year ended March 31, 2016, with comparative information for 2015

	2016 Budget	2016 Actual	2015 Actual
			(As restated - Note 2)
Revenue:			
Province of Nova Scotia	\$ 300,392,500	\$ 315,351,380	\$ 305,871,243
Halifax Regional Municipality	141,922,800	141,930,200	136,415,500
Government of Canada	2,389,100	2,594,656	2,605,856
Board Operations	14,075,500	13,750,949	13,712,991
School Based Funds (note 3)	-	16,284,869	16,436,510
	<u>458,779,900</u>	<u>489,912,054</u>	<u>475,042,100</u>
Expenditure:			
Board Governance	301,200	259,080	266,955
Office of the Superintendent	1,486,600	1,590,399	1,300,390
Financial Services	2,616,900	2,548,223	2,392,499
Human Resource Services	4,557,100	4,296,758	4,167,773
School Administration	349,690,100	364,826,295	348,462,339
Program	20,545,100	19,655,276	19,415,830
Operations Services	71,109,600	71,988,469	75,217,352
Other Programs	8,473,300	8,248,275	7,910,129
School Based Funds Activities (note 3)	-	16,693,179	16,195,680
	<u>458,779,900</u>	<u>490,105,954</u>	<u>475,328,947</u>
Excess of Revenue Over Expenditure (Expenditure Over Revenue)	\$ -	\$ (193,900)	\$ (286,847)
Accumulated Surplus, Beginning of Year		\$ 15,974,937	\$ 16,261,784
Excess of Revenue Over Expenditure (Expenditure Over Revenue)		(193,900)	(286,847)
Accumulated Surplus, End of Year		<u>\$ 15,781,037</u>	<u>\$ 15,974,937</u>

See accompanying notes to consolidated financial statements.

HALIFAX REGIONAL SCHOOL BOARD

Consolidated Statement of Changes in Net Financial Assets

Year ended March 31, 2016, with comparative information for 2015

	2016	2015
Net Financial Assets, Beginning of Year	\$ 7,151,011	\$ 6,975,410
Changes in the year:		
Excess of Revenue Over Expenditure (Expenditure Over Revenue)	(193,900)	(286,847)
Acquisition of Tangible Capital Assets	(52,354)	(56,678)
Amortization of Tangible Capital Assets	554,904	599,425
Increase in Prepaid Expenses	(146,656)	(80,299)
Increase in Net Assets	161,994	175,601
Net Financial Assets, End of Year	\$ 7,313,005	\$ 7,151,011

See accompanying notes to consolidated financial statements.

HALIFAX REGIONAL SCHOOL BOARD

Consolidated Statement of Cash Flows

Year ended March 31, 2016, with comparative information for 2015

	2016	2015
Cash provided by (used in):		
Operations:		
Excess of Revenue Over Expenditure (Expenditure Over Revenue)	\$ (193,900)	\$ (286,847)
Items not involving cash:		
Amortization of Tangible Capital Assets	554,904	599,425
Change in non-cash items:		
Change in Prepaid Expenses	(146,656)	(80,299)
Change in Accounts Receivable	(13,820,357)	5,441,143
Change in Liabilities	10,385,167	11,466,501
	(3,220,842)	17,139,923
Capital		
Acquisition of Tangible Capital Assets	(52,354)	(56,678)
Increase (Decrease) in Cash and Cash Equivalents	(3,273,196)	17,083,245
Cash and Cash Equivalents, Beginning of Year	26,876,556	9,793,311
Cash and Cash Equivalents, End of Year	\$ 23,603,360	\$ 26,876,556

See accompanying notes to consolidated financial statements.

HALIFAX REGIONAL SCHOOL BOARD

Notes to Consolidated Financial Statements

Year ended March 31, 2016

Halifax Regional School Board (the "Entity") is an independent legal entity with a governing board comprised of nine elected board members and one appointed board member as stipulated under the Education Act of Nova Scotia. The Board provides a full range of educational services for all instructional programs from Grade Primary through Grade 12 at public schools within the Halifax Regional Municipality. The Board is registered as a charitable organization under the Income Tax Act and, therefore, is exempt from income tax and may issue official receipts to donors for income tax purposes.

1. Significant accounting policies:

These consolidated financial statements are prepared in accordance with Canadian Public Sector Accounting Standards established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada ("CPA").

The consolidated financial statements have also been prepared to comply with the provisions of the School Board Financial Handbook as prescribed by the Ministerial Regulations of the Education Act of Nova Scotia.

These consolidated financial statements reflect the assets, liabilities, revenues and expenses of the reporting entity. The reporting entity is comprised of all organizations controlled by the Board and accountable to the Board for the administration of their own financial affairs and resources.

School based funds, which include assets, liabilities, revenues and expenses arising from certain school and student activities that are controlled and administered locally by each school, but for which the Board is accountable, are reflected in the consolidated financial statements.

Trust funds and their related operations administered by the Board are not included in the consolidated financial statements as they are not controlled by the Board.

