

Audited Financial Statements of

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

June 30, 2019

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

June 30, 2019

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

MANAGEMENT REPORT

Version: 3086-2340-9358

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, BDO Canada 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 Korleen Carreras	September 18, 2019
Signature of the Chairperson of the Board of Education	Date Signed
Original signed by Sylvia Russell	September 18, 2019
Signature of the Superintendent	Date Signed
Original signed by Flavia Coughlan	September 18, 2019
Signature of the Secretary Treasurer	Date Signed

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

Opinion

We have audited the financial statements of School District No. 42 (Maple Ridge - Pitt Meadows) (the "School District") which comprise the Statement of Financial Position as at June 30, 2019 and the Statements Operations, Changes in Net Debt, and Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the School District financial statements present fairly, in all material respects, the financial position of the School District as at June 30, 2019 and its results of operations, changes in net debt and cash flows for the year then ended in accordance with the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia (the "Act").

Basis for Opinion

We conducted our audit in accordance with Canadian generally-accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the School District in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 2 to the financial statements which describes the basis of accounting. The financial statements are prepared in order for the School District to meet the reporting requirements of the Act referred to above. Our opinion is not modified in respect of this matter.

Other Matter - Supplementary Information

We draw attention to the fact that the supplementary information included in Schedules 1 to 4D do not form part of the financial statements. We have not audited or reviewed this supplementary information and, accordingly, we do not express an opinion, a review conclusion or any other form of assurance on this supplementary information.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Financial Statements Discussion and Analysis, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any for of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of the financial statements in accordance with the Act, 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.

In preparing the financial statements, management is responsible for assessing the School District's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the School District, or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the School District's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally-accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally-accepted auditing standards we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 School District's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School District's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However future events or conditions may cause the School District to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

BDO Canada LLP

Chartered Professional Accountants

Vancouver, British Columbia

September 18, 2019

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

Statement 1

Statement of Financial Position

As at June 30, 2019

	2019 Actual	2018 Actual
	\$	\$
Financial Assets		
Cash and Cash Equivalents	50,463,678	54,929,643
Accounts Receivable		
Due from Province - Ministry of Education	1,999,050	71,376
Due from Province - Other	66,000	100,000
Other (Note 3)	4,378,752	533,680
Portfolio Investments (Note 4)	252,997	248,382
Total Financial Assets	57,160,477	55,883,081
Liabilities		
Accounts Payable and Accrued Liabilities		
Other (Note 5)	20,548,739	17,809,390
Unearned Revenue (Note 6)	5,228,791	5,471,965
Deferred Revenue (Note 7)	2,381,312	2,798,447
Deferred Capital Revenue (Note 8)	143,017,828	124,279,028
Employee Future Benefits (Note 9)	8,313,736	8,076,210
Total Liabilities	179,490,406	158,435,040
Net Financial Assets (Debt)	(122,329,929)	(102,551,959)
Non-Financial Assets		
Tangible Capital Assets (Note 11)	204,021,754	182,389,028
Prepaid Expenses	404,101	402,270
Total Non-Financial Assets	204,425,855	182,791,298
Accumulated Surplus (Deficit) (Note 17)	82,095,926	80,239,339

Approved by the Board

Original signed by Korleen Carreras

September 18, 2019

Signature of the Chairperson of the Board of Education

Date Signed

Original signed by Sylvia Russell

September 18, 2019

Signature of the Superintendent

Date Signed

Original signed by Flavia Coughlan

September 18, 2019

Signature of the Secretary Treasurer

Date Signed

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

Statement 2

Statement of Operations

Year Ended June 30, 2019

	2019 Budget (Note 14)	2019 Actual	2018 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	151,003,353	151,019,011	143,716,793
Other	334,169	397,657	443,215
School Site Acquisition Fees Spent on Sites		1,695,137	25,981
Federal Grants	260,760	279,042	246,785
Tuition	9,314,850	9,595,712	9,166,685
Other Revenue	5,572,759	5,822,136	5,834,615
Rentals and Leases	474,080	540,263	576,616
Investment Income	765,649	875,474	643,285
Gain (Loss) on Disposal of Tangible Capital Assets (Note 18)	(708,812)	(838,579)	
Amortization of Deferred Capital Revenue	5,889,868	5,483,981	5,381,616
Total Revenue	<u>172,906,676</u>	<u>174,869,834</u>	<u>166,035,591</u>
Expenses (Note 19)			
Instruction	145,961,186	142,616,859	134,770,217
District Administration	5,764,144	5,586,758	4,907,712
Operations and Maintenance	25,462,938	24,296,382	23,189,959
Transportation and Housing	683,118	513,248	626,687
Total Expense	<u>177,871,386</u>	<u>173,013,247</u>	<u>163,494,575</u>
Surplus (Deficit) for the year	<u>(4,964,710)</u>	<u>1,856,587</u>	<u>2,541,016</u>
Accumulated Surplus (Deficit) from Operations, beginning of year		80,239,339	77,698,323
Accumulated Surplus (Deficit) from Operations, end of year		<u>82,095,926</u>	<u>80,239,339</u>

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

Statement 4

Statement of Changes in Net Financial Assets (Debt)

Year Ended June 30, 2019

	2019 Budget (Note 14)	2019 Actual	2018 Actual
	\$	\$	\$
Surplus (Deficit) for the year	<u>(4,964,710)</u>	<u>1,856,587</u>	<u>2,541,016</u>
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(42,293,529)	(33,353,140)	(15,487,327)
Amortization of Tangible Capital Assets	9,935,740	9,521,618	9,164,572
Net carrying value of Tangible Capital Assets disposed of		2,198,796	
Total Effect of change in Tangible Capital Assets	<u>(32,357,789)</u>	<u>(21,632,726)</u>	<u>(6,322,755)</u>
Acquisition of Prepaid Expenses		(418,138)	(402,270)
Use of Prepaid Expenses		416,307	497,321
Total Effect of change in Other Non-Financial Assets	<u>-</u>	<u>(1,831)</u>	<u>95,051</u>
(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)	<u>(37,322,499)</u>	<u>(19,777,970)</u>	<u>(3,686,688)</u>
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Financial Assets (Debt)		<u>(19,777,970)</u>	<u>(3,686,688)</u>
Net Financial Assets (Debt), beginning of year		<u>(102,551,959)</u>	<u>(98,865,271)</u>
Net Financial Assets (Debt), end of year		<u>(122,329,929)</u>	<u>(102,551,959)</u>

