

Audited Financial Statements of

School District No. 93 (Conseil Scolaire Francophone)

June 30, 2017

School District No. 93 (Conseil Scolaire Francophone)

June 30, 2017

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School District No. 93 (Conseil Scolaire Francophone)

MANAGEMENT REPORT

Version: 4763-4017-2035

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 93 (Conseil Scolaire Francophone) 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. 93 (Conseil Scolaire Francophone) (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.

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. 93 (Conseil Scolaire Francophone) and meet when required. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the School District's financial statements.

On behalf of School District No. 93 (Conseil Scolaire Francophone)

Signature of the Chairperson of the Board of Education

Date Signed

Signature of the Superintendent

Date Signed

Signature of the Secretary Treasurer

Date Signed



APPENDIX A: DRAFT INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

*To the Members of the Board of Education of School District No. 93 (Conseil Scolaire Francophone), and
To the Minister of Education, Province of British Columbia*

I have audited the accompanying financial statements of the School District No. 93 (Conseil Scolaire Francophone), ("the entity"), which comprise the statement of financial position as at June 30, 2017, and the statements of operations, changes in net financial assets (debt) and 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 Canadian Public Sector Accounting Standards, 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 overall presentation of the financial statements.

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

Basis for Qualified Opinion

As described in Note 2 a) to the financial statements, the entity's accounting treatment for contributions received from governments and for externally restricted contributions received from non-government sources is to initially record them as deferred revenue (a liability) and then

recognize revenue in the statement of operations either on the same basis as the related expenditures occur or, in the case of funds for the purchase or construction of capital assets, to recognize revenue on the same basis as the related assets are amortized. The entity was required to adopt this accounting policy as prescribed by Province of British Columbia Treasury Board Regulation 198/2011.

Under Canadian Public Sector Accounting Standards, the entity's method of accounting for contributions is only appropriate in circumstances where the funding meets the definition of a liability. Otherwise, the appropriate accounting treatment is to record contributions as revenue when they are received or receivable. In our opinion certain contributions of the entity do not meet the definition of a liability, and as such the entity's method of accounting for those contributions represents a departure from Canadian Public Sector Accounting Standards.

This departure has existed since the inception of the standard, which applies to periods beginning on or after April 1, 2012. When the cumulative effects of this departure to date are adjusted through opening accumulated surplus, the entity's records indicate that the effects of this departure on the current year financial statements is an overstatement of the liability for deferred revenue of \$.5 million and deferred capital revenue of \$98.2 million, an understatement of opening accumulated surplus of \$97.5 million, and a current year understatement of revenue of \$1.2 million. Accordingly, the current year surplus is understated by \$1.2 million and net debt is overstated by \$98.7 million.

Qualified Opinion

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of School District No. 93 (Conseil Scolaire Francophone) as at June 30, 2017, and the results of its operations, changes in its net financial assets (debt) and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Victoria, British Columbia
[Date]

Russ Jones, FCPA, FCA
Deputy Auditor General



School District No. 93 (Conseil Scolaire Francophone)

Statement of Financial Position

As at June 30, 2017

	2017 Actual \$	2016 Actual \$
Financial Assets		
Cash and Cash Equivalents	13,409,500	9,744,403
Accounts Receivable		
Due from Province - Ministry of Education	2,116,936	1,419,417
Due from Province - Other	143,655	67,029
Other (Note 3)	881,728	799,859
Prepaid licence	347,321	367,752
Total Financial Assets	16,899,140	12,398,460
Liabilities		
Accounts Payable and Accrued Liabilities		
Other (Note 4)	9,887,397	4,529,760
Deferred Revenue (Note 5)	675,827	530,304
Deferred Capital Revenue (Note 6)	115,530,327	102,080,994
Employee Future Benefits (Note 7)	1,827,173	1,774,707
Capital Lease Obligations (Note 8)	2,789,743	2,816,721
Total Liabilities	130,710,467	111,732,486
Net Financial Assets (Debt)	(113,811,327)	(99,334,026)
Non-Financial Assets		
Tangible Capital Assets (Note 9)	158,911,725	144,371,428
Restricted Assets (Endowments) (Note 11)	52,000	52,000
Prepaid Expenses	294,781	364,395
Total Non-Financial Assets	159,258,506	144,787,823
Accumulated Surplus (Deficit)	45,447,179	45,453,797

Contractual Obligations and Contingencies

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. 93 (Conseil Scolaire Francophone)

Statement 2

Statement of Operations
Year Ended June 30, 2017

	2017 Budget \$	2017 Actual \$	2016 Actual \$
Revenues			
Provincial Grants			
Ministry of Education	84,821,367	85,968,129	81,890,376
Federal Grants	215,000	614,562	615,991
Other Revenue	969,585	1,817,660	2,413,805
Rentals and Leases	55,000	90,121	71,153
Investment Income	90,000	120,151	88,644
Amortization of Deferred Capital Revenue	3,296,000	3,318,162	3,281,344
Total Revenue	89,446,952	91,928,785	88,361,313
Expenses (Note 18)			
Instruction	62,549,588	63,645,315	59,387,165
District Administration	5,166,263	5,049,418	6,401,751
Operations and Maintenance	16,209,136	16,127,714	14,753,069
Transportation and Housing	6,878,679	6,893,339	6,737,493
Debt Services	154,000	199,186	163,156
Amortization Prepaid licence	20,431	20,431	20,431
Total Expense	90,978,097	91,935,403	87,463,065
Surplus (Deficit) for the year, before endowment contributions	(1,531,145)	(6,618)	898,248
Endowment Contributions			12,000
Surplus (Deficit) for the year	(1,531,145)	(6,618)	910,248
Accumulated Surplus (Deficit) from Operations, beginning of year		45,453,797	44,543,549
Accumulated Surplus (Deficit) from Operations, end of year		45,447,179	45,453,797

School District No. 93 (Conseil Scolaire Francophone)

Statement 4

Statement of Changes in Net Financial Assets (Debt)

