

Audited Financial Statements of

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

June 30, 2017

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

June 30, 2017

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

## MANAGEMENT REPORT

Version: 8671-7925-5942

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 42 (Maple Ridge-Pitt Meadows) 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. 42 (Maple Ridge-Pitt Meadows) (called the "Board") is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Board. The Board reviews internal financial statements on a quarterly basis and externally audited financial statements yearly.

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

Original signed by Mike Murray	September 20, 2017
Signature of the Chairperson of the Board of Education	Date Signed
Original signed by Sylvia Russell	September 20, 2017
Signature of the Superintendent	Date Signed
Original signed by Flavia Coughlan	September 20, 2017
Signature of the Secretary Treasurer	Date Signed



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32575 Simon Avenue  
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Telephone (604) 854-2200  
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## INDEPENDENT AUDITORS' REPORT

To the Board of Education of the School District No. 42 (Maple Ridge-Pitt Meadows), and  
To the Minister of Education, Province of British Columbia

We have audited the accompanying financial statements of School District No. 42 (Maple Ridge-Pitt Meadows), which comprise the statement of financial position as at June 30, 2017, the statement of operations, changes in net financial assets (debt) 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 Financial Statements*

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

### *Auditors' Responsibility*

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

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



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

*Opinion*

In our opinion, the financial statements of School District No. 42 (Maple Ridge-Pitt Meadows) as at and for the year ended June 30, 2017 are prepared, in all material respects, in accordance with the financial reporting provisions of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

*Emphasis of Matter*

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

*KPMG LLP*

Chartered Professional Accountants

September 20, 2017

Abbotsford, Canada

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

### Statement of Financial Position

As at June 30, 2017

	2017 Actual	2016 Actual
	\$	\$
<b>Financial Assets</b>		
Cash and Cash Equivalents	47,185,558	41,902,318
Accounts Receivable		
Due from Province - Ministry of Education	76,518	73,447
Due from Province - Other	75,114	58,999
Due from LEA/Direct Funding		60,371
Other (Note 3)	556,146	564,525
Portfolio Investments (Note 4)	315,941	302,245
<b>Total Financial Assets</b>	<b>48,209,277</b>	<b>42,961,905</b>
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities		
Other (Note 5)	12,987,496	12,584,163
Unearned Revenue (Note 6)	4,902,339	4,182,860
Deferred Revenue (Note 7)	2,470,443	1,945,045
Deferred Capital Revenue (Note 8)	118,838,791	118,247,176
Employee Future Benefits (Note 9)	7,875,479	7,423,597
<b>Total Liabilities</b>	<b>147,074,548</b>	<b>144,382,841</b>
<b>Net Financial Assets (Debt)</b>	<b>(98,865,271)</b>	<b>(101,420,936)</b>
<b>Non-Financial Assets</b>		
Tangible Capital Assets (Note 11)	176,066,273	176,752,853
Prepaid Expenses	497,321	537,928
<b>Total Non-Financial Assets</b>	<b>176,563,594</b>	<b>177,290,781</b>
<b>Accumulated Surplus (Deficit) (Note 19)</b>	<b>77,698,323</b>	<b>75,869,845</b>

Contractual Obligations and Contingencies (Note 14 and 16)

Approved by the Board

Original signed by Mike Murray September 20, 2017

Signature of the Chairperson of the Board of Education

Date Signed

Original signed by Sylvia Russell

September 20, 2017

Signature of the Superintendent

Date Signed

Original signed by Flavia Coughlan

September 20, 2017

Signature of the Secretary Treasurer

Date Signed

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

Statement of Operations

Year Ended June 30, 2017

	2017 Budget (Note 15) \$	2017 Actual \$	2016 Actual \$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	131,763,859	<b>133,374,418</b>	129,394,012
Other	393,551	<b>408,733</b>	287,871
School Site Acquisition Fees		<b>862</b>	757,814
Federal Grants	164,600	<b>178,693</b>	172,620
Tuition	8,915,533	<b>8,905,459</b>	9,044,332
Other Revenue	5,440,265	<b>5,989,229</b>	5,627,876
Rentals and Leases	423,500	<b>511,245</b>	498,732
Investment Income	385,400	<b>501,526</b>	456,050
Amortization of Deferred Capital Revenue	5,328,066	<b>5,338,249</b>	5,357,723
<b>Total Revenue</b>	<b>152,814,774</b>	<b>155,208,414</b>	151,597,030
<b>Expenses (Note 18)</b>			
Instruction	126,982,445	<b>124,624,495</b>	120,070,283
District Administration	5,269,054	<b>4,933,600</b>	4,460,117
Operations and Maintenance	23,366,439	<b>23,320,653</b>	21,507,523
Transportation and Housing	540,965	<b>501,188</b>	817,565
Debt Services			3,947
<b>Total Expense</b>	<b>156,158,903</b>	<b>153,379,936</b>	146,859,435
<b>Surplus (Deficit) for the year</b>	<b>(3,344,129)</b>	<b>1,828,478</b>	4,737,595
<b>Accumulated Surplus (Deficit) from Operations, beginning of year</b>		<b>75,869,845</b>	71,132,250
<b>Accumulated Surplus (Deficit) from Operations, end of year</b>		<b>77,698,323</b>	75,869,845

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

Statement of Changes in Net Financial Assets (Debt)

Year Ended June 30, 2017

	2017 Budget (Note 15) \$	2017 Actual \$	2016 Actual \$
<b>Surplus (Deficit) for the year</b>	(3,344,129)	<b>1,828,478</b>	4,737,595
<b>Effect of change in Tangible Capital Assets</b>			
Acquisition of Tangible Capital Assets	(5,356,037)	<b>(8,037,984)</b>	(10,896,323)
Amortization of Tangible Capital Assets	8,656,711	<b>8,724,564</b>	8,340,856
<b>Total Effect of change in Tangible Capital Assets</b>	3,300,674	<b>686,580</b>	(2,555,467)
Acquisition of Prepaid Expenses		<b>(497,321)</b>	(537,928)
Use of Prepaid Expenses		<b>537,928</b>	277,620
<b>Total Effect of change in Other Non-Financial Assets</b>	-	<b>40,607</b>	(260,308)
<b>(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)</b>	<u>(43,455)</u>	<b>2,555,665</b>	1,921,820
<b>Net Remeasurement Gains (Losses)</b>			
<b>(Increase) Decrease in Net Financial Assets (Debt)</b>		<b>2,555,665</b>	1,921,820
<b>Net Financial Assets (Debt), beginning of year</b>		<b>(101,420,936)</b>	(103,342,756)
<b>Net Financial Assets (Debt), end of year</b>		<b>(98,865,271)</b>	(101,420,936)