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

Statement 5

Statement of Cash Flows

Year Ended June 30, 2019

	2019 Actual	2018 Actual
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	1,856,587	2,541,016
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(5,738,746)	2,722
Prepaid Expenses	(1,831)	95,051
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	2,739,346	4,821,894
Unearned Revenue	(243,174)	569,626
Deferred Revenue	(417,135)	328,004
Employee Future Benefits	237,526	200,731
Loss (Gain) on Disposal of Tangible Capital Assets (Note 18)	838,579	
Amortization of Tangible Capital Assets	9,521,618	9,164,572
Amortization of Deferred Capital Revenue	(5,483,981)	(5,381,616)
Recognition of Deferred Capital Revenue Spent on Sites	(1,766,717)	(74,232)
Total Operating Transactions	1,542,072	12,267,768
Capital Transactions		
Tangible Capital Assets Purchased	(5,815,753)	(4,962,792)
Tangible Capital Assets -WIP Purchased	(27,537,387)	(10,524,535)
District Portion of Proceeds on Disposal (Note 18)	1,360,217	
Total Capital Transactions	(31,992,923)	(15,487,327)
Financing Transactions		
Capital Revenue Received	25,989,498	10,896,085
Total Financing Transactions	25,989,498	10,896,085
Investing Transactions		
Proceeds on Disposal of Portfolio Investments		67,559
Investments in Portfolio Investments	(4,612)	
Total Investing Transactions	(4,612)	67,559
Net Increase (Decrease) in Cash and Cash Equivalents	(4,465,965)	7,744,085
Cash and Cash Equivalents, beginning of year	54,929,643	47,185,558
Cash and Cash Equivalents, end of year	50,463,678	54,929,643
Cash and Cash Equivalents, end of year, is made up of:		
Cash	12,891,388	11,391,746
Cash Equivalents	37,572,290	43,537,897
	50,463,678	54,929,643
Supplementary Cash Flow Information (Note 22)		

SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019

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. The School District 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.

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.

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

SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019

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

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 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. 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, 2019

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 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 estimated cost of borrowing.

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

The most recent valuation of the obligation was performed at 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, 2019

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 tangible 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, 2019

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k) Prepaid Expenses

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

l) Internally restricted reserves

The board of education is responsible for ensuring the district is protected financially from extraordinary circumstances that would negatively impact school district operations and the education of students. To discharge this responsibility, the board has established a contingency reserve from available operating surplus, which will be used to mitigate any negative impact such circumstances might cause.

By board policy a contingency reserve of at least 1% and not exceeding 3% of operating expenditures shall be maintained (\$1,543,280 to \$4,629,840). The current balance of \$4,115,145 (\$3,755,145 local capital and \$360,000 million operating) equates to 2.67% of budgeted operating expenditures.

m) Revenue Recognition

All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty, their estimation is impracticable, or collection is uncertain.

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 as revenue over the useful life of the related assets once spent.

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.

All other revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues.

SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019

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 included in the deferred revenue balance until spent.

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, 2019

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

	June 30, 2019	June 30, 2018
Due from Federal Government	\$ 347,298	\$ 225,399
Due from the City of Maple Ridge	3,425,200	-
Trade Receivables	410,559	148,073
Tuition Receivable	101,709	91,796
Other Receivables	93,986	68,412
	\$ 4,378,752	\$ 533,680

NOTE 4 PORTFOLIO INVESTMENTS

	June 30, 2019	June 30, 2018
Cost and Amortized Cost		
Term deposits	\$ 100,000	\$ 99,914
	100,000	99,914
Fair Market Value		
Core bond fund	76,905	72,654
Canadian equity fund	37,428	38,005
U. S. equity fund	19,921	19,066
International equity fund	18,743	18,743
	152,997	148,468
Total Portfolio Investments	\$ 252,997	\$ 248,382

SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019

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 2.5% (2018: 1.98%).

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

	June 30, 2019	June 30, 2018
Trade payables	\$ 10,216,977	\$ 8,168,457
Salaries and benefits payable	8,251,422	7,664,664
Accrued vacation pay	1,521,865	1,275,792
Other	558,475	700,477
	\$ 20,548,739	\$ 17,809,390

NOTE 6 **UNEARNED REVENUE**

	June 30, 2019	June 30, 2018
Balance, beginning of year	\$ 5,471,965	\$ 4,902,339
Tuition fees received	9,405,212	9,673,839
Rental fees received	541,169	572,162
Partnership fees received	40,626	143,963
Tuition fees recognized as revenue	(9,595,712)	(9,166,685)
Rental fees recognized as revenue	(540,263)	(576,616)
Partnership fees recognized as revenue	(94,206)	(77,037)
Balance, end of year	\$ 5,228,791	\$ 5,471,965

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.

	June 30, 2019	June 30, 2018
Balance, beginning of year	\$ 2,798,447	\$ 2,470,443
Grants received:		
Provincial grants	14,230,408	13,028,984
Other grants and income	4,951,453	4,669,311
Investment income	54,974	42,117
Subtotal	19,236,835	17,740,412
Revenue recognized	(19,653,970)	(17,412,408)
Balance, end of year	\$ 2,381,312	\$ 2,798,447

SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019

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, 2019</u>	<u>June 30, 2018</u>
<u>Deferred capital revenue subject to amortization</u>		
Balance, beginning of year	\$ 110,466,532	\$ 108,060,194
Transfers from deferred revenue – capital additions	7,075,840	7,787,954
Amortization of deferred capital revenue	(5,483,981)	(5,381,616)
Balance, end of year	<u>\$ 112,058,391</u>	<u>\$ 110,466,532</u>
 <u>Deferred capital revenue – Work in Progress</u>		
Work in Progress, beginning of year	\$ 1,923,161	\$ 2,011,305
Transfer in from deferred revenue – work in progress	27,120,186	7,699,810
Transfer to spent deferred capital	(7,075,840)	(7,787,954)
Balance, end of year	<u>\$ 21,967,507</u>	<u>\$ 1,923,161</u>
 <u>Deferred capital revenue – Unspent portion</u>		
Unspent Deferred Capital, beginning of year	\$ 11,889,335	\$ 8,767,292
Provincial Grants – Ministry of Education	23,768,702	6,789,760
Provincial Grants – Other	18,671	
Other	431,250	3,836,535
Investment Income	334,431	269,790
Ministry of Education Restricted Proceeds on Disposal of Land (Note 18)	838,579	-
School Site Acquisition Fees	597,865	-
Transfer to Deferred Capital Revenue – Work in Progress	(27,120,186)	(7,699,810)
Transfer to Deferred Capital Revenue – Site Purchases	(1,766,717)	(74,232)
Balance, end of year	<u>\$ 8,991,930</u>	<u>\$ 11,889,335</u>
 Total deferred capital revenue balance, end of year	<u>\$ 143,017,828</u>	<u>\$ 124,279,028</u>

SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019

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 provides for the payment of these benefits they become due.