Year Ended June 30, 2017

	2017 Budget	2017 Actual	2016 Actual
	\$	\$	\$
Surplus (Deficit) for the year	<u>(1,531,145)</u>	<u>(6,618)</u>	<u>910,248</u>
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(15,911,162)	(19,441,761)	(5,312,938)
Amortization of Tangible Capital Assets	4,888,000	4,901,464	4,775,484
Total Effect of change in Tangible Capital Assets	<u>(11,023,162)</u>	<u>(14,540,297)</u>	<u>(537,454)</u>
Acquisition of Prepaid Expenses		(294,781)	392,726
Use of Prepaid Expenses		364,395	(364,395)
Endowment Contributions			(12,000)
Total Effect of change in Other Non-Financial Assets	<u>-</u>	<u>69,614</u>	<u>16,331</u>
(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)	<u>(12,554,307)</u>	<u>(14,477,301)</u>	<u>389,125</u>
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Financial Assets (Debt)		<u>(14,477,301)</u>	<u>389,125</u>
Net Financial Assets (Debt), beginning of year		<u>(99,334,026)</u>	<u>(99,723,151)</u>
Net Financial Assets (Debt), end of year		<u>(113,811,327)</u>	<u>(99,334,026)</u>

School District No. 93 (Conseil Scolaire Francophone)

Statement 5

Statement of Cash Flows
Year Ended June 30, 2017

	2017 Actual \$	2016 Actual \$
Operating Transactions		
Surplus (Deficit) for the year	(6,618)	910,248
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(856,014)	246,936
Prepaid Expenses	69,614	28,330
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	5,357,637	(1,048,611)
Deferred Revenue	145,523	(118,972)
Employee Future Benefits	52,466	134,301
Amortization of Tangible Capital Assets	4,901,464	4,775,484
Amortization of Deferred Capital Revenue	(3,318,162)	(3,281,344)
Prepaid licence and Capital expenses	(364,101)	13,260
Endowment		(11,999)
Total Operating Transactions	<u>5,981,809</u>	<u>1,647,633</u>
Capital Transactions		
Tangible Capital Assets Purchased	(5,250,334)	(2,691,950)
Tangible Capital Assets -WIP Purchased	(12,843,156)	(1,108,316)
Tangible Capital assets Purchased from interim Lease financing	(1,348,271)	(1,512,672)
Total Capital Transactions	<u>(19,441,761)</u>	<u>(5,312,938)</u>
Financing Transactions		
Capital Revenue Received	17,064,173	3,222,145
Capital Lease Principal Payment	(1,287,395)	(1,082,366)
Capital Lease increase	1,348,271	1,512,672
Total Financing Transactions	<u>17,125,049</u>	<u>3,652,451</u>
Net Increase (Decrease) in Cash and Cash Equivalents	3,665,097	(12,854)
Cash and Cash Equivalents, beginning of year	<u>9,744,403</u>	<u>9,757,257</u>
Cash and Cash Equivalents, end of year	<u>13,409,500</u>	<u>9,744,403</u>
Cash and Cash Equivalents, end of year, is made up of:		
Cash	8,609,500	5,444,403
Cash Equivalents	4,800,000	4,300,000
	<u>13,409,500</u>	<u>9,744,403</u>
Supplementary Cash Flow Information		

SCHOOL DISTRICT 93
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017

NOTE 1 AUTHORITY AND PURPOSE

The School District, established on *January 3, 1996* 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. 93", and operates as "School District No. 93 (Conseil Scolaire Francophone de la Colombie-Britannique)." A board of education ("Board") elected for a four-year term governs the School District. The School District provides educational programs to students enrolled in schools in the district, and is principally funded by the Province of British Columbia through the Ministry of Education. School District No. 93 (Conseil Scolaire Francophone de la Colombie-Britannique) is exempt from federal and provincial corporate income taxes.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting

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

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(d) and 2(j), Section 23.1 of the *Budget Transparency and Accountability Act* and its related regulations require the School District to recognize government transfers for the acquisition of capital assets into revenue on the same basis as the related amortization expense. As these transfers do not contain stipulations that create a liability, Canadian public sector accounting standards would require these grants to be fully recognized into revenue.

The impact of this difference on the financial statements of the School District is as follows:

Year-ended June 30, 2016 -a decrease in annual surplus by \$1,174,430
June 30, 2016 - an increase in accumulated surplus \$98,718,601 a decrease in deferred revenue by \$497,754 and a decrease in deferred capital revenue by \$97,046,417.
Year-ended June 30, 2017 -an increase in annual surplus by \$1,172,951
June 30, 2017 - an increase in accumulated surplus \$97,544,171 a decrease in deferred revenue by \$452,295 and a decrease in deferred capital revenue by \$98,264,827.

SCHOOL DISTRICT 93
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b) Cash and Cash Equivalents

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

c) Accounts Receivable

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

d) Deferred Revenue and Deferred Capital Revenue

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

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

SCHOOL DISTRICT 93
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017

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

e) Employee Future Benefits

The School District provides certain post-employment benefits including vested and non-vested benefits for certain employees pursuant to certain contracts and union agreements.

The School District accrues its obligations and related costs including both vested and non-vested benefits under employee future benefit plans. Benefits include vested sick leave, accumulating non-vested sick leave, early retirement, retirement/severance, vacation, overtime and death benefits. The benefits cost is actuarially determined using the projected unit credit method pro-rated on service and using management's best estimate of expected salary escalation, termination rates, retirement rates and mortality. The discount rate used to measure obligations is based on the cost of borrowing.

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

The most recent valuation of the obligation was performed at March 31, 2016 and projected to March 31, 2019. The next valuation will be performed at March 31, 2019 for use at June 30, 2019. For the purposes of determining the financial position of the plans and the employee future benefit costs, a measurement date of March 31 was adopted for all periods subsequent to July 1, 2004.

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

SCHOOL DISTRICT 93
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f) Tangible Capital Assets

The following criteria apply:

- Tangible capital assets acquired or constructed are recorded at cost which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost also includes overhead directly attributable to construction as well as interest costs that are directly attributable to the acquisition or construction of the asset.
- Donated tangible capital assets are recorded at their fair market value on the date of donation, except in circumstances where fair value cannot be reasonably determined, which are then recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.
- Work-in-progress is recorded as an acquisition to the applicable asset class at substantial completion.
- Tangible capital assets are written down to residual value when conditions indicate they no longer contribute to the ability of the School District to provide services or when the value of future economic benefits associated with the sites and buildings are less than their net book value. The write-downs are accounted for as expenses in the Statement of Operations.
- Buildings that are demolished or destroyed are written-off.
- Works of art, historic assets and other intangible assets are not recorded as assets in these financial statements.
- The cost, less residual value, of tangible capital assets (excluding sites), is amortized on a straight-line basis over the estimated useful life of the asset. It is management's responsibility to determine the appropriate useful lives for tangible capital assets. These useful lives are reviewed on a regular basis or if significant events initiate the need to revise. Estimated useful life is as follows:

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

SCHOOL DISTRICT 93
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017

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

g) Capital Leases

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

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

h) Prepaid Expenses

Annual software support agreements, memberships, subscriptions and registrations fees, services agreement and facilities rental are included as a prepaid expense and stated at acquisition cost and are charged to expense over the periods expected to benefit from it.

i) 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 12 – Interfund Transfers and Note 19 – Internally Restricted Surplus).

j) 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.