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

Statement of Cash Flows  
Year Ended June 30, 2017

	2017 Actual	2016 Actual
	\$	\$
<b>Operating Transactions</b>		
Surplus (Deficit) for the year	1,828,478	4,737,595
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	49,564	34,560
Prepaid Expenses	40,607	(260,308)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	403,333	(1,760,253)
Unearned Revenue	719,479	(289,099)
Deferred Revenue	525,398	89,984
Employee Future Benefits	451,882	598,372
Amortization of Tangible Capital Assets	8,724,564	8,340,856
Amortization of Deferred Capital Revenue	(5,338,249)	(5,357,723)
Recognition of Deferred Capital Revenue Spent on Sites	(2,464)	(2,165,182)
<b>Total Operating Transactions</b>	<b>7,402,592</b>	<b>3,968,802</b>
<b>Capital Transactions</b>		
Tangible Capital Assets Purchased	(4,042,629)	(5,589,961)
Tangible Capital Assets -WIP Purchased	(3,995,355)	(5,306,362)
<b>Total Capital Transactions</b>	<b>(8,037,984)</b>	<b>(10,896,323)</b>
<b>Financing Transactions</b>		
Capital Revenue Received	5,932,328	6,187,339
Capital Lease Principal Payments		(296,110)
<b>Total Financing Transactions</b>	<b>5,932,328</b>	<b>5,891,229</b>
<b>Investing Transactions</b>		
Investments in Portfolio Investments	(13,696)	(1,968)
<b>Total Investing Transactions</b>	<b>(13,696)</b>	<b>(1,968)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>5,283,240</b>	<b>(1,038,260)</b>
<b>Cash and Cash Equivalents, beginning of year</b>	<b>41,902,318</b>	<b>42,940,578</b>
<b>Cash and Cash Equivalents, end of year</b>	<b>47,185,558</b>	<b>41,902,318</b>
<b>Cash and Cash Equivalents, end of year, is made up of:</b>		
Cash	10,435,523	8,192,423
Cash Equivalents	36,750,035	33,709,895
	<b>47,185,558</b>	<b>41,902,318</b>
Supplementary Cash Flow Information (Note 22)		

**SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2017**

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**NOTE 1      AUTHORITY AND PURPOSE**

The School District, established on April 12, 1946, operates under authority of the School Act of British Columbia as a corporation under the name of "The Board of Education of School District No. 42 (Maple Ridge – Pitt Meadows)", and operates as "School District No. 42 (Maple Ridge – Pitt Meadows)." A board of education ("Board") elected for a four-year term governs the School District. The School District provides educational programs to students enrolled in schools in the School District, and is principally funded by the Province of British Columbia through the Ministry of Education. School District No. 42 is exempt from federal and provincial corporate income taxes.

**NOTE 2      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the School District are prepared by management in accordance with the basis of accounting described below. Significant accounting policies of the School District are as follow:

a) **Basis of Accounting**

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

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

As noted in notes 2(g) and 2(m), 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 School District No. 42 (Maple Ridge – Pitt Meadows) is as follows:

Statement of Operations for the year ended June 30, 2016 – an increase in annual surplus of \$5,357,723.

Statement of Financial Position at June 30, 2016 – an increase in accumulated surplus and decrease in deferred capital revenue of \$5,357,723.

Statement of Operations for the year ended June 30, 2017 – an increase in annual surplus of \$5,338,249.

Statement of Financial Position at June 30, 2017 – an increase in accumulated surplus and decrease in deferred capital revenue of \$5,338,249.

b) **Financial Instruments**

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

**SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2017**

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

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

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

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.

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

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

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

**c) Cash and Cash Equivalents**

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

**d) Accounts Receivable**

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

**e) Portfolio Investments**

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

**f) Unearned Revenue**

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

**SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2017**

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

**g) 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(m).

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

**h) Employee Future Benefits**

**i) Post-employment benefits**

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

The School District accrues its obligations and related costs including both vested and non-vested benefits under employee future benefit plans. Benefits include vested sick leave, accumulating non-vested sick leave, early retirement, retirement/severance, 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. For the purposes of determining the financial position of the plans and the employee future benefit costs, a measurement date of March 31 was adopted for all periods subsequent to July 1, 2004.

**ii) Pension Plans**

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

**SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2017**

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

**i) Asset Retirement Obligations**

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

**j) Tangible Capital Assets**

Tangible capital assets acquired or constructed are recorded at cost which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost also includes overhead directly attributable to construction as well as interest costs that are directly attributable to the acquisition or construction of the asset.

Donated tangible capital assets are recorded at their fair market value on the date of donation, except in circumstances where fair value cannot be reasonably determined, which are then recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.

Work-in-progress is recorded as an acquisition to the applicable asset class at substantial completion. Tangible capital assets are written down to residual value when conditions indicate they no longer contribute to the ability of the School District to provide services or when the value of future economic benefits associated with the sites and buildings are less than their net book value. The write-downs are accounted for as expenses in the 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 lives are as follows:

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

**SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2017**

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

**k) Prepaid Expenses**

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

**l) Internally restricted reserves**

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

**m) Revenue Recognition**

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

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

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

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

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

The accounting treatment for restricted contributions is not consistent with the requirements of Canadian public sector accounting standards which require that government transfers be recognized as revenue when approved by the transferor and eligibility criteria have been met unless the transfer contains a stipulation that meets the criteria for liability recognition in 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 No. 42 (Maple Ridge – Pitt Meadows)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2017**

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

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 being 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.

**n) Expenses**

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

**Categories of Salaries**

- Principals, Vice-Principals, and Directors of Instruction employed under an administrative officer contract are categorized as Principals and Vice-Principals.
- Superintendents, 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, expenses 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.

**SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2017**

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

o) Liability for contaminated sites

A liability for contaminated sites is recognized when a site is not in productive use and the following criteria are met:

- An environmental standard exists;
- Contamination exceeds the environmental standard;
- The School District is directly responsible or accepts responsibility for the contamination;
- It is expected that future economic benefits will be given up; and
- A reasonable estimate of the amount can be made.

The liability is recognized as management's estimate of the cost of post-remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site.

p) 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, rates for amortization and estimated employee future benefits. Actual results could differ from those estimates.

**NOTE 3 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES**

	<b>June 30, 2017</b>	<b>June 30, 2016</b>
Due from Federal Government	\$ 193,927	\$ 148,130
Due from Other Educational Institutions	57,789	51,824
Due from school parent advisory councils	7,217	50,235
Due from rental agreements	2,697	4,896
Other	294,516	309,440
	<b>\$ 556,146</b>	<b>\$ 564,525</b>

**NOTE 4 PORTFOLIO INVESTMENTS**

	<b>June 30, 2017</b>	<b>June 30, 2016</b>
<b>Cost and Amortized Cost</b>		
Term deposits	\$ 174,843	\$ 173,498
	<b>174,843</b>	<b>173,498</b>
<b>Fair Market Value</b>		
Core bond fund	71,944	65,156
Canadian equity fund	34,102	34,006
U. S. equity fund	17,391	14,491
International equity fund	17,661	15,094
	<b>141,098</b>	<b>128,747</b>
<b>Total Portfolio Investments</b>	<b>\$ 315,941</b>	<b>\$ 302,245</b>



**SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2017**

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**NOTE 4**      **PORTFOLIO INVESTMENTS** *(Continued)*

Term deposits held within the School District’s portfolio investments are held with local banking institutions for a period not exceeding 1 year from the statement of financial position date and are earning average interest of 1.40% (2016: 1.35%).