	June 30, 2019	June 30, 2018
<i>Reconciliation of Accrued Benefit Obligation</i>		
Accrued Benefit Obligation – April 1	\$ 8,297,388	\$ 8,135,024
Service Cost	602,714	576,710
Interest Cost	235,378	230,550
Benefit Payments	(791,301)	(479,441)
Actuarial (Gain) Loss	(64,236)	(165,455)
Accrued Benefit Obligation – March 31	<u>\$ 8,279,943</u>	<u>\$ 8,297,388</u>

Reconciliation of Funded Status at End of Fiscal Year

Accrued Benefit Obligation – March 31	\$ 8,279,943	\$ 8,297,388
Funded Status – Surplus (Deficit)	(8,279,943)	(8,297,388)
Employer Contributions After Measurement Date	178,017	271,797
Benefits Expense After Measurement Date	(210,452)	(209,524)
Unamortized Net Actuarial (Gain) Loss	(1,358)	158,905
Accrued Benefit Asset (Liability) – June 30	<u>\$ (8,313,736)</u>	<u>\$ (8,076,210)</u>

Reconciliation of Change in Accrued Benefit Liability

Accrued Benefit Liability – July 1	\$8,076,210	\$ 7,875,479
Net expense for Fiscal Year	935,047	929,796
Employer Contributions	(697,521)	(729,065)
Accrued Benefit Liability – June 30	<u>\$ 8,313,736</u>	<u>\$ 8,076,210</u>

Components of Net Benefit Expense

Service Cost	\$ 609,637	\$ 583,211
Interest Cost	229,383	231,757
Amortization of Net Actuarial (Gain) Loss	96,027	114,828
Net Benefit Expense	<u>\$ 935,047</u>	<u>\$ 929,796</u>

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

	June 30, 2019	June 30, 2018
Discount Rate – April 1	2.75%	2.75%
Discount Rate – March 31	2.50%	2.75%
Long Term Salary Growth – April 1	2.5% + seniority	2.5% + seniority
Long Term Salary Growth – March 31	2.5% + seniority	2.5% + seniority
EARS – March 31	9.6 years	8.8 years

SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019

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, 2019, the School District had \$nil borrowings (2018: \$nil) under these facilities.

NOTE 11 TANGIBLE CAPITAL ASSETS

June 30, 2019

Cost:	Balance at July 1, 2018	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2019
Sites	\$ 31,425,110	\$ 1,766,717	\$ (2,198,796)	\$ -	\$ 30,993,031
Buildings	271,577,482	1,025,497	-	7,198,142	279,801,121
Buildings – work in progress	4,835,626	27,425,441	-	(7,198,142)	25,062,925
Furniture & Equipment	11,297,651	1,418,017	(386,645)	-	12,329,023
Vehicles	1,094,430	225,846	-	-	1,320,276
Computer Software	1,882,419	73,251	(180,678)	-	1,774,992
Computer Hardware	7,748,768	1,418,371	(1,073,397)	-	8,093,742
Total	\$ 329,861,486	\$ 33,353,140	\$ (3,839,516)	\$ -	\$ 359,375,110

Accumulated Amortization:	Balance at July 1, 2018	Amortization	Disposals	Balance at June 30, 2019
Buildings	\$ 138,030,131	\$ 6,269,558	\$ -	\$ 144,299,689
Furniture & Equipment	4,307,039	1,181,333	(386,645)	5,101,727
Vehicles	327,663	120,735	-	448,398
Computer Software	823,454	365,741	(180,678)	1,008,517
Computer Hardware	3,984,171	1,584,251	(1,073,397)	4,495,025
Total	\$ 147,472,458	\$ 9,521,618	\$ (1,640,720)	\$ 155,353,356

SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019

NOTE 11 TANGIBLE CAPITAL ASSETS *(Continued)*

June 30, 2018

Cost:	Balance at July 1, 2017	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2018
Sites	\$ 31,350,878	\$ 74,232	\$ -	\$ -	\$ 31,425,110
Buildings	263,346,185	456,549	-	7,774,748	271,577,482
Buildings – work in progress	2,099,045	10,511,329	-	(7,774,748)	4,835,626
Furniture & Equipment	10,078,560	2,879,773	(1,660,682)	-	11,297,651
Vehicles	992,436	133,606	(31,612)	-	1,094,430
Computer Software	1,439,074	474,890	(31,545)	-	1,882,419
Computer Hardware	8,012,098	956,948	(1,220,278)	-	7,748,768
Total	\$ 317,318,276	\$ 15,487,327	\$ (2,944,117)	\$ -	\$ 329,861,486

Accumulated Amortization:	Balance at July 1, 2017	Amortization	Disposals	Balance at June 30, 2018
Buildings	\$ 131,946,945	\$ 6,083,186	\$ -	\$ 138,030,131
Furniture & Equipment	4,898,912	1,068,809	(1,660,682)	4,307,039
Vehicles	254,932	104,343	(31,612)	327,663
Computer Software	522,849	332,150	(31,545)	823,454
Computer Hardware	3,628,365	1,576,084	(1,220,278)	3,984,171
Total	\$ 141,252,003	\$ 9,164,572	\$ (2,944,117)	\$ 147,472,458

Net Book Value:	June 30, 2019	June 30, 2018
Sites	\$ 30,993,031	\$ 31,425,110
Buildings	135,501,432	133,547,351
Buildings – work in progress	25,062,925	4,835,626
Furniture & Equipment	7,227,296	6,990,612
Vehicles	871,878	766,767
Computer Software	766,475	1,058,965
Computer Hardware	3,598,717	3,764,597
Total	\$ 204,021,754	\$ 182,389,028

SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019

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, 2017, the Teachers' Pension Plan has about 46,000 active members and approximately 38,000 retired members. As of December 31, 2017, the Municipal Pension Plan has about 197,000 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 may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent actuarial valuation of the Teachers' Pension Plan as at December 31, 2017, indicated a \$1,656 million surplus for basic pension benefits on a going concern basis. As a result of the 2017 basic account actuarial valuation surplus, plan enhancements and contribution rate adjustments were made; the remaining \$644 million surplus was transferred to the rate stabilization account.