**SCHOOL DISTRICT 93
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(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.

SCHOOL DISTRICT 93
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017

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

k) Expenditures

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year is expensed.

Categories of Salaries

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

Allocation of Costs

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

l) Endowment Contributions

Endowment contributions are reported as revenue on the Statement of Operations when received. Investment income earned on endowment principal is recorded as deferred revenue if it meets the definition of a liability and is recognized as revenue in the year related expenses (disbursements) are incurred. If the investment income earned does not meet the definition of a liability, it is recognized as revenue in the year it is earned. Endowment assets are reported as restricted non-financial assets on the Statement of Financial Position.

SCHOOL DISTRICT 93
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017

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

m) Financial Instruments

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

Financial instruments consist of cash and cash equivalents, accounts receivable, portfolio investments, bank overdraft, accounts payable and accrued liabilities, long term debt and other liabilities. The School District does not have any derivatives.

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

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

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

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

n) 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 of assets and liabilities at the date of the financial statements and revenues and expenses during the reporting periods. Significant areas requiring the use of management estimates relate to the potential impairment of assets, liabilities for contaminated sites, rates for amortization and estimated employee future benefits. Actual results could differ from those estimates.

SCHOOL DISTRICT 93
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017

NOTE 3 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	<u>2017</u>	<u>2016</u>
Due from Federal Government	\$514,187	\$585,315
Other	\$367,541	\$214,544
	<u>\$881,728</u>	<u>\$799,859</u>

NOTE 4 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES - OTHER

	<u>2017</u>	<u>2016</u>
Trade Payables	\$9,216,102	\$3,993,508
Salaries and Benefits Payable	\$308,974	\$224,101
Accrued Vacation Pay	\$362,321	\$312,151
	<u>\$9,887,397</u>	<u>\$4,529,760</u>

**SCHOOL DISTRICT 93
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 5 DEFERRED REVENUE

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

Deferred Revenue – Ministry of Education

	June 30, 2017	June 30, 2016
Balance, beginning of year	\$138,179	\$174,434
Changes for the year:		
Increase:		
Provincial Grants – MOE	\$7,342,761	\$6,550,318
Decrease:		
Allocated to revenue	\$7,158,176	\$6,586,573
Recovered		
Net changes for the year	\$184,585	(\$36,225)
Balance, end of year	\$322,764	\$138,179

Deferred Revenue – Other

	June 30, 2017	June 30, 2016
Balance, beginning of year	\$392,123	\$474,840
Changes for the year:		
Increase:		
Other Revenue	\$1,848,127	\$1,480,016
Decrease:	\$1,848,127	\$1,480,016
Allocated to revenue	\$1,887,187	\$1,562,733
Net changes for the year	(\$39,060)	(\$82,717)
Balance, end of year	\$353,063	\$392,123

**SCHOOL DISTRICT 93
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 6 DEFERRED CAPITAL REVENUE

Deferred capital revenue includes grants and contributions received that are restricted by the contributor for the acquisition of tangible capital assets that meet the description of a restricted contribution in the Restricted Contributions Regulation 198/2011 issued by Treasury Board. Once spent, the contributions are amortized into revenue over the life of the asset acquired.

	June 30, 2017	June 30, 2016
Deferred Capital Revenue, beginning of year	\$102,080,994	\$102,147,364
Increase:		
Provincial Grants – MOE	\$17,064,163	\$3,222,145
Provincial grants – Other	-	-
	<u>\$17,064,163</u>	<u>\$3,222,145</u>
Decrease:		
Amortization Deferred Capital Revenue	\$3,318,162	\$3,281,344
Leases-Costs	\$289,364	-
By-law maintenance	\$7,314	\$7,171
	<u>\$3,614,840</u>	<u>\$3,288,515</u>
Net changes for the year	\$13,449,323	(\$66,370)
Deferred Capital Revenue, end of the year	<u>\$115,530,317</u>	<u>\$102,080,994</u>

NOTE 7 EMPLOYEE FUTURE BENEFITS

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

	June 30, 2017	June 30, 2016
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	\$1,785,111	\$2,316,855
Service Cost	\$205,132	\$211,523
Interest Cost	\$48,434	\$55,272
Benefits Payments- April to March 31 Vested	(\$220,966)	(\$204,843)
Benefit Payments- April 1 to March 31 – Non-Vested	(\$15,441)	(\$13,624)
Actuarial (Gain) Loss	\$90,718	(\$580,072)
Accrued Benefit Obligation – March 31	<u>\$1,892,988</u>	<u>\$1,785,111</u>

**SCHOOL DISTRICT 93
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 7 EMPLOYEE FUTURE BENEFITS (continued)

Reconciliation of Funded Status at End of Fiscal Year

Accrued Benefit Obligation – March 31	\$1,892,988	\$1,785,111
Market Value of Plan Assets – March 31	-	-
Funded Status – Surplus (Deficit)	(\$1,892,988)	(\$1,785,111)
Employer Contributions After Measurement Date	-	-
Benefit Expense after Measurement Date	(\$65,196)	(\$63,391)
Unamortized Net Actuarial (Gain) Loss	\$131,011	\$73,796
Accrued Benefit Asset (Liability) – June 30	(\$1,827,173)	(\$1,774,707)

	June 30, 2017	June 30, 2016
Components of Net Benefit Expense		
Service Cost - July 1 to March 31	\$153,849	\$158,642
Service Cost – April 1 to June 30	\$51,146	\$51,283
Interest Cost – July 1 to March 31	\$36,325	\$41,454
Interest Cost – April 1 to June 30	\$14,050	\$12,108
Amortization of Net Actuarial (Gain)/Loss	\$33,503	\$89,280
Net Benefit Expense (Income)	\$288,873	\$352,767

Reconciliation of Change in Accrued Benefit Liability

Accrued Benefit Liability – July 1	\$1,774,707	\$1,640,406
Net expense for Fiscal Year	\$288,873	\$352,767
Employer Contributions – July 1 to March 31	(\$236,407)	(\$218,467)
Employer Contributions – April 1 to June 30	-	-
Accrued Benefit Liability (Asset) – June 30	\$1,827,173	\$1,774,707

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

	June 30, 2017	June 30, 2016
Discount Rate – April 1	2.50%	2.25%
Discount Rate – March 31	2.75%	2.50%
Long Term Salary Growth – April 1	2.50% + seniority	2.50% + seniority
Long Term Salary Growth – March 31	2.50% + seniority	2.50% + seniority
EARSL – March 31	10.4	10.4

SCHOOL DISTRICT 93
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017

NOTE 8 CAPITAL LEASE OBLIGATIONS

The District has five leases with terms up to 6 years remaining for computer equipment. The interest rate on these leases range from 3.39% to 6.41%.