The consolidated financial statements have been prepared using the following significant accounting policies:

(a) Revenue:

Revenue is recorded on an accrual basis. Grants received, donations and fees collected in advance of the provision or use of related services are deferred. The main components of revenue are funding from the Province of Nova Scotia and the Halifax Regional Municipality.

Each year, contributions by volunteers support the delivery of certain programs within schools. Due to the difficulty in determining or otherwise estimating the value of these contributions and because these services are not otherwise purchased, contributed services are not quantified and recognized in these financial statements.

HALIFAX REGIONAL SCHOOL BOARD

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2016

1. Significant accounting policies (continued):

(b) Expenditures:

Expenditures are recorded on an accrual basis and include the cost of supplies inventory purchased during the year. Provisions are made for contingent liabilities when it is likely that a liability exists and the amounts can be reasonably determined.

(c) Financial instruments:

The Board's financial instruments consist of cash and cash equivalents, receivables, payables and accruals, and other liabilities. It is management's opinion that the Board is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximates their carrying values, unless otherwise noted.

(d) Liabilities:

The Board accrues teachers' salaries at year-end. As directed by the Province of Nova Scotia, this is offset by a receivable from the Province for the accrued amount. The accrual and offsetting receivable are adjusted annually as required.

Salaries, vacation pay and benefits of non-teaching employees, as well as substitute salary costs, are also accrued at year-end. There is no equivalent offsetting receivable from the Province for these amounts.

(e) Cash and cash equivalents:

Cash and cash equivalents include cash on hand, balances with banks, a Canadian Fixed Income Portfolio with BMO Nesbitt Burns, short-term investments and bank balances held by schools. Bank borrowings, if they occur, are considered to be financing activities during the year. Short-term investments are recorded at the lowest of cost or market value.

(f) Net financial assets:

Net financial assets represent the financial assets of the Board, less liabilities.

HALIFAX REGIONAL SCHOOL BOARD

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2016

1. Significant accounting policies (continued):

(g) Non-financial assets:

Tangible capital assets having useful lives extending beyond the accounting period, are held for use in the operation of the Board and are not intended for sale in the ordinary course of operations. Tangible capital assets are recorded at net historical cost (or estimated cost when the actual cost is unknown) and include all costs directly attributable to the acquisition, construction, development and installation of the tangible capital asset, except interest. Tangible capital assets include land, building betterments, leasehold improvements, furniture and equipment, computer hardware, and motor vehicles. Tangible capital assets paid for by the Province either through direct payment or cost recovery are excluded as per the School Board Financial Handbook.

All tangible capital assets recorded prior to the March 31, 2005 fiscal year have been removed from the consolidated financial statements. Capital assets purchased by the Board since April 1, 2005 are recorded as assets and amortized according to the Province of Nova Scotia's tangible capital assets accounting policy thresholds. These thresholds are as follows:

Building betterments	\$ 150,000	Amortization:	5%	Declining balance
Motor vehicles	\$ 15,000	Amortization:	35%	Declining balance
Computer hardware	\$ 25,000	Amortization:	50%	Declining balance
Furniture and equipment	\$ 250,000	Amortization:	30%	Declining balance
Leasehold improvements	\$ 150,000	Amortization:		Straight-line over lease term

Under an agreement with the municipal councils at that time, all school buildings and land on hand at January 1, 1982 remain assets of the municipality, but are under the operational control of the Board until such time as the Board no longer requires the asset for school purposes. If assets are declared surplus by the Board, control will revert back to the Halifax Regional Municipality. Accordingly, as the school buildings prior to 1982 are not considered owned by the Board and schools subsequent to 1982 are owned by the Province of Nova Scotia or other parties, the Board has not recorded any school buildings in these financial statements.

HALIFAX REGIONAL SCHOOL BOARD

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2016

1. Significant accounting policies (continued):

The Board has made additions to school buildings, legal title to which is held by the Halifax Regional Municipality or the Province of Nova Scotia. Under the Education Act of Nova Scotia, should the buildings in question be disposed of, the Board will be entitled to a portion of any net proceeds of disposition. Due to the uncertainty of the receipt of any net proceeds by the Board, they will not be recorded by the Board until received.

Prepays are cash disbursements for goods or services, other than tangible capital assets and inventories of supplies, of which some or all will provide economic benefits in one or more future periods. The prepaid amount is recognized as an expense in the year the goods or services are used or consumed.

(h) Pension, post-employment benefits and compensated absences:

The contributions to a multiemployer, defined benefit pension plan are expensed when contributions are due.

The costs of post-employment benefits and compensated absences are actuarially determined using the projected benefits method prorated on service and management's best estimate of retirement ages of employees, salary escalation and expected absences. Liabilities are actuarially determined using discount rates that are consistent with the market rates of high quality debt instruments. Any gains or losses from changes in assumptions or experience are amortized over the estimated average remaining service period for active employees.

The Board provides enhanced pension benefits to certain employees who had retired from the Board at amalgamation. The Board recognizes the actuarial liability of these post employment benefits and amortizes it over the remaining period of the pension enhancement.