**NOTE 5**      **ACCOUNTS PAYABLE AND ACCRUED LIABILITIES – OTHER**

	<b>June 30, 2017</b>	<b>June 30, 2016</b>
Trade payables	\$ 4,098,489	\$ 4,259,172
Salaries and benefits payable	6,984,284	6,606,051
Accrued vacation pay	1,255,402	1,196,031
Other	649,321	522,909
	<b>\$ 12,987,496</b>	<b>\$ 12,584,163</b>

**NOTE 6**      **UNEARNED REVENUE**

	<b>June 30, 2017</b>	<b>June 30, 2016</b>
Balance, beginning of year	\$ 4,182,860	\$ 4,471,959
Tuition fees received	8,993,270	7,844,459
Tuition fees recognized as revenue	(8,273,791)	(8,133,558)
<b>Balance, end of year</b>	<b>\$ 4,902,339</b>	<b>\$ 4,182,860</b>

**NOTE 7**      **DEFERRED REVENUE**

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

	<b>June 30, 2017</b>	<b>June 30, 2016</b>
Balance, beginning of year	\$ 1,945,045	\$ 1,855,061
Grants received:		
Provincial grants	5,557,496	4,123,548
Other grants	4,740,985	4,653,128
Investment income	26,960	9,329
Subtotal	10,325,441	8,786,005
Revenue recognized	(9,800,043)	(8,696,021)
<b>Balance, end of year</b>	<b>\$ 2,470,443</b>	<b>\$ 1,945,045</b>

**SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2017**

**NOTE 8 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.

	<u>June 30, 2017</u>	<u>June 30, 2016</u>
<b><u>Deferred capital revenue subject to amortization</u></b>		
Balance, beginning of year	\$ 110,952,855	\$ 112,089,930
Transfers from deferred revenue – capital additions	2,445,588	4,220,648
Amortization of deferred capital revenue	<u>(5,338,249)</u>	<u>(5,357,723)</u>
<b>Balance, end of year</b>	<b><u>\$ 108,060,194</u></b>	<b><u>\$ 110,952,855</u></b>
<b><u>Deferred capital revenue – Work in Progress</u></b>		
Work in Progress, beginning of year	\$ 549,278	\$ 542,767
Transfer in from deferred revenue – work in progress	3,907,615	4,227,159
Transfer to spent deferred capital	<u>(2,445,588)</u>	<u>(4,220,648)</u>
<b>Balance, end of year</b>	<b><u>\$ 2,011,305</u></b>	<b><u>\$ 549,278</u></b>
<b><u>Deferred capital revenue – Unspent portion</u></b>		
Unspent Deferred Capital, beginning of year	\$ 6,745,043	\$ 6,950,045
Provincial Grant – Ministry of Education	5,120,621	5,492,646
Other	687,950	564,050
Investment Income	123,757	130,643
Transfer to Deferred Capital Revenue – Work in Progress	(3,907,615)	(4,227,159)
Transfer to Deferred Capital Revenue – Site Purchases	<u>(2,464)</u>	<u>(2,165,182)</u>
<b>Balance, end of year</b>	<b><u>\$ 8,767,292</u></b>	<b><u>\$ 6,745,043</u></b>
<b>Total deferred capital revenue balance, end of year</b>	<b><u>\$ 118,838,791</u></b>	<b><u>\$ 118,247,176</u></b>

**SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2017**

**NOTE 9 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.

	<b>June 30, 2017</b>	<b>June 30, 2016</b>
<b><i>Reconciliation of Accrued Benefit Obligation</i></b>		
Accrued Benefit Obligation – April 1	\$ 8,269,208	\$ 8,206,854
Service Cost	577,063	605,946
Interest Cost	211,465	190,676
Benefit Payments	(534,873)	(508,640)
Actuarial (Gain) Loss	(387,839)	(225,628)
Accrued Benefit Obligation – March 31	\$ 8,135,024	\$ 8,269,208

<b><i>Reconciliation of Funded Status at End of Fiscal Year</i></b>		
Accrued Benefit Obligation – March 31	\$ 8,135,024	\$ 8,269,208
Funded Status – Surplus (Deficit)	(8,135,024)	(8,269,208)
Employer Contributions After Measurement Date	22,172	56,814
Benefits Expense After Measurement Date	(201,815)	(197,132)
Unamortized Net Actuarial (Gain) Loss	439,188	985,929
Accrued Benefit Asset (Liability) – June 30	\$ (7,875,479)	\$ (7,423,597)

<b><i>Reconciliation of Change in Accrued Benefit Liability</i></b>		
Accrued Benefit Liability – July 1	\$7,423,597	\$ 6,825,226
Net expense for Fiscal Year	952,112	979,139
Employer Contributions	(500,231)	(380,768)
Accrued Benefit Liability – June 30	\$7,875,479	\$ 7,423,597

<b>Components of Net Benefit Expense</b>		
Service Cost	\$ 576,975	\$ 598,725
Interest Cost	216,236	195,873
Amortization of Net Actuarial (Gain) Loss	158,901	184,541
Net Benefit Expense	\$ 952,112	\$ 979,139

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

	<b>June 30, 2017</b>	<b>June 30, 2016</b>
Discount Rate – April 1	2.50%	2.25%
Discount Rate – March 31	2.75%	2.50%
Long Term Salary Growth – April 1	2.5% + seniority	2.50% + seniority
Long Term Salary Growth – March 31	2.5% + seniority	2.50% + seniority
EARSL – March 31	8.8 years	8.8 years

**SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2017**

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**NOTE 10 DEBT**

The School District has an approved line of credit of \$6.5 million with interest at the banks' prime rate plus 0.25%. The available borrowing consists of \$2.5 million of line of credit and \$4.0 million of additional funds for meeting current operating and debt service expenditures. As of June 30, 2017, the School District had nil borrowings (2016: \$nil) under these facilities.

**NOTE 11 TANGIBLE CAPITAL ASSETS**

**June 30, 2017**

<b>Cost:</b>	<b>Balance at July 1, 2016</b>	<b>Additions</b>	<b>Disposals</b>	<b>Transfers (WIP)</b>	<b>Balance at June 30, 2017</b>
Sites	\$ 31,348,414	\$ 2,464	\$ -	\$ -	\$ 31,350,878
Buildings	260,754,947	216,234	-	2,375,004	263,346,185
Buildings – work in progress	549,278	3,924,771	-	(2,375,004)	2,099,045
Furniture & Equipment	9,430,423	1,286,451	(638,314)	-	10,078,560
Vehicles	721,237	386,198	(114,999)	-	992,436
Computer Software	1,286,502	213,204	(60,632)	-	1,439,074
Computer Hardware	6,224,472	2,008,662	(221,036)	-	8,012,098
<b>Total</b>	<b>\$ 310,315,273</b>	<b>\$ 8,037,984</b>	<b>\$ (1,034,981)</b>	<b>\$ -</b>	<b>\$ 317,318,276</b>

<b>Accumulated Amortization:</b>	<b>Balance at July 1, 2016</b>	<b>Additions</b>	<b>Disposals</b>	<b>Balance at June 30, 2017</b>
Buildings	\$ 125,979,727	\$ 5,967,218	\$ -	\$ 131,946,945
Furniture & Equipment	4,561,777	975,449	(638,314)	4,898,912
Vehicles	284,247	85,684	(114,999)	254,932
Computer Software	310,924	272,557	(60,632)	522,849
Computer Hardware	2,425,745	1,423,656	(221,036)	3,628,365
<b>Total</b>	<b>\$ 133,562,420</b>	<b>\$ 8,724,564</b>	<b>\$ (1,034,981)</b>	<b>\$ 141,252,003</b>

**SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2017**

**NOTE 11 TANGIBLE CAPITAL ASSETS (Continued)**

**June 30, 2016**

<b>Cost:</b>	<b>Balance at July 1, 2015</b>	<b>Additions</b>	<b>Disposals</b>	<b>Transfers (WIP)</b>	<b>Balance at June 30, 2016</b>
Sites	\$ 29,183,232	\$ 2,165,182	\$ -	\$ -	\$ 31,348,414
Buildings	255,758,950	81,950	-	4,914,047	260,754,947
Buildings – work in progress	660,997	4,802,328	-	(4,914,047)	549,278
Furniture & Equipment	11,491,285	1,629,803	3,715,213	24,548	9,430,423
Furniture & Equipment – work in progress	-	24,548	-	(24,548)	-
Vehicles	689,170	96,490	64,423	-	721,237
Computer Software	487,700	231,491	2,000	569,311	1,286,502
Computer Software – work in progress	89,825	479,486	-	(569,311)	-
Computer Hardware	5,326,902	1,385,045	487,475	-	6,224,472
<b>Total</b>	<b>\$ 303,688,061</b>	<b>\$ 10,896,323</b>	<b>\$ 4,269,111</b>	<b>\$ -</b>	<b>\$ 310,315,273</b>

<b>Accumulated Amortization:</b>	<b>Balance at July 1, 2015</b>	<b>Additions</b>	<b>Disposals</b>	<b>Balance at June 30, 2016</b>
Buildings	\$ 120,088,034	\$ 5,891,693	\$ -	\$ 125,979,727
Furniture & Equipment	7,230,906	1,046,084	3,715,213	4,561,777
Vehicles	278,149	70,521	64,423	284,247
Computer Software	135,504	177,420	2,000	310,924
Computer Hardware	1,758,082	1,155,138	487,475	2,425,745
<b>Total</b>	<b>\$ 129,490,675</b>	<b>\$ 8,340,856</b>	<b>\$ 4,269,111</b>	<b>\$ 133,562,420</b>

<b>Net Book Value:</b>	<b>June 30, 2017</b>	<b>June 30, 2016</b>
Sites	\$ 31,350,878	\$ 31,348,414
Buildings	131,399,240	134,775,220
Buildings – work in progress	2,099,045	549,278
Furniture & Equipment	5,179,648	4,868,646
Vehicles	737,504	436,990
Computer Software	916,225	975,578
Computer Hardware	4,383,733	3,798,727
<b>Total</b>	<b>\$ 176,066,273</b>	<b>\$ 176,752,853</b>

**SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2017**

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**NOTE 12 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 surplus for basic pension benefits on a going concern basis.

The School District paid \$12,428,187 for employer contributions to the plans for the year ended June 30, 2017 (2016: \$13,411,275).

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.

**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 No. 42 (Maple Ridge – Pitt Meadows)**  
**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.

	<b>2018</b>	<b>Thereafter</b>
Capital commitments	<b>\$ 2,997,665</b>	<b>\$ Nil</b>

**NOTE 15 BUDGET FIGURES**

Budget figures included in the financial statements were approved by the Board through the adoption of the amended annual budget on February 22, 2017.

As the 2016/17 Amended Annual Budget is used for comparative purposes a reconciliation between the 2016/17 Annual and the 2016/17 Amended Annual budgets is provided.

	<b>Annual Budget</b>	<b>Amended Annual Budget</b>	<b>Change</b>
<b>Statement 2</b>			
Revenues			
Provincial Grants			
Ministry of Education	\$ 128,915,038	\$ 131,763,859	\$ 2,848,821
Other	307,851	393,551	85,700
Federal Grants	137,170	164,600	27,430
Tuition	7,887,146	8,915,533	1,028,387
Other Revenue	5,160,832	5,440,265	279,433
Rentals and Leases	420,109	423,500	3,391
Investment Income	422,665	385,400	(37,265)
Amortization of Deferred Capital Revenue	5,304,044	5,328,066	24,022
<b>Total Revenue</b>	<b>148,554,855</b>	<b>152,814,774</b>	<b>4,259,919</b>
Expenses			
Instruction	123,466,426	126,982,445	3,516,019
District Administration	5,016,866	5,269,054	252,188
Operations and Maintenance	22,507,152	23,366,439	859,287
Transportation and Housing	393,615	540,965	147,350
Debt Services	9,872		(9,872)
<b>Total Expense</b>	<b>151,393,931</b>	<b>156,158,903</b>	<b>4,764,972</b>
<b>Net Revenue (Expense)</b>	<b>(2,839,076)</b>	<b>(3,344,129)</b>	<b>(505,053)</b>
Budgeted Allocation of Surplus		4,131,247	4,131,247
<b>Budgeted Surplus (Deficit) for the year</b>	<b>\$ (2,839,076)</b>	<b>\$ 787,118</b>	<b>\$ 3,626,194</b>

**SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2017**

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**NOTE 15 BUDGET FIGURES *(Continued)***

**Statement 4**

Surplus (Deficit for the year)	\$ (2,839,076)	\$ (3,344,129)	\$ (505,053)
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(3,558,697)	(5,356,037)	(1,797,340)
Amortization of Tangible Capital Assets	7,972,279	8,656,711	684,432
Total Effect of change in Tangible Capital Assets	<u>4,413,582</u>	<u>3,300,674</u>	<u>(1,112,908)</u>
(Increase) Decrease in Net Financial Assets (Debt)	\$ 1,574,506	\$ (43,455)	\$ (1,617,961)

**NOTE 16 CONTINGENCIES**

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

**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 fair value of this 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, a liability is not reasonably determinable (2016: nil).

**NOTE 18 EXPENSE BY OBJECT**

	<u>June 30, 2017</u>	<u>June 30, 2016</u>
Salaries and benefits	\$ 127,194,789	\$ 122,125,075
Services and supplies	17,460,583	16,389,557
Interest	-	3,947
Amortization	8,724,564	8,340,856
	<u>\$ 153,379,936</u>	<u>\$ 146,859,435</u>



**SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2017**

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**NOTE 19 ACCUMULATED SURPLUS**

	<u>June 30, 2017</u>	<u>June 30, 2016</u>
<b>Operating Fund Accumulated Surplus</b>		
Internally Restricted (appropriated) by the Board for:		
Targeted funding for aboriginal education	\$ 166,073	\$ 189,889
School budget balances	478,937	499,938
Student learning grant	219,527	-
Personal professional development	150,281	164,695
Financial provisions	100,000	50,000
Funds required to complete projects in progress	900,811	807,612
Facilities renovations and new classroom set-up	1,297,872	-
Purchase order commitments	260,530	672,868
Use of contingency reserve to fund future budgets	1,252,437	2,917,512
Contingency reserve for operating	360,000	-
<b>Total Operating Internally Restricted</b>	<b>5,186,468</b>	<b>5,302,514</b>
<b>Unrestricted</b>	<b>-</b>	<b>-</b>
<b>Total Operating Fund Accumulated Surplus</b>	<b>5,186,468</b>	<b>5,302,514</b>
<b>Capital Fund Accumulated Surplus</b>		
Contingency reserve for local capital	2,419,635	2,488,906
Budgeted use of local capital for 2016/17	-	1,535,855
Budgeted use of local capital for 2017/18	1,485,180	91,844
Budgeted use of local capital for new schools	2,612,260	1,200,000
Invested in capital assets	65,994,780	65,250,726
<b>Total Capital Fund Accumulated Surplus</b>	<b>72,511,855</b>	<b>70,567,331</b>
<b>Total Accumulated Surplus</b>	<b>\$ 77,698,323</b>	<b>\$ 75,869,845</b>

**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 No. 42 (Maple Ridge – Pitt Meadows)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2017**

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**NOTE 21 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 the Central Deposit Program with the Province and in recognized British Columbia institutions. The School District invests in various financial instruments including equity funds, bond funds certificates and term deposits.