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. As a result of the 2015 basic account actuarial valuation surplus and pursuant to the joint trustee agreement, \$1,927 million was transferred to the rate stabilization account and \$297 million of the surplus ensured the required contribution rate remained unchanged.

The school district paid \$12,750,840 for employer contributions to the plans for the year ended June 30, 2019 (2018: \$13,231,774). The next valuation for the Teachers' Pension Plan will be as at December 31, 2020, with results available in 2021. 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, 2019

NOTE 14 BUDGET FIGURES

Budget figures included in the financial statements were approved by the Board through the adoption of the amended annual budget on February 27, 2019.

As the 2018/19 Amended Annual Budget is used for comparative purposes a reconciliation between the 2018/19 Annual and the 2018/19 Amended Annual Budgets is provided.

	Annual Budget	Amended Annual Budget	Change
Statement 2			
Revenues			
Provincial Grants			
Ministry of Education	\$ 147,893,011	\$ 151,003,353	\$ 3,110,342
Other	347,621	334,169	(13,452)
Federal Grants	192,000	260,760	68,760
Tuition	8,994,050	9,314,850	320,800
Other Revenue	5,428,703	5,572,759	144,056
Rentals and Leases	438,550	474,080	35,530
Investment Income	660,000	765,649	105,649
Gain (Loss) on Disposal of Tangible Capital Assets	-	(708,812)	(708,812)
Amortization of Deferred Capital Revenue	5,738,171	5,889,868	151,697
Total Revenue	169,692,106	172,906,676	3,214,570
Expenses			
Instruction	142,227,384	145,961,186	3,733,802
District Administration	5,264,864	5,764,144	499,280
Operations and Maintenance	24,681,569	25,462,938	781,369
Transportation and Housing	726,528	683,118	(43,410)
Total Expense	172,900,345	177,871,386	4,971,041
Net Revenue (Expense)	(3,208,239)	(4,964,710)	(1,756,471)
Budgeted Allocation of Surplus	1,123,840	4,354,095	3,230,255
Budgeted Surplus (Deficit) for the year	\$ (2,084,399)	\$ (610,615)	\$ 1,473,784
Statement 4			
Surplus (Deficit for the year)	\$ (3,208,239)	\$ (4,964,710)	\$ (1,756,471)
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(37,081,828)	(42,293,529)	(5,211,701)
Amortization of Tangible Capital Assets	9,635,976	9,935,740	299,764
Total Effect of change in Tangible Capital Assets	(27,445,852)	(32,357,789)	(4,911,937)
(Increase) Decrease in Net Financial Assets (Debt)	\$ (30,654,091)	\$ (37,322,499)	\$ (6,668,408)

SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019

NOTE 15 CONTINGENCIES

In the normal course of business, lawsuits and claims have been brought against the School District. The School District defends against these lawsuits and claims. Management has made provisions for any unexpected liabilities and believes that the ultimate results of any pending legal proceeding will not have a material effect on the financial position of the School District.

NOTE 16 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, 2019, a liability is not reasonably determinable (2018: nil).

NOTE 17 ACCUMULATED SURPLUS

The operating fund accounts for the School District's operating grants and other operating revenues. Legislation requires that the School District present a balanced budget for the operating fund, whereby budgeted expenditures do not exceed the total of budgeted revenue plus any surplus in the operating fund carried forward from the previous year. The operating fund also contains a contingency reserve for the operating fund.

	June 30, 2019	June 30, 2018
Operating Fund Accumulated Surplus		
Internally Restricted (appropriated) by the Board for:		
Targeted funding for aboriginal education	\$ 75,137	\$ 74,820
School budget balances	573,985	614,752
Personal professional development	220,301	193,343
Financial provisions	100,000	100,000
Funds required to complete projects in progress	698,801	810,690
Facilities renovations and new classroom set-up	459,350	455,577
Purchase order commitments	503,976	621,073
Budgeted use of accumulated surplus		
Succession planning	488,346	336,702
Support for operational plans	95,585	147,410
Educational leadership		232,328
Support for school growth plans	669,998	10,991
Curriculum implementation		40,000
Spirit of learning		10,000
Safe and caring schools		173,119
Learning services	350,962	173,290
Increased cost of benefits	56,400	
Operating contingency reserve	360,000	360,000
Total Operating Internally Restricted	4,652,841	4,354,095
Unrestricted	-	-
Total Operating Fund Accumulated Surplus	\$ 4,652,841	\$ 4,354,095

SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019

NOTE 17 ACCUMULATED SURPLUS (*Continued*)

Capital Fund Accumulated Surplus

Contingency reserve for local capital	2,394,927	3,293,448
District portion of proceeds on disposal of land	1,360,218	-
Subtotal contingency reserve for local capital	3,755,145	3,293,448

Budgeted use of local capital

Information technology	65,000	16,353
Emergency preparedness	91,896	91,899
Energy management	1,373,861	1,304,726
Succession planning	30,000	135,000
New classroom space	670,636	544,477
New schools	1,107,220	500,000
Maple Ridge Secondary annex	353,465	-
Invested in tangible capital assets	69,995,862	69,999,341

Total Capital Fund Accumulated Surplus	77,443,085	75,885,244
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Total Accumulated Surplus	\$ 82,095,926	\$ 80,239,339
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NOTE 18 DISPOSAL OF LAND

In 2018/19 a parcel of land was sold to the City of Maple Ridge for the development of a community centre adjacent to the new ċasqanelā Elementary school. The proceeds from this sale total \$2,198,796 and have been reported as a \$1,360,217 increase to local capital for the School District portion of proceeds on disposal, a \$838,579 increase to Ministry of Education Restricted Capital for the Ministry of Education portion of the proceeds on disposal and a decrease to invested in capital assets. As the District received \$1.3 million unrestricted proceeds for the property with a net book value of \$2.2 million, a net loss on disposal of \$0.84 million was recognized in the year.