Payments are due as follows:

2018	\$1,102,980
2019	\$895,987
2020	\$661,466
2021	\$327,086
2022	\$25,012
Thereafter	-
Total minimum lease payments	<u>\$3,012,531</u>
Less amounts representing interest	<u>(\$222,788)</u>
Present value of net minimum capital lease payments	<u><u>\$ 2,789,743</u></u>

Total interest on leases for the year ended June 30, 2017 was \$199,186 (2016 \$163,156).

NOTE 9 TANGIBLE CAPITAL ASSETS

June 30, 2017

Cost:	Balance at July 1, 2016	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2017
Sites	\$35,127,666	\$10,845	-	-	\$35,138,511
Buildings	\$125,589,953	\$4,874,342	-	-	\$130,464,295
Buildings – work in progress	\$2,359,144	\$12,843,156	-	-	\$15,202,300
Furniture & Equipment	\$5,455,677	\$195,960	(\$740,889)	-	\$4,910,748
Vehicles	\$16,368	-	-	-	\$16,368
Computer Software	\$20,617	\$82,315	-	-	\$102,932
Computer Hardware	\$314,437	\$86,872	(\$22,493)	-	\$378,816
Asset under capital lease	\$5,737,510	\$1,348,271	(\$323,553)	-	\$6,762,228
Total	<u>\$174,621,372</u>	<u>\$19,441,761</u>	<u>(\$1,086,935)</u>	-	<u>\$192,976,198</u>

Accumulated Amortization:	Balance at July 1, 2016	Additions	Disposals	Balance at June 30, 2017
Sites	-	-	-	-
Buildings	\$24,938,278	\$3,139,749	-	\$24,078,027
Furniture & Equipment	\$2,976,637	\$545,568	(\$740,889)	\$2,781,316
Vehicles	\$6,548	\$1,637	-	\$8,185
Computer Software	(\$5)	\$4,123	-	\$4,118
Computer Hardware	\$108,977	\$15,304	(\$22,493)	\$101,788
Asset under capital lease	\$2,219,509	\$1,195,083	(\$323,553)	\$3,091,039
Total	<u>\$30,249,944</u>	<u>\$4,901,464</u>	<u>(\$1,086,935)</u>	<u>\$30,064,473</u>

SCHOOL DISTRICT 93
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017

NOTE 9 TANGIBLE CAPITAL ASSETS (continued)

June 30, 2016

Cost:	Balance at July 1, 2015	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2016
Sites	\$35,125,737	\$1,929	-	-	\$35,127,666
Buildings	\$123,209,404	\$2,380,549	-	-	\$125,589,953
Buildings – WIP	\$1,250,828	\$1,108,316	-	-	\$2,358,144
Furniture & Equipment	\$5,827,436	\$271,209	(\$642,968)	-	\$5,455,677
Vehicles	\$16,368	-	-	-	\$16,368
Computer Software	\$28,900	\$20,617	(\$28,900)	-	\$20,617
Computer Hardware	\$362,681	\$17,646	(\$65,890)	-	\$314,437
Asset under capital lease	\$5,162,784	\$1,512,672	(\$937,946)	-	\$5,737,510
Total	\$170,984,138	\$5,312,938	(\$1,675,704)	-	\$174,621,372

Accumulated Amortization:	Balance at July 1, 2015	Additions	Disposals	Balance at June 30, 2016
Sites	-	-	-	-
Buildings	\$21,858,043	\$3,080,235	-	\$24,938,278
Furniture & Equipment	\$3,036,861	\$582,744	(\$642,968)	\$2,976,637
Vehicles	\$4,911	\$1,637	-	\$6,548
Computer Software	\$23,120	\$5,775	(\$28,900)	(\$5)
Computer Hardware	\$104,016	\$54,139	(\$49,178)	\$108,977
Asset under capital lease	\$2,123,213	\$1,050,954	(\$954,658)	\$2,219,509
Total	\$27,150,164	\$4,775,484	(\$1,675,704)	\$30,249,944

Net Book Value:

	Net Book Value June 30, 2017	Net Book Value June 30, 2016
Sites	\$35,138,511	\$35,127,666
Buildings	\$102,386,268	\$100,651,675
Buildings – work in progress	\$15,202,300	\$2,359,144
Furniture & Equipment	\$2,129,432	\$2,479,040
Vehicles	\$8,183	\$9,820
Computer Software	\$98,814	\$20,622
Computer Hardware	\$277,028	\$205,460
Assets under capital lease	\$3,671,189	\$3,518,001
Total	\$158,911,725	\$144,371,828

SCHOOL DISTRICT 93
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017

NOTE 10 EMPLOYEE PENSION PLANS

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

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

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

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2015, indicated a \$2,224 million funding deficit for basic pension benefits on a going concern basis.

The school district paid \$5,437,664 for employer contributions to the plans for the year ended June 30, 2017 (2016: \$5,645,686)

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

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

**SCHOOL DISTRICT 93
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 11 RESTRICTED ASSETS - ENDOWMENT FUNDS

Donors have placed restrictions on their contributions to the endowment funds of the school district. One restriction is that the original contribution should not be spent. Another potential restriction is that any investment income of the endowment fund that is required to offset the eroding effect of inflation or preserve the original value of the endowment should also not be spent.