**b) Market risk:**

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

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

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The School District is exposed to interest rate risk through its investments. It is management's opinion that the School District is not exposed to significant interest rate risk as they invest solely in the Province's Central Deposit Program, guaranteed investment certificates and term deposits that have a maturity date of no more than 1 year.

**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. 42 (Maple Ridge – Pitt Meadows)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2017**

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**NOTE 22 SUPPLEMENTARY CASH FLOW INFORMATION**

	<b>June 30, 2017</b>	<b>June 30, 2016</b>
Interest paid	\$ -	\$ 3,947
Interest received	612,803	592,936
Capital lease buyout	-	140,245

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

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
	\$	\$	\$	\$	\$
<b>Accumulated Surplus (Deficit), beginning of year</b>	5,302,514		70,567,331	<b>75,869,845</b>	71,132,250
<b>Changes for the year</b>					
Surplus (Deficit) for the year	4,474,707	416,499	(3,062,728)	<b>1,828,478</b>	4,737,595
Interfund Transfers					
Tangible Capital Assets Purchased	(3,246,070)	(416,499)	3,662,569	-	
Local Capital	(1,344,683)		1,344,683	-	
<b>Net Changes for the year</b>	<b>(116,046)</b>	-	<b>1,944,524</b>	<b>1,828,478</b>	<b>4,737,595</b>
<b>Accumulated Surplus (Deficit), end of year - Statement 2</b>	<b>5,186,468</b>	-	<b>72,511,855</b>	<b>77,698,323</b>	75,869,845

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

Schedule of Operating Operations

Year Ended June 30, 2017

	2017 Budget (Note 15) \$	2017 Actual \$	2016 Actual \$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	127,203,369	<b>128,346,661</b>	123,900,928
Other	393,551	<b>408,733</b>	287,871
Federal Grants	164,600	<b>178,693</b>	172,620
Tuition	8,915,533	<b>8,905,459</b>	9,044,332
Other Revenue	984,902	<b>1,007,223</b>	894,898
Rentals and Leases	423,500	<b>511,245</b>	498,732
Investment Income	380,000	<b>388,521</b>	349,947
<b>Total Revenue</b>	<b>138,465,455</b>	<b>139,746,535</b>	135,149,328
<b>Expenses</b>			
Instruction	119,035,728	<b>115,798,690</b>	112,110,254
District Administration	5,178,097	<b>4,917,203</b>	4,460,117
Operations and Maintenance	14,247,912	<b>14,054,747</b>	12,789,595
Transportation and Housing	540,965	<b>501,188</b>	817,565
<b>Total Expense</b>	<b>139,002,702</b>	<b>135,271,828</b>	130,177,531
<b>Operating Surplus (Deficit) for the year</b>	<b>(537,247)</b>	<b>4,474,707</b>	4,971,797
<b>Budgeted Appropriation (Retirement) of Surplus (Deficit)</b>	<b>4,131,247</b>		
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased	(3,594,000)	<b>(3,246,070)</b>	(2,836,643)
Tangible Capital Assets - Work in Progress			(3,983)
Local Capital		<b>(1,344,683)</b>	(694,509)
Other			(300,047)
<b>Total Net Transfers</b>	<b>(3,594,000)</b>	<b>(4,590,753)</b>	(3,835,182)
<b>Total Operating Surplus (Deficit), for the year</b>	<b>-</b>	<b>(116,046)</b>	1,136,615
<b>Operating Surplus (Deficit), beginning of year</b>		<b>5,302,514</b>	4,165,899
<b>Operating Surplus (Deficit), end of year</b>		<b>5,186,468</b>	5,302,514
<b>Operating Surplus (Deficit), end of year</b>			
Internally Restricted		<b>5,186,468</b>	5,302,514
<b>Total Operating Surplus (Deficit), end of year</b>		<b>5,186,468</b>	5,302,514

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

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

	2017 Budget (Note 15) \$	2017 Actual \$	2016 Actual \$
<b>Provincial Grants - Ministry of Education</b>			
Operating Grant, Ministry of Education	124,723,347	<b>125,033,379</b>	122,156,852
INAC/LEA Recovery	(461,757)	<b>(466,358)</b>	(422,193)
Other Ministry of Education Grants			
Pay Equity	1,874,966	<b>1,874,965</b>	1,874,965
Funding for Graduated Adults	50,000	<b>47,936</b>	136,669
Transportation Supplement	185,990	<b>185,990</b>	
Economic Stability Dividend	73,882	<b>77,045</b>	105,435
Return of Administrative Savings	631,773	<b>631,773</b>	
Carbon Tax Grant	91,000	<b>181,420</b>	
Student Learning Grant		<b>730,150</b>	
Curriculum Implementation			23,450
Miscellaneous	34,168	<b>50,361</b>	25,750
<b>Total Provincial Grants - Ministry of Education</b>	<b>127,203,369</b>	<b>128,346,661</b>	123,900,928
<b>Provincial Grants - Other</b>	<b>393,551</b>	<b>408,733</b>	287,871
<b>Federal Grants</b>	<b>164,600</b>	<b>178,693</b>	172,620
<b>Tuition</b>			
Summer School Fees	44,615	<b>44,530</b>	82,360
Continuing Education	678,745	<b>726,068</b>	793,051
International and Out of Province Students	8,192,173	<b>8,134,861</b>	8,168,921
<b>Total Tuition</b>	<b>8,915,533</b>	<b>8,905,459</b>	9,044,332
<b>Other Revenues</b>			
LEA/Direct Funding from First Nations	477,067	<b>466,358</b>	422,192
Miscellaneous			
Revenue Generation	60,000	<b>83,714</b>	67,548
Partnership Program	136,145	<b>94,400</b>	111,221
Miscellaneous	186,000	<b>257,804</b>	221,362
Transportation Revenue	10,000	<b>8,935</b>	72,575
Before and After School Programming	115,690	<b>96,012</b>	
<b>Total Other Revenue</b>	<b>984,902</b>	<b>1,007,223</b>	894,898
<b>Rentals and Leases</b>	<b>423,500</b>	<b>511,245</b>	498,732
<b>Investment Income</b>	<b>380,000</b>	<b>388,521</b>	349,947
<b>Total Operating Revenue</b>	<b>138,465,455</b>	<b>139,746,535</b>	135,149,328

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

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

	2017 Budget (Note 15) \$	2017 Actual \$	2016 Actual \$
<b>Salaries</b>			
Teachers	63,731,783	<b>62,901,033</b>	61,102,714
Principals and Vice Principals	6,078,269	<b>6,087,668</b>	5,445,538
Educational Assistants	11,044,406	<b>11,005,059</b>	10,308,411
Support Staff	10,758,808	<b>10,750,347</b>	10,370,109
Other Professionals	3,950,190	<b>3,997,219</b>	3,467,112
Substitutes	4,422,955	<b>4,123,574</b>	3,707,070
<b>Total Salaries</b>	<b>99,986,411</b>	<b>98,864,900</b>	94,400,954
<b>Employee Benefits</b>	24,800,444	<b>24,020,598</b>	24,314,008
<b>Total Salaries and Benefits</b>	<b>124,786,855</b>	<b>122,885,498</b>	118,714,962
<b>Services and Supplies</b>			
Services	5,645,044	<b>5,324,749</b>	4,775,914
Student Transportation	604,364	<b>556,486</b>	874,483
Professional Development and Travel	990,387	<b>735,574</b>	610,630
Rentals and Leases	2,116		711
Dues and Fees	149,353	<b>132,110</b>	121,615
Insurance	316,186	<b>321,138</b>	326,874
Supplies	3,986,876	<b>3,006,017</b>	2,645,334
Utilities	2,521,521	<b>2,310,256</b>	2,107,008
<b>Total Services and Supplies</b>	<b>14,215,847</b>	<b>12,386,330</b>	11,462,569
<b>Total Operating Expense</b>	<b>139,002,702</b>	<b>135,271,828</b>	130,177,531