(i) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

HALIFAX REGIONAL SCHOOL BOARD

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2016

1. Significant accounting policies (continued):

(j) Liability for contaminated sites:

The School Board accrues a liability to estimate the cost to remediate contaminated sites to the level necessary to allow the property to meet the environmental standard appropriate to its current use or status. This relates to sites that are not in productive use and sites in productive use where an unexpected event resulted in contamination. The liability is based on estimates and assumptions using the best information available to management.

2. Restatement of 2015 financial statements:

During the year the Board was advised of a correction to the non-teaching accumulated sick leave balance at March 31, 2015. The 2015 financial statements of the Board have been restated to reflect the correction of the error, which resulted in increases in Accounts Receivable - Province of Nova Scotia and the related Long Term Sick Leave Accrual of \$877,996 in the statement of financial position. On the statement of operations, the restatement resulted in an increase in \$877,966 in revenue from Province of Nova Scotia and School Administration expense. The restatement did not have an impact on net earnings or accumulated surplus.

3. School based funds:

	2016	2015
Cash	\$ 8,485,114	\$ 7,986,262
Prepaid expenses	512,194	450,731
Total assets	8,997,308	8,436,993
Accrued liabilities	274,413	189,538
Deferred revenue	2,843,537	1,959,787
Total liabilities	3,117,950	2,149,325
Accumulated surplus	\$ 5,879,358	\$ 6,287,668
Revenue	16,284,869	16,436,510
Expenditure	16,693,179	16,195,680
Excess (deficiency) of revenue over expenditure	(408,310)	240,830
Accumulated surplus, beginning of year	6,287,668	6,046,838
Accumulated surplus, end of year	\$ 5,879,358	\$ 6,287,668

HALIFAX REGIONAL SCHOOL BOARD

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2016

4. Long-term service awards:

Qualifying employees receive a service award upon retirement, disability, death or termination, when entitled to a vested pension, under the contracts between unions and the Halifax Regional School Board and its predecessor boards. The contracts prescribe the formulae used in calculating the service award as well as the period over which the payment is to be made.

The Province of Nova Scotia assumed responsibility for the payment of service awards to qualifying employees, but school boards in Nova Scotia are required to recognize the projected liability with respect to these service awards. The projected liability is offset by a corresponding receivable from the Province. The amount of the projected liability has been determined by the Nova Scotia Department of Finance, based on an actuarial valuation.

The current valuation reflects the assumption of curtailment of the award. For Teachers, these statements include the immediate recognition of a \$4,622,500 loss on curtailment and recognition of \$11,808,241 unamortized gains/losses. For Non-teachers, these statements include the immediate recognition of a \$121,491 loss on curtailment and recognition of \$45,682 unamortized gains/losses. These amounts have been included in School Administration expense in the Statement of Operations. The change in liability is offset with a corresponding receivable from the Province.

The amount included for Teacher's Service Awards is \$50,671,096 (2015 - \$35,591,047) and the amount included for Non-teacher's Service Awards is \$1,138,623 (2015 - \$1,166,190).

5. Long-term teacher's and non-teacher's sick leave accrual:

Qualifying employees are entitled to a prescribed number of sick leave days for use over their employment term. The Province of Nova Scotia has prepared an estimate of the accumulated sick leave accrual for the teaching and non-teaching staff of all School Boards in the Province and has assumed responsibility for the funding of this liability.

The School Boards in Nova Scotia are required to recognize in their respective financial statements the liability and the offsetting recovery from the Province of Nova Scotia and the yearly changes in the accumulated sick leave accrual related to the teaching and non-teaching staff.

The amount included for Teacher's Sick Leave Accrual is \$61,408,472 (2015 - \$61,247,012) and the amount included for Non-teacher's Sick Leave Accrual is \$2,571,101 (2015 - \$2,543,991). The amount for 2015 for Non-teachers has been restated to correct results reported as part of the actuarial results for 2015 (See note 2).

HALIFAX REGIONAL SCHOOL BOARD

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2016

6. Tangible capital assets:

			2016	2015
	Cost	Accumulated amortization	Net book value	Net book value
Buildings	\$ 6,832,427	\$ 2,042,824	\$ 4,789,603	\$ 5,041,691
Furniture and equipment	1,411,030	1,245,025	166,005	237,149
Vehicles	676,713	589,184	87,529	90,447
Computer hardware	532,095	532,095	-	-
Leasehold improvements	2,646,025	1,058,404	1,587,621	1,764,021
	\$ 12,098,290	\$ 5,467,532	\$ 6,630,758	\$ 7,133,308

7. Commitments:

- (a) The Board has entered into agreements to lease equipment for various periods until 2021. The Board has a lease for office space that expires September 30, 2025. The rent is estimated at \$872,600 per year for the first 10 years of the lease, and escalating to \$948,440 per year in the last five years of the lease. Operating costs within the lease are also payable and estimated at approximately \$735,000 in the first year and adjusting annually as operating costs fluctuate. The committed amounts payable over the next five years are:

	Buildings	Equipment	Total
2016-2017	\$ 872,600	\$ 51,710	\$ 924,310
2017-2018	872,600	8,416	881,016
2018-2019	872,600	3,702	876,302
2019-2020	872,600	3,702	876,302
2020-2021	872,600	3,702	876,302

HALIFAX REGIONAL SCHOOL BOARD

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2016

7. Commitments (continued):

- (b) The Board has contracted for the provision of transportation services until June 30, 2026. The approximate annualized cost of this contract per year is as follows:

2016-2017	\$ 16,202,850
2017-2018	16,277,357
2018-2019	16,277,357
2019-2020	16,277,357
2020-2021	16,277,357
2021-2022	16,277,357
2022-2023	16,277,357
2023-2024	16,277,357
2024-2025	16,277,357
2025-2026	16,277,357

The contract price will fluctuate based on various provisions in the agreement including school bus utilization and fuel prices, as well as changes in the Consumer Price Index.