Name of Endowment	2016	Contributions	2017
Dr. Moreau	\$15,000	\$	\$15,000
Devencore	\$12,000	\$	\$12,000
Cadillac Fairview – Vanoc	\$25,000	\$	\$25,000
Total	\$52,000	\$	\$52,000

NOTE 12 INTERFUND TRANSFERS

Interfund transfers between the operating, special purpose and capital funds for the year ended June 30, 2017, transfers were as follows:

- \$541,897 (2016: \$388,306) transferred from the Operating Fund to the Capital Fund for the purchase of capital equipment.
- \$171,865 (2016: \$88,960) transferred from the Special Purpose Fund to the Capital Fund for the purchase of capital assets.
- \$949,537 (2016: \$708,453) transferred from the Operating Fund to the Capital Fund for the payment (including interest and capital) of the capital lease obligations.
- \$537,069 (2016: \$537,069) transferred from the Special purpose Funds to the Capital Fund for the payment (including interest and capital) of the capital lease obligations.

NOTE 13 RELATED PARTY TRANSACTIONS

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

SCHOOL DISTRICT 93
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017

NOTE 14 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.

Contractual obligations	2018	2019	2020	2021	2022	Thereafter
Office – Lease	\$342,288	\$360,621	\$366,732	\$403,408	\$415,633	\$935,174
Copiers – Lease	\$100,702	\$86,314	\$73,502	\$65,084	\$37,292	-
Equipment – Lease	\$30,362	\$30,362	-	-	-	-
Vehicles – Lease	\$9,828	-	-	-	-	-
	<u>\$483,180</u>	<u>\$477,296</u>	<u>\$440,234</u>	<u>\$468,492</u>	<u>\$452,925</u>	<u>\$935,174</u>

Construction Related Commitments

In spring 2012, the Ministry of Education announced a capital project to build a school in the False Creek area in Vancouver. The certificate of approval amount is still unknown. As at June 30, 2017, \$357,996 (2016 \$278,565) has been spent.

In spring 2013, the Ministry of Education announced a capital project to build a school in Port Coquitlam. The certificate of approval amount is \$28,295,087. As at June 30, 2017, \$14,844,305 (2016 \$2,080,580) has been spent.

Prepaid Land Licence

The School District has entered into an agreement with the Vancouver Park Board for the use of a property as a playfield for 20 years, commencing July 2008. In exchange for the right, the District contributed \$510,767 for the development costs of the property and will contribute 50% of the annual maintenance costs. The School District will also contribute \$45,797 towards the costs of renovating the field in Year 10. \$7,314 of expense was incurred and expensed during the year.

Payments are due as follows:

2017/18	\$7,460
2018/19	\$7,609
2019/20	\$7,762
2020/21	\$7,917
2021/22	\$8,078
Thereafter	\$51,955

SCHOOL DISTRICT 93
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017

NOTE 15 BUDGET FIGURES

The annual budget was originally approved by the Board on June 25, 2016 and subsequently the amended annual budget was approved on January 21, 2017. The annual budget and amended annual budget amounts are as follows:

Revenues	Annual Budget	Amended Budget	Variances
Provincial Grants - Ministry of Education	\$83,502,634	\$84,821,367	(\$1,318,733)
Provincial Grants – Other	\$195,000	\$215,000	(\$20,000)
Other Revenue	\$1,170,000	\$969,585	\$200,415
Rentals and Leases	\$20,000	\$55,000	(\$35,000)
Investment Income	\$90,000	\$90,000	-
Amortization of Deferred Revenue	\$3,156,000	\$3,296,000	(\$140,000)
Total Revenue	\$88,133,634	\$89,446,952	(\$1,313,318)
Expenses			
Instruction	\$60,910,581	\$62,549,588	(\$1,639,007)
District Administration	\$4,315,023	\$5,166,263	(\$851,240)
Operations and Maintenance	\$15,602,227	\$16,209,136	(\$606,909)
Transportation and Housing	\$6,999,212	\$6,878,679	\$120,533
Debt Services	\$156,000	\$154,000	\$2,000
Amortization of Prepaid Licence	\$20,431	\$20,431	-
Total Expenses	\$88,003,474	\$90,978,097	(\$2,974,623)

NOTE 16 CONTINGENCIES

The CSF has launched an action against the Minister of Education in the Supreme Court of British Columbia. The CSF's action sought declarations and concrete remedies under the Charter regarding the system under which the Minister of Education grants the CSF capital funding and transportation funding, and the levels of funding accorded, and regarding the school facilities currently operated by the CSF in a number of communities. The CSF was partly successful in its action. The CSF has appealed certain parts of the Court's order; the Minister of Education cross-appeals other parts of the order. An appeal will be heard by the Court of Appeal of British Columbia in January 2018. The CSF expects to be reimbursed for part of the costs it has incurred since 2010 in connection with its action against the Minister of Education. The outcome of the appeal before the Court of Appeal is not currently determinable and no amounts has been recorded in the financial statements. The CSF also expects to be reimbursed for most of the costs incurred in the "second" phase of the petition initiated by the Association des parents de l'École Rose-des-vents, given the CSF's success in that proceeding.

**SCHOOL DISTRICT 93
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 17 ASSET RETIREMENT OBLIGATION

Legal liabilities may exist for the removal or disposal of asbestos in schools that will undergo major renovations or demolition. The value of the liability for asbestos removal or disposal will be recognized in the period in which a reasonable estimate of fair value can be made. As at June 30, 2017 the liability is not reasonably determinable.

NOTE 18 EXPENSE BY OBJECT

	June 30, 2017	June 30, 2016
Salaries and Benefits	\$59,514,336	\$55,645,308
Services and Supplies	\$26,295,400	\$26,232,657
Interest	\$218,616	\$163,156
Amortization	\$4,901,464	\$4,775,484
	\$90,929,816	\$86,816,605

The Service and Supplies balance includes interfund transfers. See note 12.

NOTE 19 INTERNALLY RESTRICTED SURPLUS – OPERATING

Student Learning Grant	\$285,656
Professional Development	\$33,880
Schools Budget	\$94,352
Education Projects	\$31,204
School Generated funds	\$435,832
Subtotal Internally Restricted	\$880,924
Unrestricted Operating Surplus (Deficit)	\$846,437
Total Available for Future Operations	\$1,727,361

NOTE 20 ECONOMIC DEPENDENCE

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

SCHOOL DISTRICT 93
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017

NOTE 21 CREDIT FACILITIES

The School District has a credit facility with the Royal Bank of Canada comprising 2 components. Component 1 consists of a lease line of credit of \$5,000,000 and component 2 consists of a corporate visa with a limit of \$80,000. The School District has credit facility with Home Depot comprising of a corporate credit card with a limit of \$10,000. A Board of Director's resolution authorizing borrowings is required to maintain the credit facility. When used, the credit facility is repayable on demand and bears interest at the time each lease is entered.