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

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
	\$	\$	\$	\$	\$	\$	\$
<b>1 Instruction</b>							
1.02 Regular Instruction	48,052,807	70,891	534,393	322,527		2,562,001	<b>51,542,619</b>
1.03 Career Programs	551,637		410,539			26,777	<b>988,953</b>
1.07 Library Services	930,585	28,226		91,658	260	36,934	<b>1,087,663</b>
1.08 Counselling	1,799,126					24,558	<b>1,823,684</b>
1.10 Special Education	7,620,034	1,060,166	9,499,871	1,295,338	140,525	929,482	<b>20,545,416</b>
1.30 English Language Learning	1,157,560					39,661	<b>1,197,221</b>
1.31 Aboriginal Education	352,813	116,116	537,109	45,400	760	24,662	<b>1,076,860</b>
1.41 School Administration		4,466,155		2,161,318	29,106	192,999	<b>6,849,578</b>
1.60 Summer School	315,535	17,745	23,147	34,299			<b>390,726</b>
1.61 Continuing Education				86,101	318,287		<b>404,388</b>
1.62 International and Out of Province Students	2,110,129	204,937		426,607	408,152	20,208	<b>3,170,033</b>
1.64 Other					65,882		<b>65,882</b>
<b>Total Function 1</b>	<b>62,890,226</b>	<b>5,964,236</b>	<b>11,005,059</b>	<b>4,463,248</b>	<b>962,972</b>	<b>3,857,282</b>	<b>89,143,023</b>
<b>4 District Administration</b>							
4.11 Educational Administration				44,382	953,394	20,867	<b>1,018,643</b>
4.40 School District Governance					142,157		<b>142,157</b>
4.41 Business Administration		123,432		458,555	1,063,459	31,487	<b>1,676,933</b>
<b>Total Function 4</b>	<b>-</b>	<b>123,432</b>	<b>-</b>	<b>502,937</b>	<b>2,159,010</b>	<b>52,354</b>	<b>2,837,733</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration	10,807			222,404	648,369	28,416	<b>909,996</b>
5.50 Maintenance Operations				5,234,967	226,868	167,162	<b>5,628,997</b>
5.52 Maintenance of Grounds				326,791		18,360	<b>345,151</b>
5.56 Utilities							<b>-</b>
<b>Total Function 5</b>	<b>10,807</b>	<b>-</b>	<b>-</b>	<b>5,784,162</b>	<b>875,237</b>	<b>213,938</b>	<b>6,884,144</b>
<b>7 Transportation and Housing</b>							
7.70 Student Transportation							<b>-</b>
<b>Total Function 7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>9 Debt Services</b>							
<b>Total Function 9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Functions 1 - 9</b>	<b>62,901,033</b>	<b>6,087,668</b>	<b>11,005,059</b>	<b>10,750,347</b>	<b>3,997,219</b>	<b>4,123,574</b>	<b>98,864,900</b>



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

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 (Note 15)	2016 Actual
	\$	\$	\$	\$	\$	\$	\$
<b>1 Instruction</b>							
1.02 Regular Instruction	51,542,619	11,991,933	63,534,552	2,155,164	65,689,716	66,978,376	64,078,190
1.03 Career Programs	988,953	243,819	1,232,772	499,264	1,732,036	1,726,528	1,665,310
1.07 Library Services	1,087,663	258,198	1,345,861	116,364	1,462,225	1,590,746	1,518,623
1.08 Counselling	1,823,684	402,591	2,226,275	87,528	2,313,803	2,270,445	2,024,302
1.10 Special Education	20,545,416	5,263,348	25,808,764	353,311	26,162,075	26,687,361	24,975,742
1.30 English Language Learning	1,197,221	274,923	1,472,144	11,396	1,483,540	1,824,308	1,798,402
1.31 Aboriginal Education	1,076,860	272,792	1,349,652	103,574	1,453,226	1,650,009	1,325,964
1.41 School Administration	6,849,578	1,826,849	8,676,427	249,595	8,926,022	9,240,553	8,337,742
1.60 Summer School	390,726	59,647	450,373	12,910	463,283	464,601	438,897
1.61 Continuing Education	404,388	56,231	460,619	181,397	642,016	688,182	676,508
1.62 International and Out of Province Students	3,170,033	688,098	3,858,131	1,473,927	5,332,058	5,623,181	5,244,516
1.64 Other	65,882	18,425	84,307	54,383	138,690	291,438	26,058
<b>Total Function 1</b>	<b>89,143,023</b>	<b>21,356,854</b>	<b>110,499,877</b>	<b>5,298,813</b>	<b>115,798,690</b>	119,035,728	112,110,254
<b>4 District Administration</b>							
4.11 Educational Administration	1,018,643	311,256	1,329,899	335,637	1,665,536	1,630,221	1,400,957
4.40 School District Governance	142,157	3,003	145,160	144,901	290,061	345,749	243,581
4.41 Business Administration	1,676,933	475,060	2,151,993	809,613	2,961,606	3,202,127	2,815,579
<b>Total Function 4</b>	<b>2,837,733</b>	<b>789,319</b>	<b>3,627,052</b>	<b>1,290,151</b>	<b>4,917,203</b>	5,178,097	4,460,117
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration	909,996	198,978	1,108,974	651,055	1,760,029	1,613,216	1,440,289
5.50 Maintenance Operations	5,628,997	1,593,859	7,222,856	1,374,574	8,597,430	8,783,209	8,344,501
5.52 Maintenance of Grounds	345,151	81,588	426,739	317,444	744,183	674,751	532,726
5.56 Utilities	-	-	-	2,953,105	2,953,105	3,176,736	2,472,079
<b>Total Function 5</b>	<b>6,884,144</b>	<b>1,874,425</b>	<b>8,758,569</b>	<b>5,296,178</b>	<b>14,054,747</b>	14,247,912	12,789,595
<b>7 Transportation and Housing</b>							
7.70 Student Transportation	-	-	-	501,188	501,188	540,965	817,565
<b>Total Function 7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>501,188</b>	<b>501,188</b>	540,965	817,565
<b>9 Debt Services</b>							
<b>Total Function 9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Functions 1 - 9</b>	<b>98,864,900</b>	<b>24,020,598</b>	<b>122,885,498</b>	<b>12,386,330</b>	<b>135,271,828</b>	139,002,702	130,177,531