8. Contingencies:

- (a) The Board recorded actual and estimated expenditures relating to known environmental matters in its properties. Such expenditures may continue in future years and will be recorded and funded as incurred. The future liability relating to unknown environmental matters in properties is not determinable at this time.
- (b) The Halifax Regional School Board is a subscriber to a self-insurance plan with the Nova Scotia School Insurance Exchange with all School Boards in Nova Scotia and the Nova Scotia Community College.

The Exchange covers property, liability and errors and omissions insurance for all subscribers for claims within a self-insured retention per occurrence with an annual aggregate per policy.

The Board has incurred insurance assessments from the Exchange for the year of \$1,022,303 and no further assessments are expected for claim liabilities as at March 31, 2016. The Exchange currently meets the minimum capital test established by the Superintendent of Insurance for the Province of Nova Scotia.

HALIFAX REGIONAL SCHOOL BOARD

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2016

9. Pension plans:

(a) Teachers:

The Board's teachers are members of a pension plan established by the Province of Nova Scotia pursuant to the Teachers' Pension Act. The Teachers' Pension Plan is administered by the Teachers' Pension Plan Trustee Inc. The Province of Nova Scotia and the Nova Scotia Teachers' Union are jointly responsible for funding this plan and accordingly no provision is included in the Board's financial statements for the related pension amounts.

(b) Non-teachers:

The Board's non-teaching employees participate in a jointly sponsored multi-employer pension plan with the Halifax Regional Municipality as the Plan Sponsor. Employer pension costs of \$6,980,173 (2015 - \$6,749,973) are included in these consolidated financial statements which represent the cost of employer contributions for current service of participating employees during the year. Employees and the employer both contribute at the rate of 12.21% of pensionable earnings, an increase from 11.96% effective January 1, 2016.

10. Bank indebtedness:

The Board has an operating line of credit of \$4,185,000 available with interest at prime minus 0.5%. As of March 31, 2016, this line of credit had not been utilized.

11. Related party transactions:

These consolidated financial statements do not include certain expenditures paid and services provided on behalf of the Board by the Province of Nova Scotia, including, but not limited to:

Early Retirement Program payments;
P3 schools and facilities leases and operating costs;
Payments for the teachers' pension plan and medical premiums; and
Certain IT systems and support.

12. Comparative figures:

Certain 2015 comparative figures have been reclassified to conform with the financial statement presentation adopted for the current year.

**Halifax Regional School Board
General Fund
Statement of Operations
Year Ended March 31
(Unaudited)**

	2016 Budget	2016 Actual	2015 Actual
Revenue			
Province of Nova Scotia	\$ 300,392,500	\$ 315,351,380	\$ 305,871,243
Halifax Regional Municipality	125,835,800	125,835,800	119,856,200
Government of Canada	2,389,100	2,594,656	2,605,856
Board Operations	14,075,500	13,750,949	13,712,991
	<u>442,692,900</u>	<u>457,532,785</u>	<u>442,046,290</u>
Expenditure			
Board Governance	301,200	259,080	266,955
Office of the Superintendent	1,486,600	1,590,399	1,300,390
Financial Services	2,616,900	2,548,223	2,392,499
Human Resource Services	4,557,100	4,296,758	4,167,773
School Administration	333,603,100	348,731,895	331,903,039
Program	20,545,100	19,655,276	19,415,830
Operations Services	71,109,600	71,988,469	75,217,352
Other Programs	8,473,300	8,248,275	7,910,129
	<u>442,692,900</u>	<u>457,318,375</u>	<u>442,573,967</u>
Excess (Deficiency) of Revenue over Expenditure	\$ -	\$ 214,410	\$ (527,677)
Accumulated Surplus, Beginning of Year		\$ 9,687,269	\$ 10,214,946
Excess (Deficiency) of Revenue over Expenditure		214,410	(527,677)
Accumulated Surplus, End of Year		<u>\$ 9,901,679</u>	<u>\$ 9,687,269</u>
Designation of Accumulated General Fund Surplus			
General Fund - Unrestricted		\$ 3,331,208	\$ 2,219,033
General Fund - Program Resources (schools)		27,240	425,373
General Fund - Capital Amortization		4,682,122	5,058,326
Citadel Theatre - Capital Amortization		1,861,109	1,984,537
		<u>\$ 9,901,679</u>	<u>\$ 9,687,269</u>

