

Consolidated Audited Financial Statements of

School District No. 44 (North Vancouver)

June 30, 2018

School District No. 44 (North Vancouver)

June 30, 2018

Table of Contents

Management Report	1
Independent Auditors' Report	2-3
Consolidated Statement of Financial Position - Statement 1	4
Consolidated Statement of Operations - Statement 2	5
Consolidated Statement of Changes in Net Financial Assets (Debt) - Statement 4	6
Consolidated Statement of Cash Flows - Statement 5	7
Notes to the Consolidated Financial Statements	8-27
Schedule of Changes in Accumulated Surplus (Deficit) by Fund - Schedule 1 (Unaudited)	28
Schedule of Operating Operations - Schedule 2 (Unaudited)	29
Schedule 2A - Schedule of Operating Revenue by Source (Unaudited)	30
Schedule 2B - Schedule of Operating Expense by Object (Unaudited)	31
Schedule 2C - Operating Expense by Function, Program and Object (Unaudited)	32
Schedule of Special Purpose Operations - Schedule 3 (Unaudited)	34
Schedule 3A - Changes in Special Purpose Funds and Expense by Object (Unaudited)	35
Schedule of Capital Operations - Schedule 4 (Unaudited)	38
Schedule 4A - Tangible Capital Assets (Unaudited)	39
Schedule 4B - Tangible Capital Assets - Work in Progress (Unaudited)	40
Schedule 4C - Deferred Capital Revenue (Unaudited)	41
Schedule 4D - Changes in Unspent Deferred Capital Revenue (Unaudited)	42

School District No. 44 (North Vancouver)

MANAGEMENT REPORT

Version: 5099-4353-2371

Management's Responsibility for the Financial Statements.

The accompanying consolidated financial statements of School District No. 44 (North Vancouver) 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 consolidated financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the consolidated 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. 44 (North Vancouver) (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 Audit Committee, on behalf of the Board, periodically reviews internal consolidated financial statements up to four times a year and provides recommendations. The Board reviews externally audited consolidated 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 consolidated financial statements. The external auditors have full and free access to financial management of School District No. 44 (North Vancouver) 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. 44 (North Vancouver)

Original signed by C. Sacre September 25, 2018

Signature of the Chairperson of the Board of Education Date Signed

Original signed by M. Pearmain September 25, 2018

Signature of the Superintendent Date Signed

Original signed by G. Allison September 25, 2018

Signature of the Secretary Treasurer Date Signed



KPMG LLP
St. Andrew's Square II
800-730 View Street
Victoria BC V8W 3Y7
Canada
Telephone (250) 480-3500
Fax (250) 480-3539

INDEPENDENT AUDITORS' REPORT

To the Board of Education, and
To the Minister of Education, Province of British Columbia

We have audited the accompanying financial statements of School District No. 44 (North Vancouver), which comprise the statement of financial position as at June 30, 2018, 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. 44 (North Vancouver) as at and for the year ended June 30, 2018 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.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. A horizontal line is drawn underneath the signature, extending from the left side of the 'K' towards the right.

Chartered Professional Accountants

Victoria, Canada
September 25, 2018

School District No. 44 (North Vancouver)

Consolidated Statement of Financial Position

As at June 30, 2018

	2018 Actual \$	2017 Actual \$
Financial Assets		
Cash and Cash Equivalents	47,703,040	43,264,211
Accounts Receivable		
Due from Province - Ministry of Education	162,389	1,053,965
Other (Note 3)	1,259,633	1,235,986
Inventories for Resale (Note 4)	357,872	353,363
Total Financial Assets	49,482,934	45,907,525
Liabilities		
Accounts Payable and Accrued Liabilities		
Due to Province - Ministry of Education	53,563	62,332
Other (Note 5)	9,076,780	7,379,922
Unearned Revenue (Note 6)	9,675,021	9,557,725
Deferred Revenue (Note 7)	4,725,858	4,396,932
Deferred Capital Revenue (Note 8)	182,273,101	182,845,300
Employee Future Benefits (Note 9)	7,231,899	7,109,965
Capital Lease Obligations (Note 10)	720,320	-
Total Liabilities	213,756,542	211,352,176
Net Financial Assets (Debt)	(164,273,608)	(165,444,651)
Non-Financial Assets		
Tangible Capital Assets (Note 11)	274,090,179	273,061,607
Prepaid Expenses	1,027,874	980,177
Total Non-Financial Assets	275,118,053	274,041,784
Accumulated Surplus (Deficit) (Note 13)	110,844,445	108,597,133