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

Schedule of Special Purpose Operations

Year Ended June 30, 2017

	2017 Budget (Note 15) \$	2017 Actual \$	2016 Actual \$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	4,560,490	<b>5,026,155</b>	4,085,715
Other Revenue	4,369,600	<b>4,746,928</b>	4,602,761
Investment Income	5,400	<b>26,960</b>	7,545
<b>Total Revenue</b>	<u>8,935,490</u>	<u><b>9,800,043</b></u>	<u>8,696,021</u>
<b>Expenses</b>			
Instruction	7,946,717	<b>8,825,805</b>	7,960,029
District Administration	90,957	<b>16,397</b>	
Operations and Maintenance	461,816	<b>541,342</b>	377,072
<b>Total Expense</b>	<u>8,499,490</u>	<u><b>9,383,544</b></u>	<u>8,337,101</u>
<b>Special Purpose Surplus (Deficit) for the year</b>	<u>436,000</u>	<u><b>416,499</b></u>	<u>358,920</u>
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased	(436,000)	<b>(416,499)</b>	(358,920)
<b>Total Net Transfers</b>	<u>(436,000)</u>	<u><b>(416,499)</b></u>	<u>(358,920)</u>
<b>Total Special Purpose Surplus (Deficit) for the year</b>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
<b>Special Purpose Surplus (Deficit), beginning of year</b>			
<b>Special Purpose Surplus (Deficit), end of year</b>		<u><u>-</u></u>	<u><u>-</u></u>

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

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2017

	Annual Facility Grant	Learning Improvement Fund	Special Education Equipment	Scholarships and Bursaries	Service Delivery Transformation	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Deferred Revenue, beginning of year</b>	150,266		28,006	188,081	90,957	1,374,160	37,751	8,807	
<b>Add:</b> Restricted Grants									
Provincial Grants - Ministry of Education	561,550	2,527,470					257,963	49,000	245,550
Other				3,473		4,488,180			
Investment Income	2,898			13,019	1,268		616	199	
	564,448	2,527,470	-	16,492	1,268	4,488,180	258,579	49,199	245,550
<b>Less:</b> Allocated to Revenue	541,342	2,362,179	28,006	62,930	16,397	4,498,280	259,503	46,094	245,550
<b>Deferred Revenue, end of year</b>	<b>173,372</b>	<b>165,291</b>	<b>-</b>	<b>141,643</b>	<b>75,828</b>	<b>1,364,060</b>	<b>36,827</b>	<b>11,912</b>	<b>-</b>
<b>Revenues</b>									
Provincial Grants - Ministry of Education	538,444	2,362,179	28,006		15,129		258,887	45,895	245,550
Other Revenue				49,911		4,498,280			
Investment Income	2,898			13,019	1,268		616	199	
	541,342	2,362,179	28,006	62,930	16,397	4,498,280	259,503	46,094	245,550
<b>Expenses</b>									
Salaries									
Teachers		1,431,033						27,727	91,951
Educational Assistants		423,459				12,939	176,349	2,855	
Support Staff	50,985					9,069	5,415		
Substitutes		69,057				17,965	3,680	5,572	7,198
	50,985	1,923,549	-	-	-	39,973	185,444	36,154	99,149
Employee Benefits	231	438,630				2,925	53,812	6,951	22,496
Services and Supplies	280,332		2,608	62,930	4,654	4,379,675	17,869	2,989	118,459
	331,548	2,362,179	2,608	62,930	4,654	4,422,573	257,125	46,094	240,104
<b>Net Revenue (Expense) before Interfund Transfers</b>	<b>209,794</b>	<b>-</b>	<b>25,398</b>	<b>-</b>	<b>11,743</b>	<b>75,707</b>	<b>2,378</b>	<b>-</b>	<b>5,446</b>
<b>Interfund Transfers</b>									
Tangible Capital Assets Purchased	(209,794)		(25,398)		(11,743)	(75,707)	(2,378)		(5,446)
	(209,794)	-	(25,398)	-	(11,743)	(75,707)	(2,378)	-	(5,446)
<b>Net Revenue (Expense)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2017

	CommunityLINK	Coding and Curriculum Implementation	Priority Measures	Youth Education Support Fund	TOTAL
	\$	\$	\$	\$	\$
<b>Deferred Revenue, beginning of year</b>	3,407			63,610	1,945,045
<b>Add:</b> Restricted Grants					
Provincial Grants - Ministry of Education	540,226	107,075	1,268,662		5,557,496
Other				249,332	4,740,985
Investment Income	499	1,388	4,972	2,101	26,960
	540,725	108,463	1,273,634	251,433	10,325,441
<b>Less:</b> Allocated to Revenue	514,273	48,470	976,181	200,838	9,800,043
<b>Deferred Revenue, end of year</b>	<b>29,859</b>	<b>59,993</b>	<b>297,453</b>	<b>114,205</b>	<b>2,470,443</b>
<b>Revenues</b>					
Provincial Grants - Ministry of Education	513,774	47,082	971,209		5,026,155
Other Revenue				198,737	4,746,928
Investment Income	499	1,388	4,972	2,101	26,960
	514,273	48,470	976,181	200,838	9,800,043
<b>Expenses</b>					
Salaries					
Teachers	32,960		773,601		2,357,272
Educational Assistants	338,652				954,254
Support Staff					65,469
Substitutes			9,117		112,589
	371,612	-	782,718	-	3,489,584
Employee Benefits	98,591		193,463		817,099
Services and Supplies	44,070	44,355		118,920	5,076,861
	514,273	44,355	976,181	118,920	9,383,544
<b>Net Revenue (Expense) before Interfund Transfers</b>	<b>-</b>	<b>4,115</b>	<b>-</b>	<b>81,918</b>	<b>416,499</b>
<b>Interfund Transfers</b>					
Tangible Capital Assets Purchased		(4,115)		(81,918)	(416,499)
	-	(4,115)	-	(81,918)	(416,499)
<b>Net Revenue (Expense)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

Schedule of Capital Operations

Year Ended June 30, 2017

	2017	2017 Actual			2016
	Budget (Note 15)	Invested in Tangible Capital Assets	Local Capital	Fund Balance	Actual
	\$	\$	\$	\$	\$
<b>Revenues</b>					
Provincial Grants					
Ministry of Education		1,602		1,602	1,407,369
Other				-	
School Site Acquisition Fees		862		862	757,814
Federal Grants				-	
Other Revenue	85,763		235,078	235,078	130,217
Investment Income			86,045	86,045	98,558
Amortization of Deferred Capital Revenue	5,328,066	5,338,249		5,338,249	5,357,723
<b>Total Revenue</b>	<u>5,413,829</u>	<u>5,340,713</u>	<u>321,123</u>	<u>5,661,836</u>	<u>7,751,681</u>
<b>Expenses</b>					
Operations and Maintenance				-	
Amortization of Tangible Capital Assets					
Operations and Maintenance	8,656,711	8,724,564		8,724,564	8,340,856
Debt Services					
Capital Lease Interest				-	3,947
<b>Total Expense</b>	<u>8,656,711</u>	<u>8,724,564</u>	<u>-</u>	<u>8,724,564</u>	<u>8,344,803</u>
<b>Capital Surplus (Deficit) for the year</b>	<u>(3,242,882)</u>	<u>(3,383,851)</u>	<u>321,123</u>	<u>(3,062,728)</u>	<u>(593,122)</u>
<b>Net Transfers (to) from other funds</b>					
Tangible Capital Assets Purchased	4,030,000	3,662,569		3,662,569	3,195,563
Tangible Capital Assets - Work in Progress				-	3,983
Local Capital			1,344,683	1,344,683	694,509
Capital Lease Payment				-	300,047
<b>Total Net Transfers</b>	<u>4,030,000</u>	<u>3,662,569</u>	<u>1,344,683</u>	<u>5,007,252</u>	<u>4,194,102</u>
<b>Other Adjustments to Fund Balances</b>					
Tangible Capital Assets Purchased from Local Capital		377,596	(377,596)	-	
Tangible Capital Assets WIP Purchased from Local Capital		87,740	(87,740)	-	
<b>Total Other Adjustments to Fund Balances</b>		<u>465,336</u>	<u>(465,336)</u>	<u>-</u>	
<b>Total Capital Surplus (Deficit) for the year</b>	<u><u>787,118</u></u>	<u>744,054</u>	<u>1,200,470</u>	<u>1,944,524</u>	<u>3,600,980</u>
<b>Capital Surplus (Deficit), beginning of year</b>		<u>65,250,726</u>	<u>5,316,605</u>	<u>70,567,331</u>	<u>66,966,351</u>
<b>Capital Surplus (Deficit), end of year</b>		<u><u>65,994,780</u></u>	<u><u>6,517,075</u></u>	<u><u>72,511,855</u></u>	<u><u>70,567,331</u></u>