NOTE 22 RISK MANAGEMENT

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

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

a) Credit risk:

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

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

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

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.

SCHOOL DISTRICT 93
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017

NOTE 22 RISK MANAGEMENT (continued)

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

School District No. 93 (Conseil Scolaire Francophone)

Schedule 1 (Unaudited)

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

	Operating Fund	Special Purpose Fund	Capital Fund	2017 Actual	2016 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	2,131,403	52,000	43,270,394	45,453,797	44,543,549
Changes for the year					
Surplus (Deficit) for the year	1,087,392	708,909	(1,802,919)	(6,618)	910,248
Interfund Transfers	(541,897)	(171,865)	713,762	-	
Tangible Capital Assets Purchased	(949,537)	(537,044)	1,486,581	-	
Other	(404,042)	-	397,424	(6,618)	910,248
Net Changes for the year	1,727,361	52,000	43,667,818	45,447,179	45,453,797

School District No. 93 (Conseil Scolaire Francophone)

Schedule 2 (Unaudited)

Schedule of Operating Operations
Year Ended June 30, 2017

	2017 Budget	2017 Actual	2016 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	78,017,215	78,513,275	75,296,632
Federal Grants		398,066	409,246
Other Revenue	19,585	146,969	1,057,817
Rentals and Leases	55,000	90,121	71,153
Investment Income	90,000	120,151	88,644
Total Revenue	78,181,800	79,268,582	76,923,492
Expenses			
Instruction	55,295,767	55,438,458	52,016,300
District Administration	5,166,263	5,049,418	6,401,751
Operations and Maintenance	11,314,036	10,799,975	9,818,002
Transportation and Housing	6,878,679	6,893,339	6,737,493
Total Expense	78,654,745	78,181,190	74,973,546
Operating Surplus (Deficit) for the year	(472,945)	1,087,392	1,949,946
Budgeted Appropriation (Retirement) of Surplus (Deficit)	1,413,876		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(240,000)	(541,897)	(388,306)
Other	(700,931)	(949,537)	(708,453)
Total Net Transfers	(940,931)	(1,491,434)	(1,096,759)
Total Operating Surplus (Deficit), for the year	-	(404,042)	853,187
Operating Surplus (Deficit), beginning of year		2,131,403	1,278,216
Operating Surplus (Deficit), end of year		1,727,361	2,131,403
Operating Surplus (Deficit), end of year			
Internally Restricted			810,256
Unrestricted		1,727,361	1,321,147
Total Operating Surplus (Deficit), end of year		1,727,361	2,131,403

School District No. 93 (Conseil Scolaire Francophone)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source
Year Ended June 30, 2017

	2017 Budget	2017 Actual	2016 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education			
Operating Grant, Ministry of Education	75,656,063	75,721,435	73,369,966
Other Ministry of Education Grants			
Pay Equity	100,251	100,251	100,251
Transportation Supplement	150,415	150,415	
Economic Stability Dividend		30,434	41,176
Return of Administrative Savings	386,075	386,075	
Carbon Tax Grant	25,000	75,941	
Student Learning Grant		285,656	
Leases Costs	1,684,411	1,700,000	1,691,200
FSA	15,000	14,329	15,219
Assessment Curriculum			74,550
Refugees			4,270
Literacy and France Ed Partnership		48,739	
Total Provincial Grants - Ministry of Education	78,017,215	78,513,275	75,296,632
Federal Grants		398,066	409,246
Other Revenues			
Miscellaneous			
Miscellaneous	19,585	146,969	957,817
SGF not deferrable			100,000
Total Other Revenue	19,585	146,969	1,057,817
Rentals and Leases	55,000	90,121	71,153
Investment Income	90,000	120,151	88,644
Total Operating Revenue	78,181,800	79,268,582	76,923,492

School District No. 93 (Conseil Scolaire Francophone)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object
Year Ended June 30, 2017

	2017 Budget	2017 Actual	2016 Actual
	\$	\$	\$
Salaries			
Teachers	26,486,300	26,783,239	25,112,801
Principals and Vice Principals	3,685,685	4,222,265	3,743,907
Educational Assistants	4,100,174	4,216,909	3,078,353
Support Staff	4,040,277	4,014,744	3,929,600
Other Professionals	2,346,798	2,589,216	2,521,493
Substitutes	2,153,300	2,815,364	2,290,561
Total Salaries	42,812,534	44,641,737	40,676,715
Employee Benefits	11,603,955	10,468,758	10,855,426
Total Salaries and Benefits	54,416,489	55,110,495	51,532,141
Services and Supplies			
Services	10,041,260	8,832,702	9,812,112
Student Transportation	6,839,543	6,824,478	6,695,910
Professional Development and Travel	1,793,459	1,363,024	1,257,728
Rentals and Leases	2,771,978	2,455,836	2,521,300
Dues and Fees	84,936	104,342	112,708
Insurance	109,805	112,959	106,146
Interest	10,000	19,430	27,504
Supplies	1,302,579	2,118,708	1,846,049
Utilities	1,284,696	1,239,216	1,061,948
Total Services and Supplies	24,238,256	23,070,695	23,441,405
Total Operating Expense	78,654,745	78,181,190	74,973,546

School District No. 93 (Conseil Scolaire Francophone)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object
Year Ended June 30, 2017

	Teachers Salaries	Principals and Vice Principals Salaries	Educational Assistants Salaries	Support Staff Salaries	Other Professionals Salaries	Substitutes Salaries	Total Salaries
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	22,115,113	467,055	613,708	905,521	278,759	2,039,965	26,420,121
1.03 Career Programs	168,740	905					169,645
1.07 Library Services		39,147		42,038		3,641	45,679
1.08 Counselling	921,875	157,964	3,371,681	3,877	377,602	6,101	967,123
1.10 Special Education	1,742,210	213,355	56,744			347,012	6,000,346
1.30 English Language Learning	1,582,824	6,769	174,776	5,169	61,368	8,864	1,861,787
1.31 Aboriginal Education	160,146	3,337,070		2,001,843		14,555	422,783
1.41 School Administration						270,769	5,609,682
Total Function 1	26,690,908	4,222,265	4,216,909	2,958,448	717,729	2,690,907	41,497,166
4 District Administration							
4.11 Educational Administration	92,331			106,774	469,346	34,367	702,818
4.40 School District Governance					98,234	6,925	105,159
4.41 Business Administration				330,722	751,834	67,437	1,149,993
Total Function 4	92,331	-	-	437,496	1,319,414	108,729	1,957,970
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				47,377	107,248		154,625
5.50 Maintenance Operations				571,423	444,825	15,728	1,031,976
5.52 Maintenance of Grounds							-
5.56 Utilities							-
Total Function 5	-	-	-	618,800	552,073	15,728	1,186,601
7 Transportation and Housing							
7.41 Transportation and Housing Administration							-
7.70 Student Transportation							-
Total Function 7	-	-	-	-	-	-	-
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	26,783,239	4,222,265	4,216,909	4,014,744	2,589,216	2,815,364	44,641,737