NOTE 19 EXPENSE BY OBJECT

	June 30, 2019	June 30, 2018
Salaries and benefits	\$ 144,351,565	\$ 136,256,581
Services and supplies	19,140,064	18,073,422
Amortization	9,521,618	9,164,572
	\$ 173,013,247	\$ 163,494,575

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, 2019

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 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 or local government and are considered low risk.

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 to reduce the concentration of credit risk.

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, 2019

NOTE 22 SUPPLEMENTARY CASH FLOW INFORMATION

	June 30, 2019	June 30, 2018
Interest recognized in the:		
Operating Fund	\$634,382	\$515,071
Special Purpose Fund	54,974	42,117
Local Capital Fund	186,118	86,097
MEd Restricted Capital Fund	67,008	39,280
Other Provincial Capital Fund	74,114	70,796
Land Capital Fund	193,309	159,714
Total interest income	\$ 1,209,905	\$ 913,075

NOTE 23 CONTRACTUAL OBLIGATIONS

The School District has entered into a number of multiple-year contracts for 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.

	June 30, 2019	Thereafter
Ćasqənelə Elementary	\$ 7,591,151	\$Nil
Daycare portables	1,581,111	
AFG projects	1,156,767	
New educational space	724,217	
Other	346,764	
Total capital commitments	\$11,400,010	\$Nil

NOTE 24 CONTRACTUAL RIGHTS

Contractual rights are rights to economic resources arising from contracts or agreements that will result in revenues and assets in the future. The School District's contractual rights arise because of contracts entered into for lease agreements and future funding for capital projects. The following table summarizes the contractual rights of the School District for future assets:

	2019/20	2020/21	2021/22	Thereafter
For capital projects				
From the Ministry of Education	\$ 11,286,562	\$ -	\$ -	\$ -
From the City of Maple Ridge	143,750	-	-	-
From the Ministry of Children and Family Development	343,454	-	-	-
Future lease revenue	293,424	7,600	-	-
	\$ 12,067,190	\$ 7,600	\$ -	\$ -

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

Schedule 1 (Unaudited)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund

Year Ended June 30, 2019

	Operating Fund	Special Purpose Fund	Capital Fund	2019 Actual	2018 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	4,354,095		75,885,244	80,239,339	77,698,323
Changes for the year					
Surplus (Deficit) for the year	3,749,576	961,257	(2,854,246)	1,856,587	2,541,016
Interfund Transfers					
Tangible Capital Assets Purchased	(2,529,206)	(961,257)	3,490,463	-	
Local Capital	(921,624)		921,624	-	
Net Changes for the year	298,746	-	1,557,841	1,856,587	2,541,016
Accumulated Surplus (Deficit), end of year - Statement 2	4,652,841	-	77,443,085	82,095,926	80,239,339

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

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2019

	2019 Budget (Note 14)	2019 Actual	2018 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	135,514,213	136,260,242	131,125,562
Other	334,169	397,657	443,215
Federal Grants	260,760	279,042	246,785
Tuition	9,314,850	9,595,712	9,166,685
Other Revenue	898,615	841,194	850,829
Rentals and Leases	474,080	540,263	576,616
Investment Income	619,200	634,382	515,071
Total Revenue	147,415,887	148,548,492	142,924,763
Expenses			
Instruction	127,033,068	124,141,569	118,273,701
District Administration	5,764,144	5,586,758	4,907,712
Operations and Maintenance	15,107,198	14,557,341	13,864,426
Transportation and Housing	683,118	513,248	626,687
Total Expense	148,587,528	144,798,916	137,672,526
Operating Surplus (Deficit) for the year	(1,171,641)	3,749,576	5,252,237
Budgeted Appropriation (Retirement) of Surplus (Deficit)	4,354,095		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(2,503,222)	(2,529,206)	(3,621,482)
Tangible Capital Assets - Work in Progress			(18,216)
Local Capital	(679,232)	(921,624)	(2,444,912)
Total Net Transfers	(3,182,454)	(3,450,830)	(6,084,610)
Total Operating Surplus (Deficit), for the year	-	298,746	(832,373)
Operating Surplus (Deficit), beginning of year		4,354,095	5,186,468
Operating Surplus (Deficit), end of year		4,652,841	4,354,095
Operating Surplus (Deficit), end of year			
Internally Restricted		4,652,841	4,354,095
Total Operating Surplus (Deficit), end of year		4,652,841	4,354,095

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

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2019

	2019 Budget (Note 14)	2019 Actual	2018 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education			
Operating Grant, Ministry of Education	133,296,767	133,637,393	128,364,785
ISC/LEA Recovery	(431,146)	(420,172)	(431,145)
Other Ministry of Education Grants			
Pay Equity	1,874,966	1,874,966	1,874,965
Funding for Graduated Adults	68,460	117,401	86,878
Transportation Supplement	185,990	185,990	185,990
Economic Stability Dividend	171,988	166,977	87,526
Return of Administrative Savings			631,773
Carbon Tax Grant	110,055	102,590	105,942
Employer Health Tax Grant		356,464	
Strategic Priorities - Mental Health Grant	31,000	31,000	
Support Staff Benefits Grant	190,440	190,440	180,576
FSA Scoring	15,693	15,693	
Miscellaneous		1,500	38,272
Total Provincial Grants - Ministry of Education	135,514,213	136,260,242	131,125,562
Provincial Grants - Other	334,169	397,657	443,215
Federal Grants	260,760	279,042	246,785
Tuition			
Summer School Fees	83,200	83,200	89,905
Continuing Education	631,805	672,070	709,171
International and Out of Province Students	8,599,845	8,840,442	8,367,609
Total Tuition	9,314,850	9,595,712	9,166,685
Other Revenues			
LEA Funding from First Nations	431,146	420,173	431,145
Miscellaneous			
Revenue Generation	105,000	66,656	110,256
Partnership Programs	109,265	94,206	77,038
Transportation	10,500	9,860	12,419
Before and After School Programming	115,504	83,951	74,959
Miscellaneous	127,200	166,348	145,012
Total Other Revenue	898,615	841,194	850,829
Rentals and Leases	474,080	540,263	576,616
Investment Income	619,200	634,382	515,071
Total Operating Revenue	147,415,887	148,548,492	142,924,763