**Halifax Regional School Board
General Fund
Detail of Revenue
Year Ended March 31
(Unaudited)**

	2016 Budget	2016 Actual	2015 Actual
Province of Nova Scotia			
Formula Funding	\$ 274,898,200	\$ 274,524,330	\$ 266,446,536
Provincial Initiatives	19,419,900	\$ 18,978,805	\$ 21,351,659
Other Provincial Initiatives and Grants	6,074,400	\$ 21,848,245	\$ 18,073,048
	<u>\$ 300,392,500</u>	<u>\$ 315,351,380</u>	<u>\$ 305,871,243</u>
Halifax Regional Municipality			
Mandatory Contribution	125,835,800	125,835,800	119,856,200
	<u>\$ 125,835,800</u>	<u>\$ 125,835,800</u>	<u>\$ 119,856,200</u>
Government of Canada			
Adult EAL	1,997,000	1,924,429	2,150,895
French Special Projects	231,500	192,812	230,968
Minority Official Language	160,600	154,236	98,945
Other Projects	-	323,179	125,048
	<u>\$ 2,389,100</u>	<u>\$ 2,594,656</u>	<u>\$ 2,605,856</u>
Board Generated Revenues			
Investment Income	300,000	388,565	644,898
Facilities Rental	773,000	663,340	675,070
EXCEL - Before and After School Program	9,332,500	9,024,456	8,709,003
International Services	3,466,700	3,611,655	3,289,549
Miscellaneous	203,300	62,933	394,471
	<u>\$ 14,075,500</u>	<u>\$ 13,750,949</u>	<u>\$ 13,712,991</u>
Total Revenue	<u>\$ 442,692,900</u>	<u>\$ 457,532,785</u>	<u>\$ 442,046,290</u>

Halifax Regional School Board
 General Fund
 Detail of Expenditure
 Year Ended March 31
 (Unaudited)

	2016 Budget	2016 Actual	2015 Actual
<u>BOARD GOVERNANCE</u>			
Stipends and Benefits	116,100	111,046	108,090
Supplies and Materials	5,000	3,648	5,204
NSSBA Dues	85,000	85,000	85,000
Other Non Salary Expenditures	95,100	59,386	68,661
Total Board Governance	<u>301,200</u>	<u>259,080</u>	<u>266,955</u>

OFFICE OF THE SUPERINTENDENT

Salaries	954,900	866,709	802,814
Benefits	139,300	117,831	130,317
Supplies and Materials	70,000	151,307	92,039
Professional Services	250,000	386,597	205,805
Other Non Salary Expenditures	72,400	67,955	69,415
Total Office of the Superintendent	<u>1,486,600</u>	<u>1,590,399</u>	<u>1,300,390</u>

FINANCIAL SERVICES

Administration

Salaries	1,638,900	1,604,912	1,555,200
Benefits	418,300	397,040	393,138
Supplies and Materials	160,000	135,761	150,311
Travel	3,000	2,842	3,296
Liability Insurance	342,700	342,780	240,143
Professional Services	39,000	41,834	34,867
Service Fees	15,000	23,054	15,544
Total Financial Services	<u>2,616,900</u>	<u>2,548,223</u>	<u>2,392,499</u>

HUMAN RESOURCE SERVICES

Administration

Salaries	1,807,900	1,767,134	1,609,121
Benefits	431,800	422,403	394,601
Pension Top-Ups	24,100	24,069	39,966
Supplies and Materials	108,300	112,514	104,699
Travel	5,000	3,062	3,108
	<u>2,377,100</u>	<u>2,329,182</u>	<u>2,151,495</u>

Staff Development

Professional Development	2,180,000	1,967,576	2,016,278
Total Human Resource Services	<u>4,557,100</u>	<u>4,296,758</u>	<u>4,167,773</u>

**Halifax Regional School Board
General Fund
Detail of Expenditure
Year Ended March 31
(Unaudited)**

	2016 Budget	2016 Actual	2015 Actual
<u>SCHOOL ADMINISTRATION</u>			
Salaries - Teachers			
Classroom	180,956,100	178,850,175	176,186,918
Special Education	25,298,800	24,207,618	24,021,139
Student Support	9,922,400	9,901,029	9,206,827
Guidance	6,787,300	6,783,934	6,299,641
Teacher Administrators	25,396,500	24,807,123	24,544,174
Board Administration	1,630,500	1,641,965	1,624,874
Substitutes	13,032,100	13,518,725	13,252,193
	263,023,700	259,710,569	255,135,766
Salaries - Non-Teachers			
Educational Program Assistants	21,712,900	21,626,847	20,561,351
Library Support Specialists	398,200	372,422	350,771
School Secretaries	6,009,400	5,927,428	5,759,917
Board Administration	207,200	204,618	196,630
Student Support	818,100	886,777	752,543
Security	87,400	88,058	87,104
Lunch Supervision	2,495,800	2,482,806	2,413,899
	31,729,000	31,588,956	30,122,215
Benefits			
Statutory	16,555,800	16,542,128	16,159,681
Medical/Dental/Salary Continuation	4,854,900	4,790,562	4,445,505
Service Awards/Future Benefit Expense	2,111,400	19,387,634	10,304,791
Pension	3,488,500	3,522,491	3,353,124
	27,010,600	44,242,815	34,263,101
Program Support Resources			
Classroom Supplies and Equipment	4,216,500	4,749,881	4,693,303
School Technology	756,000	1,431,459	1,011,042
Data Lines	544,700	543,832	546,052
Circuit/Resource Travel	248,300	224,555	229,960
Textbook Credit Allocation	2,591,700	2,595,052	2,566,952
Other Non Salary Expenditures	170,000	184,187	173,858
Other Non Salary Expenditures - Student Svs	15,000	0	12,132
Other Non Salary Expenditures - Administration	51,500	55,328	44,361
Other Projects	113,300	117,473	104,782
	8,707,000	9,901,767	9,382,442
Professional Development			
System Leadership/Student Info Systems	125,000	111,873	107,359
International Services			
	2,690,300	2,914,203	2,595,179