School District No. 93 (Conseil Scolaire Francophone)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object
Year Ended June 30, 2017

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2017 Actual	2017 Budget	2016 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	26,420,121	6,052,653	32,472,774	3,144,745	35,617,519	34,850,358	34,077,814
1.03 Career Programs	169,645	41,103	210,748		210,748	208,128	192,766
1.07 Library Services	45,679	13,453	59,132	71,020	130,152	190,930	234,418
1.08 Counselling	967,123	225,357	1,192,480	22,078	1,214,558	1,251,864	1,114,929
1.10 Special Education	6,000,346	1,381,100	7,381,446	206,581	7,588,027	6,969,582	6,532,251
1.30 English Language Learning	1,861,787	430,818	2,292,605	12,344	2,304,949	2,208,649	1,896,095
1.31 Aboriginal Education	422,783	105,576	528,359	107,357	635,716	585,350	591,715
1.41 School Administration	5,609,682	1,578,600	7,188,282	548,507	7,736,789	9,030,906	7,376,312
Total Function 1	41,497,166	9,828,660	51,325,826	4,112,632	55,438,458	55,295,767	52,016,300
4 District Administration							
4.11 Educational Administration	702,818	144,186	847,004	912,174	1,759,178	1,954,753	1,339,151
4.40 School District Governance	105,159	2,162	107,321	1,202,810	1,310,131	1,232,025	2,965,504
4.41 Business Administration	1,149,993	227,507	1,377,500	602,609	1,980,109	1,979,485	2,097,096
Total Function 4	1,957,970	373,855	2,331,825	2,717,593	5,049,418	5,166,263	6,401,751
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	154,625	40,719	195,344	137,952	333,296	433,787	300,215
5.50 Maintenance Operations	1,031,976	225,524	1,257,500	7,290,298	8,547,798	9,316,925	8,044,157
5.52 Maintenance of Grounds	-	-	-	679,440	679,440	385,540	411,636
5.56 Utilities	-	-	-	1,239,441	1,239,441	1,177,784	1,061,994
Total Function 5	1,186,601	266,243	1,452,844	9,347,131	10,799,975	11,314,036	9,818,002
7 Transportation and Housing							
7.41 Transportation and Housing Administration	-	-	-	68,861	68,861	47,500	41,585
7.70 Student Transportation	-	-	-	6,824,478	6,824,478	6,831,179	6,695,908
Total Function 7	-	-	-	6,893,339	6,893,339	6,878,679	6,737,493
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	44,641,737	10,468,758	55,110,495	23,070,695	78,181,190	78,654,745	74,973,546

School District No. 93 (Conseil Scolaire Francophone)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2017

	2017 Budget	2017 Actual	2016 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	6,797,052	7,158,176	6,586,573
Federal Grants	215,000	216,496	206,745
Other Revenue	950,000	1,670,691	1,355,988
Total Revenue	7,962,052	9,045,363	8,149,306
Expenses			
Instruction	7,253,821	8,206,857	7,370,865
Operations and Maintenance		129,597	152,412
Total Expense	7,253,821	8,336,454	7,523,277
Special Purpose Surplus (Deficit) for the year, before endowment contributions	708,231	708,909	626,029
Endowment Contributions			12,000
Special Purpose Surplus (Deficit) for the year	708,231	708,909	638,029
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(171,162)	(171,865)	(88,960)
Other	(537,069)	(537,044)	(537,069)
Total Net Transfers	(708,231)	(708,909)	(626,029)
Total Special Purpose Surplus (Deficit) for the year	-	-	12,000
Special Purpose Surplus (Deficit), beginning of year		52,000	40,000
Special Purpose Surplus (Deficit), end of year		52,000	52,000
Special Purpose Surplus (Deficit), end of year			
Endowment Contributions		52,000	52,000
Total Special Purpose Surplus (Deficit), end of year		52,000	52,000

School District No. 93 (Conseil Scolaire Francophone)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2017

	Annual Facility Grant	Learning Improvement Fund	Special Education Equipment	Service Delivery Transformation	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year			15,823	34,637	369,521		53,616	34,105	
Add: Restricted Grants	301,462	1,542,828				128,982	68,600	4,334,934	128,648
Provincial Grants - Ministry of Education					1,654,233				
Federal Grants					1,670,691				
Other				4,734					
Less: Allocated to Revenue			365	29,903	353,063		61,172		
Deferred Revenue, end of year			15,458	29,903	353,063		61,172		
Revenues	301,462	1,542,828	365	4,734	1,670,691	128,982	61,044	4,369,039	128,648
Provincial Grants - Ministry of Education					1,670,691				
Federal Grants					1,670,691				
Other Revenue			365	4,734					
Expenses	46,570	975,506							
Salaries									494,185
Teachers									68,200
Principals and Vice Principals									255,825
Educational Assistants									199,077
Support Staff									628,736
Substitutes									10,717
Employee Benefits	46,570	1,212,125					13,965		18,768
Services and Supplies	12,083	325,008					3,098		21,897
Tangible Capital Assets Purchased	70,944	5,695	365	4,734	1,670,691	128,982	43,981	1,900,272	87,983
Other	129,597	1,542,828	365	4,734	1,670,691	128,982	61,044	3,831,995	128,648
Net Revenue (Expense) before Interfund Transfers	171,865							537,044	
Interfund Transfers	(171,865)							(537,044)	
Tangible Capital Assets Purchased									
Other	(171,865)							(537,044)	
Net Revenue (Expense)									

School District No. 93 (Conseil Scolaire Francophone)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2017