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

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2019

	2019 Budget (Note 14)	2019 Actual	2018 Actual
	\$	\$	\$
Salaries			
Teachers	65,780,684	65,165,787	62,397,892
Principals and Vice Principals	7,150,747	7,189,477	6,882,964
Educational Assistants	13,196,669	13,538,905	12,190,570
Support Staff	11,438,786	11,318,671	11,064,740
Other Professionals	4,394,486	4,651,905	3,917,115
Substitutes	4,750,868	5,126,940	4,217,890
Total Salaries	106,712,240	106,991,685	100,671,171
Employee Benefits	25,797,244	24,521,293	24,128,962
Total Salaries and Benefits	132,509,484	131,512,978	124,800,133
Services and Supplies			
Services	5,984,032	5,555,957	5,121,608
Student Transportation	737,445	573,039	694,577
Professional Development and Travel	1,308,956	938,290	860,031
Rentals and Leases	15,390	535	
Dues and Fees	143,063	145,645	121,079
Insurance	599,930	682,275	324,902
Supplies	4,924,003	2,878,479	3,552,841
Utilities	2,365,225	2,511,718	2,197,355
Total Services and Supplies	16,078,044	13,285,938	12,872,393
Total Operating Expense	148,587,528	144,798,916	137,672,526

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

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2019

	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	49,786,983	477,160	127,682	321,322		3,174,658	53,887,805
1.03 Career Programs	537,499		428,634			24,550	990,683
1.07 Library Services	1,034,244			5,015		30,164	1,069,423
1.08 Counselling	1,786,638		4,904			20,245	1,811,787
1.10 Special Education	8,015,824	999,849	12,384,027	1,464,654	10,873	1,147,278	24,022,505
1.30 English Language Learning	574,900	15,354				10,289	600,543
1.31 Aboriginal Education	387,529	129,057	557,754	46,768	1,950	16,891	1,139,949
1.41 School Administration		5,196,779		2,331,070		237,666	7,765,515
1.60 Summer School	323,169	9,307	35,904	34,501		392	403,273
1.61 Continuing Education				90,045	347,247		437,292
1.62 International and Out of Province Students	2,707,488	232,608		455,338	352,976	121,652	3,870,062
1.64 Other					68,728		68,728
Total Function 1	65,154,274	7,060,114	13,538,905	4,748,713	781,774	4,783,785	96,067,565
4 District Administration							
4.11 Educational Administration				45,258	1,122,416	45,457	1,213,131
4.40 School District Governance					314,272		314,272
4.41 Business Administration		129,363		519,147	1,312,192	39,449	2,000,151
Total Function 4	-	129,363	-	564,405	2,748,880	84,906	3,527,554
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	11,513			235,849	801,849	29,546	1,078,757
5.50 Maintenance Operations				5,382,969	319,402	220,164	5,922,535
5.52 Maintenance of Grounds				386,735		8,539	395,274
5.56 Utilities							-
Total Function 5	11,513	-	-	6,005,553	1,121,251	258,249	7,396,566
7 Transportation and Housing							
7.70 Student Transportation							-
Total Function 7	-	-	-	-	-	-	-
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	65,165,787	7,189,477	13,538,905	11,318,671	4,651,905	5,126,940	106,991,685

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

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2019

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2019 Actual	2019 Budget (Note 14)	2018 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	53,887,805	11,840,402	65,728,207	2,050,893	67,779,100	69,815,473	65,495,547
1.03 Career Programs	990,683	234,874	1,225,557	456,460	1,682,017	1,699,383	1,700,395
1.07 Library Services	1,069,423	251,414	1,320,837	148,000	1,468,837	1,564,505	1,416,509
1.08 Counselling	1,811,787	414,410	2,226,197	104,347	2,330,544	2,213,927	2,125,501
1.10 Special Education	24,022,505	5,679,191	29,701,696	322,912	30,024,608	30,240,729	27,836,739
1.30 English Language Learning	600,543	134,658	735,201	17,535	752,736	1,106,629	694,112
1.31 Aboriginal Education	1,139,949	268,152	1,408,101	174,099	1,582,200	1,663,237	1,535,914
1.41 School Administration	7,765,515	2,082,962	9,848,477	224,182	10,072,659	10,151,718	9,291,574
1.60 Summer School	403,273	72,168	475,441	14,005	489,446	489,544	425,412
1.61 Continuing Education	437,292	61,409	498,701	230,164	728,865	751,750	741,798
1.62 International and Out of Province Students	3,870,062	873,817	4,743,879	2,346,704	7,090,583	7,141,654	6,877,605
1.64 Other	68,728	18,639	87,367	52,607	139,974	194,519	132,595
Total Function 1	96,067,565	21,932,096	117,999,661	6,141,908	124,141,569	127,033,068	118,273,701
4 District Administration							
4.11 Educational Administration	1,213,131	287,091	1,500,222	367,128	1,867,350	1,791,546	1,745,757
4.40 School District Governance	314,272	46,250	360,522	124,145	484,667	560,205	232,310
4.41 Business Administration	2,000,151	477,945	2,478,096	756,645	3,234,741	3,412,393	2,929,645
Total Function 4	3,527,554	811,286	4,338,840	1,247,918	5,586,758	5,764,144	4,907,712
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	1,078,757	234,432	1,313,189	819,697	2,132,886	2,134,148	1,804,848
5.50 Maintenance Operations	5,922,535	1,461,592	7,384,127	1,411,836	8,795,963	9,308,981	8,936,867
5.52 Maintenance of Grounds	395,274	81,887	477,161	183,247	660,408	728,993	495,782
5.56 Utilities	-	-	-	2,968,084	2,968,084	2,935,076	2,626,929
Total Function 5	7,396,566	1,777,911	9,174,477	5,382,864	14,557,341	15,107,198	13,864,426
7 Transportation and Housing							
7.70 Student Transportation	-	-	-	513,248	513,248	683,118	626,687
Total Function 7	-	-	-	513,248	513,248	683,118	626,687
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	106,991,685	24,521,293	131,512,978	13,285,938	144,798,916	148,587,528	137,672,526