Halifax Regional School Board
 General Fund
 Detail of Expenditure
 Year Ended March 31
 (Unaudited)

	2016 Budget	2016 Actual	2015 Actual
Adult and Community Education			
Summer School	22,500	23,465	17,194
Night School	15,000	0	5,142
Nova Scotia Student Adult Literacy	280,000	238,247	274,641
	<u>317,500</u>	<u>261,712</u>	<u>296,977</u>
Total School Administration	<u>333,603,100</u>	<u>348,731,895</u>	<u>331,903,039</u>
 <u>PROGRAM</u>			
Salaries - Teachers			
Special Education	6,507,800	6,422,539	6,309,989
Board Administration	2,675,300	2,711,595	2,639,621
	<u>9,183,100</u>	<u>9,134,134</u>	<u>8,949,610</u>
Salaries - Non-Teachers			
Board Administration	306,500	344,592	266,725
Student Services Secretaries	226,400	221,461	216,305
Tutors	90,000	140,086	143,550
	<u>622,900</u>	<u>706,139</u>	<u>626,580</u>
Benefits			
Statutory	493,200	502,017	501,663
Medical/Dental/Salary Continuation	121,800	116,091	110,355
Service Awards	77,100	77,100	90,700
Pension	67,300	64,181	67,133
	<u>759,400</u>	<u>759,389</u>	<u>769,851</u>
Special Education and Student Support			
Supplies and Materials	461,800	571,855	434,454
Provincial Initiatives	1,299,600	1,178,385	1,048,257
Travel - Student Services	80,000	74,535	93,884
Contracted Services	1,240,300	1,192,555	1,180,634
	<u>3,081,700</u>	<u>3,017,330</u>	<u>2,757,229</u>
Program Support Resources			
Supplies and Materials	220,600	214,811	144,889
Other Non Salary Expenditures	49,600	46,823	44,002
Provincial Program Initiatives and Projects	5,406,200	4,349,122	4,543,704
	<u>5,676,400</u>	<u>4,610,756</u>	<u>4,732,595</u>
Professional Development	1,221,600	1,427,528	1,579,965
Total Program	<u>20,545,100</u>	<u>19,655,276</u>	<u>19,415,830</u>

Halifax Regional School Board
 General Fund
 Detail of Expenditure
 Year Ended March 31
 (Unaudited)

	2016 Budget	2016 Actual	2015 Actual
<u>OPERATIONS SERVICES</u>			
Administration			
Salaries	1,860,100	1,865,568	1,790,425
Benefits	446,500	445,200	428,918
Travel	35,000	41,147	34,980
Other Non Salary Expenditures	47,500	56,461	65,676
	<u>2,389,100</u>	<u>2,408,376</u>	<u>2,319,999</u>
Custodial Services			
Salaries	12,793,100	12,890,532	12,925,022
Benefits	4,279,400	4,280,032	4,251,315
Supplies and Equipment	803,400	936,343	847,727
Building Rental Expense	1,892,100	1,922,359	1,857,182
Contracted Services	1,771,100	1,841,242	2,008,827
	<u>21,539,100</u>	<u>21,870,508</u>	<u>21,890,073</u>
Maintenance Services			
Salaries	1,889,000	1,777,873	1,848,150
Benefits	639,600	600,316	609,639
Supplies and Equipment	4,154,600	5,635,193	5,637,025
Vehicle Operating Expense	250,000	254,525	306,609
TCA Expense (Vehicle)	50,000	55,272	56,038
Contracted Services - Maintenance	1,091,800	1,025,296	1,247,275
	<u>8,075,000</u>	<u>9,348,475</u>	<u>9,704,736</u>
Plant Operations			
Insurance	707,600	703,764	646,567
Utilities - Electricity	5,393,700	5,080,954	5,921,346
Utilities - Heating Fuel	6,797,600	5,189,810	7,012,470
Utilities - Water / Sewer	1,189,000	1,350,628	1,234,091
Utilities - Elevator/Alarm Lines	67,000	45,119	66,693
	<u>14,154,900</u>	<u>12,370,275</u>	<u>14,881,167</u>
Capital Projects	1,151,000	1,818,730	2,008,345
Student Transportation	18,900,500	18,893,082	18,716,599
Technology Services			
Salaries	2,258,000	2,218,091	2,254,399
Benefits	596,700	588,611	583,552
Supplies/Equipment	879,400	1,250,596	1,681,828
Travel	68,000	55,977	57,746
Professional Services	410,100	605,029	458,465
Telephone/Fax/Data	132,000	138,673	123,617
	<u>4,344,200</u>	<u>4,856,977</u>	<u>5,159,607</u>
Facilities Rentals	555,800	422,046	536,826
Total Operations Services	<u>71,109,600</u>	<u>71,988,469</u>	<u>75,217,352</u>