	Coding and Curriculum Implementation	Priority Measures	BC Settlement Program	TOTAL
	\$	\$	\$	\$
Deferred Revenue, beginning of year			22,602	530,304
Add: Restricted Grants	67,756	769,549		7,342,759
Provincial Grants - Ministry of Education			193,894	193,894
Federal Grants	67,756	769,549		1,654,233
Other	-	621,074	193,894	9,190,886
Less: Allocated to Revenue			216,496	9,045,363
Deferred Revenue, end of year	67,756	148,475	-	675,827
Revenues				
Provincial Grants - Ministry of Education		621,074		7,158,176
Federal Grants			216,496	216,496
Other Revenue			1,670,691	1,670,691
Expenses				
Salaries				
Teachers		490,735		1,960,426
Principals and Vice Principals				68,200
Educational Assistants			161,082	661,577
Support Staff				245,647
Substitutes			7,867	661,285
Employee Benefits		490,735	168,949	3,597,135
Services and Supplies		130,339	28,581	806,706
		18,966		3,932,613
		621,074	216,496	8,336,454
Net Revenue (Expense) before Interfund Transfers	-	-	-	708,909
Interfund Transfers				
Tangible Capital Assets Purchased				(171,865)
Other				(537,044)
Net Revenue (Expense)	-	-	-	(708,909)

School District No. 93 (Conseil Scolaire Francophone)

Schedule 4 (Unaudited)

Schedule of Capital Operations
Year Ended June 30, 2017

	2017 Budget	2017 Actual			2016 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Provincial Grants					
Ministry of Education	7,100	296,678		296,678	7,171
Amortization of Deferred Capital Revenue	3,296,000	3,318,162		3,318,162	3,281,344
Total Revenue	3,303,100	3,614,840	-	3,614,840	3,288,515
Expenses					
Operations and Maintenance	7,100	296,678		296,678	7,171
Amortization of Tangible Capital Assets					
Operations and Maintenance	4,888,000	4,901,464		4,901,464	4,775,484
Debt Services					
Capital Lease Interest	154,000		199,186	199,186	163,156
Amortization prepaid licence	20,431	20,431		20,431	20,431
Total Expense	5,069,531	5,218,573	199,186	5,417,759	4,966,242
Capital Surplus (Deficit) for the year	(1,766,431)	(1,603,733)	(199,186)	(1,802,919)	(1,677,727)
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	411,162	713,762		713,762	477,266
Capital Lease Payment	1,238,000		1,486,581	1,486,581	1,245,522
Total Net Transfers	1,649,162	713,762	1,486,581	2,200,343	1,722,788
Other Adjustments to Fund Balances					
Principal Payment					
Capital Lease		1,287,395	(1,287,395)	-	
Total Other Adjustments to Fund Balances		1,287,395	(1,287,395)	-	
Total Capital Surplus (Deficit) for the year	(117,269)	397,424	-	397,424	45,061
Capital Surplus (Deficit), beginning of year		43,266,054	4,340	43,270,394	43,225,333
Capital Surplus (Deficit), end of year		43,663,478	4,340	43,667,818	43,270,394

School District No. 93 (Conseil Scolaire Francophone)

Tangible Capital Assets
Year Ended June 30, 2017

Schedule 4A (Unaudited)

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	35,127,666	125,589,953	5,455,677	16,368	20,617	6,051,947	172,262,228
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		4,116,800	11,473				4,128,273
Deferred Capital Revenue - Other		408,299					408,299
Operating Fund		188,223	184,487		82,315	86,872	541,897
Special Purpose Funds	10,845	161,020					171,865
Capital Lease intern funding			195,960		82,315	1,348,271	1,348,271
	10,845	4,874,342	195,960	-	82,315	1,435,143	6,598,605
Decrease:							
Deemed Disposals			740,889			346,046	1,086,935
			740,889			346,046	1,086,935
Cost, end of year	35,138,511	130,464,295	4,910,748	16,368	102,932	7,141,044	177,773,898
Work in Progress, end of year		15,202,300					15,202,300
Cost and Work in Progress, end of year	35,138,511	145,666,595	4,910,748	16,368	102,932	7,141,044	192,976,198
Accumulated Amortization, beginning of year							
Changes for the Year							
Increase: Amortization for the Year		3,139,749	545,568	1,637	4,123	1,210,387	4,901,464
Decrease:							
Deemed Disposals			740,889			346,046	1,086,935
			740,889			346,046	1,086,935
Accumulated Amortization, end of year		28,078,027	2,781,316	8,185	4,118	3,192,827	34,064,473
Tangible Capital Assets - Net	35,138,511	117,588,568	2,129,432	8,183	98,814	3,948,217	158,911,725

School District No. 93 (Conseil Scolaire Francophone)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2017

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
Work in Progress, beginning of year	2,359,144				2,359,144
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	12,843,156				12,843,156
	12,843,156	-	-	-	12,843,156
Net Changes for the Year	12,843,156	-	-	-	12,843,156
Work in Progress, end of year	15,202,300	-	-	-	15,202,300

School District No. 93 (Conseil Scolaire Francophone)

Schedule 4C (Unaudited)

Deferred Capital Revenue
Year Ended June 30, 2017

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	91,555,837	5,490,580		97,046,417
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	4,128,273	408,299		4,536,572
	4,128,273	408,299	-	4,536,572
Decrease:				
Amortization of Deferred Capital Revenue	3,149,224	168,938		3,318,162
	3,149,224	168,938	-	3,318,162
Net Changes for the Year	979,049	239,361	-	1,218,410
Deferred Capital Revenue, end of year	92,534,886	5,729,941	-	98,264,827
Work in Progress, beginning of year	2,359,144			2,359,144
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	12,843,156			12,843,156
	12,843,156	-	-	12,843,156
Net Changes for the Year	12,843,156	-	-	12,843,156
Work in Progress, end of year	15,202,300	-	-	15,202,300
Total Deferred Capital Revenue, end of year	107,737,186	5,729,941	-	113,467,127

School District No. 93 (Conseil Scolaire Francophone)

Changes in Unspent Deferred Capital Revenue
Year Ended June 30, 2017

	Bylaw Capital	MEEd Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	501,910	2,173,523	-	-	-	2,675,433
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	17,064,173	-	-	-	-	17,064,173
Decrease:						
Transferred to DCR - Capital Additions	4,128,273	408,299	-	-	-	4,536,572
Transferred to DCR - Work in Progress	12,843,156	-	-	-	-	12,843,156
Leases-Costs	289,364	-	-	-	-	289,364
By-law maintenance expenses	7,314	-	-	-	-	7,314
	17,268,107	408,299	-	-	-	17,676,406
	(203,934)	(408,299)	-	-	-	(612,233)
Net Changes for the Year	297,976	1,765,224	-	-	-	2,063,200
Balance, end of year						