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

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2019

	2019 Budget (Note 14)	2019 Actual	2018 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	15,489,140	14,687,189	12,542,980
Other Revenue	4,576,712	4,911,807	4,827,311
Investment Income		54,974	42,117
Total Revenue	<u>20,065,852</u>	<u>19,653,970</u>	<u>17,412,408</u>
Expenses			
Instruction	18,928,118	18,475,290	16,496,516
Operations and Maintenance	420,000	217,423	160,961
Total Expense	<u>19,348,118</u>	<u>18,692,713</u>	<u>16,657,477</u>
Special Purpose Surplus (Deficit) for the year	<u>717,734</u>	<u>961,257</u>	<u>754,931</u>
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(717,734)	(961,257)	(754,931)
Total Net Transfers	<u>(717,734)</u>	<u>(961,257)</u>	<u>(754,931)</u>
Total Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>-</u>	<u>-</u>
Special Purpose Surplus (Deficit), beginning of year			
Special Purpose Surplus (Deficit), end of year		<u>-</u>	<u>-</u>

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

Schedule 3A (Unaudited)

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2019

	Annual Facility Grant	Learning Improvement Fund	Scholarships and Bursaries	Service Delivery Transformation	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK
Deferred Revenue, beginning of year	\$ 397,197	\$ 27,503	\$ 136,670	\$ 43,037	\$ 1,183,526	\$ 22,412	\$ 31,662	\$ -	\$ -
Add: Restricted Grants									
Provincial Grants - Ministry of Education	517,500	517,052				256,000	49,000	209,246	548,550
Other			66,978		4,512,303				
Investment Income	12,908	542	7,450	952		1,972	1,192	301	649
	530,408	517,594	74,428	952	4,512,303	257,972	50,192	209,547	549,199
Less: Allocated to Revenue	672,881	517,200	32,900	43,989	4,539,615	280,384	51,516	209,547	531,254
Recovered									
Deferred Revenue, end of year	254,724	27,897	178,198	-	1,156,214	-	30,338	-	17,945
Revenues									
Provincial Grants - Ministry of Education	659,973	516,658		43,037		278,412	50,324	209,246	530,605
Other Revenue			25,450		4,539,615				
Investment Income	12,908	542	7,450	952		1,972	1,192	301	649
	672,881	517,200	32,900	43,989	4,539,615	280,384	51,516	209,547	531,254
Expenses									
Salaries									
Teachers							20,177	80,839	31,638
Principals and Vice Principals									25,362
Educational Assistants		435,917			44,730	186,953	4,219		314,225
Support Staff	92,675				33,954	5,517			
Other Professionals				35,067					
Substitutes		536			30,658	5,671		12,698	14,711
	92,675	436,453	-	35,067	109,342	198,141	24,396	93,537	385,936
Employee Benefits	17,288	80,747		8,922	10,760	65,630	4,349	23,192	97,033
Services and Supplies	107,460		32,900		4,393,084	16,613	22,771	86,914	48,285
	217,423	517,200	32,900	43,989	4,513,186	280,384	51,516	203,643	531,254
Net Revenue (Expense) before Interfund Transfers	455,458	-	-	-	26,429	-	-	5,904	-
Interfund Transfers									
Tangible Capital Assets Purchased	(455,458)				(26,429)			(5,904)	
	(455,458)	-	-	-	(26,429)	-	-	(5,904)	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

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

Schedule 3A (Unaudited)

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2019

	Classroom Enhancement Fund - Overhead	Classroom Enhancement Fund - Staffing	Classroom Enhancement Fund - Remedies	Youth Education Support Fund	TOTAL
	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year		87,162	727,566	141,712	2,798,447
Add: Restricted Grants					
Provincial Grants - Ministry of Education	819,162	9,851,426	2,277,200		15,045,136
Other				372,172	4,951,453
Investment Income	241	21,895	2,048	4,824	54,974
	819,403	9,873,321	2,279,248	376,996	20,051,563
Less: Allocated to Revenue	819,403	9,873,321	1,730,394	351,566	19,653,970
Recovered		87,162	727,566		814,728
Deferred Revenue, end of year	-	-	548,854	167,142	2,381,312
Revenues					
Provincial Grants - Ministry of Education	819,162	9,851,426	1,728,346		14,687,189
Other Revenue				346,742	4,911,807
Investment Income	241	21,895	2,048	4,824	54,974
	819,403	9,873,321	1,730,394	351,566	19,653,970
Expenses					
Salaries					
Teachers	765	7,989,689	400,033		8,523,141
Principals and Vice Principals	187,729				213,091
Educational Assistants					986,044
Support Staff	180,236				312,382
Other Professionals	100,424				135,491
Substitutes	161,223		32,997	1,184	259,678
	630,377	7,989,689	433,030	1,184	10,429,827
Employee Benefits	124,888	1,883,632	92,156	165	2,408,762
Services and Supplies	43,879		957,301	144,917	5,854,124
	799,144	9,873,321	1,482,487	146,266	18,692,713
Net Revenue (Expense) before Interfund Transfers	20,259	-	247,907	205,300	961,257
Interfund Transfers					
Tangible Capital Assets Purchased	(20,259)		(247,907)	(205,300)	(961,257)
	(20,259)	-	(247,907)	(205,300)	(961,257)
Net Revenue (Expense)	-	-	-	-	-