Halifax Regional School Board
 General Fund
 Detail of Expenditure
 Year Ended March 31
 (Unaudited)

	2016 Budget	2016 Actual	2015 Actual
<u>OTHER PROGRAMS</u>			
Excel - Before and After School			
Salaries	5,145,200	5,092,573	4,629,377
Benefits	625,300	609,789	550,293
Other	705,800	621,484	579,564
	<u>6,476,300</u>	<u>6,323,846</u>	<u>5,759,234</u>
Adult EAL	1,997,000	1,924,429	2,150,895
Total Other Programs	<u>8,473,300</u>	<u>8,248,275</u>	<u>7,910,129</u>
TOTAL EXPENDITURES	<u>442,692,900</u>	<u>457,318,376</u>	<u>442,573,967</u>

**Halifax Regional School Board
 Supplementary Fund
 Statement of Operations and Surplus
 Year Ended March 31
 (Unaudited)**

	2016 Budget	2016 Actual	2015 Actual
Revenue			
Halifax Regional Municipality	\$ 16,087,000	\$ 16,094,400	\$ 16,559,300
Expenditure	<u>16,087,000</u>	<u>16,094,400</u>	<u>16,559,300</u>
Excess (Deficiency) of Revenue over Expenditure	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Surplus (Deficit) Beginning of Year		\$ -	\$ -
Excess (Deficiency) of Revenue over Expenditure		<u>-</u>	<u>-</u>
Surplus (Deficit), End of Year		<u>\$ -</u>	<u>\$ -</u>

Halifax Regional School Board
 Supplementary Fund
 Detail of Revenue and Expenditure
 Year Ended March 31
 (Unaudited)

	2016 Budget	2016 Actual	2015 Actual
REVENUES:			
Supplementary Funding	\$16,087,000	\$16,094,400	\$16,559,300
EXPENDITURES:			
Classroom Teachers			
Elementary Music	804,200	811,887	801,297
Junior High Music and Art	579,300	585,407	554,421
Elementary Art Instruction	583,800	603,927	589,454
Additional Teachers	3,159,100	3,076,393	3,348,013
Fine Arts	1,558,000	1,581,421	1,529,882
	<u>6,684,400</u>	<u>6,659,035</u>	<u>6,823,067</u>
Special Education			
Resource Teachers	2,484,100	2,464,437	2,452,571
Social Workers	499,100	505,841	494,083
Educational Program Assistants	950,500	943,848	1,002,990
	<u>3,933,700</u>	<u>3,914,126</u>	<u>3,949,644</u>
Library and Guidance			
Library Support Specialists	2,216,300	2,286,594	2,260,069
Guidance	0	0	260,274
	<u>2,216,300</u>	<u>2,286,594</u>	<u>2,520,343</u>
Curriculum Leadership			
	<u>410,800</u>	<u>441,873</u>	<u>409,927</u>
Other			
Student Services Secretaries	34,500	26,823	25,685
Secretaries	54,100	42,229	40,229
Early Learning Opportunities	359,100	350,861	341,181
Student Support Workers	120,400	117,327	117,376
	<u>568,100</u>	<u>537,240</u>	<u>524,471</u>
Benefits			
Statutory	903,100	923,964	952,575
Medical/Dental/Salary Continuation	410,800	363,642	372,485
Service Awards	81,700	81,700	100,000
Pension	446,700	445,923	444,804
	<u>1,842,300</u>	<u>1,815,229</u>	<u>1,869,864</u>
Substitutes			
	<u>338,400</u>	<u>338,400</u>	<u>356,919</u>
Program Support			
Program Supplies and Materials	73,000	75,928	85,151
Therapeutic Swim Program	20,000	25,975	19,914
	<u>93,000</u>	<u>101,903</u>	<u>105,065</u>
Total Expenditures	<u><u>16,087,000</u></u>	<u><u>16,094,400</u></u>	<u><u>16,559,300</u></u>

**Halifax Regional School Board
School Based Funds
Statement of Operations and Surplus
Year Ended March 31
(Unaudited)**

	2016 Actual	2015 Actual
Revenue		
School Generated Funds	\$ 16,284,869	\$ 16,436,510
Expenditure		
School Funded Activities	<u>16,693,179</u>	<u>16,195,680</u>
Excess (Deficiency) of Revenue over Expenditure	<u>\$ (408,310)</u>	<u>\$ 240,830</u>
Consolidated Surplus, Beginning of Year	\$ 6,287,668	\$ 6,046,838
Excess (Deficiency) of Revenue over Expenditure	(408,310)	240,830
Consolidated Surplus, End of Year	<u>\$ 5,879,358</u>	<u>\$ 6,287,668</u>