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

Tangible Capital Assets  
Year Ended June 30, 2017

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
<b>Cost, beginning of year</b>	31,348,414	260,754,947	9,430,423	721,237	1,286,502	6,224,472	<b>309,765,995</b>
<b>Changes for the Year</b>							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw	1,602						<b>1,602</b>
Deferred Capital Revenue - Other	862						<b>862</b>
Operating Fund			952,622	386,198	53,709	1,853,541	<b>3,246,070</b>
Special Purpose Funds		209,794	132,454		11,743	62,508	<b>416,499</b>
Local Capital		6,440	130,791		147,752	92,613	<b>377,596</b>
Transferred from Work in Progress		2,375,004	70,584				<b>2,445,588</b>
	2,464	2,591,238	1,286,451	386,198	213,204	2,008,662	<b>6,488,217</b>
Decrease:							
Deemed Disposals			638,314	114,999	60,632	221,036	<b>1,034,981</b>
	-	-	638,314	114,999	60,632	221,036	<b>1,034,981</b>
<b>Cost, end of year</b>	31,350,878	263,346,185	10,078,560	992,436	1,439,074	8,012,098	<b>315,219,231</b>
<b>Work in Progress, end of year</b>		2,099,045					<b>2,099,045</b>
<b>Cost and Work in Progress, end of year</b>	31,350,878	265,445,230	10,078,560	992,436	1,439,074	8,012,098	<b>317,318,276</b>
<b>Accumulated Amortization, beginning of year</b>		125,979,727	4,561,777	284,247	310,924	2,425,745	<b>133,562,420</b>
<b>Changes for the Year</b>							
Increase: Amortization for the Year		5,967,218	975,449	85,684	272,557	1,423,656	<b>8,724,564</b>
Decrease:							
Deemed Disposals			638,314	114,999	60,632	221,036	<b>1,034,981</b>
		-	638,314	114,999	60,632	221,036	<b>1,034,981</b>
<b>Accumulated Amortization, end of year</b>		131,946,945	4,898,912	254,932	522,849	3,628,365	<b>141,252,003</b>
<b>Tangible Capital Assets - Net</b>	<b>31,350,878</b>	<b>133,498,285</b>	<b>5,179,648</b>	<b>737,504</b>	<b>916,225</b>	<b>4,383,733</b>	<b>176,066,273</b>

**School District No. 42 (Maple Ridge-Pitt Meadows)**Tangible Capital Assets - Work in Progress  
Year Ended June 30, 2017

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
<b>Work in Progress, beginning of year</b>	549,278				<b>549,278</b>
<b>Changes for the Year</b>					
Increase:					
Deferred Capital Revenue - Bylaw	3,837,031				<b>3,837,031</b>
Deferred Capital Revenue - Other		70,584			<b>70,584</b>
Local Capital	87,740				<b>87,740</b>
	<u>3,924,771</u>	<u>70,584</u>	<u>-</u>	<u>-</u>	<u><b>3,995,355</b></u>
Decrease:					
Transferred to Tangible Capital Assets	2,375,004	70,584			<b>2,445,588</b>
	<u>2,375,004</u>	<u>70,584</u>	<u>-</u>	<u>-</u>	<u><b>2,445,588</b></u>
<b>Net Changes for the Year</b>	<u>1,549,767</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u><b>1,549,767</b></u>
<b>Work in Progress, end of year</b>	<u><b>2,099,045</b></u>	<u>-</u>	<u>-</u>	<u>-</u>	<u><b>2,099,045</b></u>

**School District No. 42 (Maple Ridge-Pitt Meadows)**Deferred Capital Revenue  
Year Ended June 30, 2017

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
<b>Deferred Capital Revenue, beginning of year</b>	109,751,346	736,391	465,118	<b>110,952,855</b>
<b>Changes for the Year</b>				
Increase:				
Transferred from Work in Progress	2,375,004	70,584		<b>2,445,588</b>
	<u>2,375,004</u>	<u>70,584</u>	<u>-</u>	<u><b>2,445,588</b></u>
Decrease:				
Amortization of Deferred Capital Revenue	5,118,111	29,779	190,359	<b>5,338,249</b>
	<u>5,118,111</u>	<u>29,779</u>	<u>190,359</u>	<u><b>5,338,249</b></u>
<b>Net Changes for the Year</b>	<u>(2,743,107)</u>	<u>40,805</u>	<u>(190,359)</u>	<u><b>(2,892,661)</b></u>
<b>Deferred Capital Revenue, end of year</b>	<u>107,008,239</u>	<u>777,196</u>	<u>274,759</u>	<u><b>108,060,194</b></u>
<b>Work in Progress, beginning of year</b>	549,278			<b>549,278</b>
<b>Changes for the Year</b>				
Increase				
Transferred from Deferred Revenue - Work in Progress	3,837,031	70,584		<b>3,907,615</b>
	<u>3,837,031</u>	<u>70,584</u>	<u>-</u>	<u><b>3,907,615</b></u>
Decrease				
Transferred to Deferred Capital Revenue	2,375,004	70,584		<b>2,445,588</b>
	<u>2,375,004</u>	<u>70,584</u>	<u>-</u>	<u><b>2,445,588</b></u>
<b>Net Changes for the Year</b>	<u>1,462,027</u>	<u>-</u>	<u>-</u>	<u><b>1,462,027</b></u>
<b>Work in Progress, end of year</b>	<u>2,011,305</u>	<u>-</u>	<u>-</u>	<u><b>2,011,305</b></u>
<b>Total Deferred Capital Revenue, end of year</b>	<u><b>109,019,544</b></u>	<u><b>777,196</b></u>	<u><b>274,759</b></u>	<u><b>110,071,499</b></u>



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

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

	Bylaw Capital	MEd Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
<b>Balance, beginning of year</b>	82,167	1,576,456		5,086,420		<b>6,745,043</b>
<b>Changes for the Year</b>						
Increase:						
Provincial Grants - Ministry of Education	5,120,621					<b>5,120,621</b>
Provincial Grants - Other			70,584			<b>70,584</b>
Investment Income		26,800		96,957		<b>123,757</b>
School Site Acquisition Fees				617,366		<b>617,366</b>
	5,120,621	26,800	70,584	714,323	-	<b>5,932,328</b>
Decrease:						
Transferred to DCR - Work in Progress	3,837,031		70,584			<b>3,907,615</b>
Transferred to Revenue - Site Purchases	1,602			862		<b>2,464</b>
	3,838,633	-	70,584	862	-	<b>3,910,079</b>
<b>Net Changes for the Year</b>	1,281,988	26,800	-	713,461	-	<b>2,022,249</b>
<b>Balance, end of year</b>	<b>1,364,155</b>	<b>1,603,256</b>	<b>-</b>	<b>5,799,881</b>	<b>-</b>	<b>8,767,292</b>