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

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2019

	2019 Budget (Note 14)	2019 Actual			2018 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Provincial Grants					
Ministry of Education		71,580		71,580	48,251
School Site Acquisition Fees Spent on Sites		1,695,137		1,695,137	25,981
Other Revenue	97,432		69,135	69,135	156,475
Investment Income	146,449		186,118	186,118	86,097
Gain (Loss) on Disposal of Tangible Capital Assets	(708,812)	(838,579)		(838,579)	
Amortization of Deferred Capital Revenue	5,889,868	5,483,981		5,483,981	5,381,616
Total Revenue	5,424,937	6,412,119	255,253	6,667,372	5,698,420
Expenses					
Amortization of Tangible Capital Assets					
Operations and Maintenance	9,935,740	9,521,618		9,521,618	9,164,572
Total Expense	9,935,740	9,521,618	-	9,521,618	9,164,572
Capital Surplus (Deficit) for the year	(4,510,803)	(3,109,499)	255,253	(2,854,246)	(3,466,152)
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	3,220,956	3,490,463		3,490,463	4,376,413
Tangible Capital Assets - Work in Progress				-	18,216
Local Capital	679,232		921,624	921,624	2,444,912
Total Net Transfers	3,900,188	3,490,463	921,624	4,412,087	6,839,541
Other Adjustments to Fund Balances					
District Portion of Proceeds on Disposal		(1,360,217)	1,360,217	-	
Tangible Capital Assets Purchased from Local Capital		558,573	(558,573)	-	
Tangible Capital Assets WIP Purchased from Local Capital		417,201	(417,201)	-	
Total Other Adjustments to Fund Balances		(384,443)	384,443	-	
Total Capital Surplus (Deficit) for the year	(610,615)	(3,479)	1,561,320	1,557,841	3,373,389
Capital Surplus (Deficit), beginning of year		69,999,341	5,885,903	75,885,244	72,511,855
Capital Surplus (Deficit), end of year		69,995,862	7,447,223	77,443,085	75,885,244

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

Schedule 4A (Unaudited)

Tangible Capital Assets

Year Ended June 30, 2019

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	31,425,110	271,577,482	11,297,651	1,094,430	1,882,419	7,748,768	325,025,860
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw	71,580						71,580
Deferred Capital Revenue - Other	1,695,137						1,695,137
Operating Fund		134,234	937,556	225,846	52,992	1,178,578	2,529,206
Special Purpose Funds		450,925	340,107		20,259	149,966	961,257
Local Capital		440,338	28,408			89,827	558,573
Transferred from Work in Progress		7,198,142	111,946				7,310,088
	1,766,717	8,223,639	1,418,017	225,846	73,251	1,418,371	13,125,841
Decrease:							
Disposed of	2,198,796						2,198,796
Deemed Disposals			386,645		180,678	1,073,397	1,640,720
	2,198,796	-	386,645	-	180,678	1,073,397	3,839,516
Cost, end of year	30,993,031	279,801,121	12,329,023	1,320,276	1,774,992	8,093,742	334,312,185
Work in Progress, end of year		25,062,925					25,062,925
Cost and Work in Progress, end of year	30,993,031	304,864,046	12,329,023	1,320,276	1,774,992	8,093,742	359,375,110
Accumulated Amortization, beginning of year		138,030,131	4,307,039	327,663	823,454	3,984,171	147,472,458
Changes for the Year							
Increase: Amortization for the Year		6,269,558	1,181,333	120,735	365,741	1,584,251	9,521,618
Decrease:							
Deemed Disposals			386,645		180,678	1,073,397	1,640,720
			386,645	-	180,678	1,073,397	1,640,720
Accumulated Amortization, end of year		144,299,689	5,101,727	448,398	1,008,517	4,495,025	155,353,356
Tangible Capital Assets - Net	30,993,031	160,564,357	7,227,296	871,878	766,475	3,598,717	204,021,754

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

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2019

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
Work in Progress, beginning of year	4,835,626				4,835,626
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	23,607,454	104,722			23,712,176
Deferred Capital Revenue - Other	3,400,786	7,224			3,408,010
Local Capital	417,201				417,201
	27,425,441	111,946	-	-	27,537,387
Decrease:					
Transferred to Tangible Capital Assets	7,198,142	111,946			7,310,088
	7,198,142	111,946	-	-	7,310,088
Net Changes for the Year	20,227,299	-	-	-	20,227,299
Work in Progress, end of year	25,062,925	-	-	-	25,062,925

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

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2019

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	109,560,448	756,434	149,650	110,466,532
Changes for the Year				
Increase:				
Transferred from Work in Progress	7,068,616	7,224		7,075,840
	7,068,616	7,224	-	7,075,840
Decrease:				
Amortization of Deferred Capital Revenue	5,389,037	34,990	59,954	5,483,981
	5,389,037	34,990	59,954	5,483,981
Net Changes for the Year	1,679,579	(27,766)	(59,954)	1,591,859
Deferred Capital Revenue, end of year	111,240,027	728,668	89,696	112,058,391
Work in Progress, beginning of year	1,101,653	821,508		1,923,161
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	23,712,176	2,976,760	431,250	27,120,186
	23,712,176	2,976,760	431,250	27,120,186
Decrease				
Transferred to Deferred Capital Revenue	7,068,616	7,224		7,075,840
	7,068,616	7,224	-	7,075,840
Net Changes for the Year	16,643,560	2,969,536	431,250	20,044,346
Work in Progress, end of year	17,745,213	3,791,044	431,250	21,967,507
Total Deferred Capital Revenue, end of year	128,985,240	4,519,712	520,946	134,025,898

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

Schedule 4D (Unaudited)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2019

	Bylaw Capital	MEd Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	1,137,731	1,138,496	2,960,444	6,652,664		11,889,335
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	23,768,702					23,768,702
Provincial Grants - Other			18,671			18,671
Other					431,250	431,250
Investment Income		67,008	74,114	193,309		334,431
MEd Restricted Portion of Proceeds on Disposal		838,579				838,579
Transfer project surplus to MEd Restricted (from) Bylaw	(1,122,677)	1,122,677				-
School Site Acquisition Fees				597,865		597,865
	<u>22,646,025</u>	<u>2,028,264</u>	<u>92,785</u>	<u>791,174</u>	<u>431,250</u>	<u>25,989,498</u>
Decrease:						
Transferred to DCR - Work in Progress	23,712,176	1,667,163	1,309,597		431,250	27,120,186
Transferred to Revenue - Site Purchases	71,580			1,695,137		1,766,717
	<u>23,783,756</u>	<u>1,667,163</u>	<u>1,309,597</u>	<u>1,695,137</u>	<u>431,250</u>	<u>28,886,903</u>
Net Changes for the Year	<u>(1,137,731)</u>	<u>361,101</u>	<u>(1,216,812)</u>	<u>(903,963)</u>	<u>-</u>	<u>(2,897,405)</u>
Balance, end of year	<u>-</u>	<u>1,499,597</u>	<u>1,743,632</u>	<u>5,748,701</u>	<u>-</u>	<u>8,991,930</u>