**Halifax Regional School Board
Supplementary Details of Tangible Capital Assets
Year Ended March 31, 2016
(Unaudited)**

	Buildings	Leasehold Improvements	Vehicles	Furniture & Equipment	Computer Hardware	Total
Cost of Tangible Assets						
Opening Costs	\$ 6,832,427	\$ 2,646,025	\$ 624,359	\$ 1,411,030	\$ 532,095	\$ 12,045,936
Additions	-	-	52,354	-	-	52,354
Disposals	-	-	-	-	-	-
Closing Costs	<u>\$ 6,832,427</u>	<u>\$ 2,646,025</u>	<u>\$ 676,713</u>	<u>\$ 1,411,030</u>	<u>\$ 532,095</u>	<u>\$ 12,098,290</u>
Accumulated Amortization						
Opening Balance	\$ 1,790,736	\$ 882,004	\$ 533,912	\$ 1,173,881	\$ 532,095	\$ 4,912,628
Disposals	-	-	-	-	-	-
Amortization Expense	252,088	176,400	55,272	71,144	-	554,904
Closing Balance	<u>\$ 2,042,824</u>	<u>\$ 1,058,404</u>	<u>\$ 589,184</u>	<u>\$ 1,245,025</u>	<u>\$ 532,095</u>	<u>\$ 5,467,532</u>
Net Book Value	<u>\$ 4,789,603</u>	<u>\$ 1,587,621</u>	<u>\$ 87,529</u>	<u>\$ 166,005</u>	<u>\$ 0</u>	<u>\$ 6,630,758</u>
Net Book Value, Beginning of Year	\$ 5,041,691	\$ 1,764,021	\$ 90,447	\$ 237,149	\$ 0	\$ 7,133,308
Net Book Value, End of Year	<u>\$ 4,789,603</u>	<u>\$ 1,587,621</u>	<u>\$ 87,529</u>	<u>\$ 166,005</u>	<u>\$ 0</u>	<u>\$ 6,630,758</u>
Increase (Decrease) in NBV	<u>\$ (252,088)</u>	<u>\$ (176,400)</u>	<u>\$ (2,918)</u>	<u>\$ (71,144)</u>	<u>\$ -</u>	<u>\$ (502,550)</u>

**Halifax Regional School Board
Schedule of Trust Funds
Year Ended March 31, 2016
(Unaudited)**

	Cash	Equity Fund	Balance Beg of Year	Donations	Interest Earned	Awards Paid	Balance End of Year
Air India Scholarship Fund	5,382	5,382	5,331		51		5,382
Frank Balcom	42,533	42,533	42,129		404		42,533
Harold T Barrett	10,025	10,025	12,874		119	2,968	10,025
REA Burns Scholarship	3,609	3,609	5,563		46	2,000	3,609
Stan Carew	25,053	25,053	-	25,000	53		25,053
Edith Cavell Prize	3,219	3,219	3,188	1,000	31	1,000	3,219
Citadel High Scholarship Fund	50,640	50,640	50,905		485	750	50,640
Cole Harbour High Arts Award	4,021	4,021	4,189		26	194	4,021
Annie Coombs	33,299	33,299	33,978		321	1,000	33,299
John Travers Cornwell	8,951	8,951	7,870	1,000	81		8,951
Dartmouth High Reunion	12,170	12,170	12,054		116		12,170
Doane Hatfield	648	648	642		6		648
Avery & Irene Jackson	12,101	12,101	-	12,000	101		12,101
Donald Keith	7,188	7,188	7,119		68		7,188
Lahey Bursary	243	243	240		2		243
Abbie J Lane	8,603	8,603	8,521		82		8,603
Madeline LePage Godin	8,189	8,189	8,111		78		8,189
Christopher Maxwell	669	669	663		6		669
Maisie McMahan Bursary	139,063	139,063	139,726		1,337	2,000	139,063
Dugger & Marion McNeil	14,047	14,047	-	15,937	110	2,000	14,047
Marie Miller Scholarship	11,154	11,154	10,266	1,000	88	200	11,154
George Perrin	10,500	10,500	10,400		100		10,500
Annie M Piercey	5,635	5,635	5,582		54		5,635
James R Pineo	104,067	104,067	104,071		996	1,000	104,067
Almar H Shatford	16,710	16,710	16,750		160	200	16,710
Mengie Shulman	1,688	1,688	1,672		16		1,688
Dennis Tulley Memorial Bursary	1,819	1,819	2,299		20	500	1,819
Surjit Verma Scholarship Fund	12,229	12,229	12,610		119	500	12,229
Lt (N) Andrew Webster Scholarship Fund	26,164	26,164	24,590		3,574	2,000	26,164
	579,619	579,619	531,345	55,937	8,650	16,312	579,619