Unrecognized Assets (Note 15)
 Contractual Obligations (Note 16)
 Contractual Rights (Note 17)
 Contingent Liabilities (Note 19)

Approved by the Board
 Original signed by C. Sacre

September 25, 2018

Signature of the Chairperson of the Board of Education

Date Signed

Original signed by M. Pearmain

September 25, 2018

Signature of the Superintendent

Date Signed

Original signed by G. Allison

September 25, 2018

Signature of the Secretary Treasurer

Date Signed

School District No. 44 (North Vancouver)

Consolidated Statement of Operations

Year Ended June 30, 2018

	2018 Budget	2018 Actual	2017 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	148,829,332	148,597,332	138,318,521
Other	10,000	17,385	4,256
Federal Grants	5,000	5,000	5,000
Tuition	9,289,275	11,012,146	10,027,753
Other Revenue	11,673,196	12,143,272	12,741,160
Rentals and Leases	2,030,638	2,132,489	1,919,987
Investment Income	576,300	815,375	597,151
Amortization of Deferred Capital Revenue	5,885,700	5,934,773	5,885,700
Total Revenue	<u>178,299,441</u>	<u>180,657,772</u>	<u>169,499,528</u>
Expenses			
Instruction	151,577,942	147,219,935	140,616,688
District Administration	4,334,475	5,657,610	5,614,592
Operations and Maintenance	26,225,885	25,189,030	25,913,731
Transportation and Housing	450,308	321,880	329,533
Debt Services		22,005	
Total Expense	<u>182,588,610</u>	<u>178,410,460</u>	<u>172,474,544</u>
Surplus (Deficit) for the year	<u>(4,289,169)</u>	<u>2,247,312</u>	<u>(2,975,016)</u>
Accumulated Surplus (Deficit) from Operations, beginning of year		108,597,133	111,572,149
Accumulated Surplus (Deficit) from Operations, end of year		<u>110,844,445</u>	<u>108,597,133</u>

School District No. 44 (North Vancouver)

Consolidated Statement of Changes in Net Financial Assets (Debt)
Year Ended June 30, 2018

	2018 Budget	2018 Actual	2017 Actual
	\$	\$	\$
Surplus (Deficit) for the year	(4,289,169)	2,247,312	(2,975,016)
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(4,821,363)	(10,707,579)	(9,431,948)
Amortization of Tangible Capital Assets	9,882,492	9,679,007	9,882,492
Total Effect of change in Tangible Capital Assets	5,061,129	(1,028,572)	450,544
Acquisition of Prepaid Expenses		(1,360,826)	(832,881)
Use of Prepaid Expenses		1,313,129	798,737
Total Effect of change in Other Non-Financial Assets	-	(47,697)	(34,144)
(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)	<u>771,960</u>	1,171,043	(2,558,616)
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Financial Assets (Debt)		1,171,043	(2,558,616)
Net Financial Assets (Debt), beginning of year		(165,444,651)	(162,886,035)
Net Financial Assets (Debt), end of year		(164,273,608)	(165,444,651)

School District No. 44 (North Vancouver)

Statement 5

Consolidated Statement of Cash Flows

Year Ended June 30, 2018

	2018 Actual \$	2017 Actual \$
Operating Transactions		
Surplus (Deficit) for the year	2,247,312	(2,975,016)
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	867,929	(285,676)
Inventories for Resale	(4,509)	38,524
Prepaid Expenses	(47,697)	(34,144)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	1,688,089	(1,361,691)
Unearned Revenue	117,296	1,642,195
Deferred Revenue	328,926	935,595
Employee Future Benefits	121,934	308,658
Amortization of Tangible Capital Assets	9,679,007	9,882,492
Amortization of Deferred Capital Revenue	(5,934,773)	(5,885,700)
Total Operating Transactions	9,063,514	2,265,237
Capital Transactions		
Tangible Capital Assets Purchased	(8,007,233)	(3,606,599)
Tangible Capital Assets -WIP Purchased	(2,275,441)	(5,825,349)
Insurance Proceeds Expended and Not Capitalized	(1,047,469)	-
Local Capital Transferred to Bylaw	379,663	-
Total Capital Transactions	(10,950,480)	(9,431,948)
Financing Transactions		
Capital Revenue Received	6,410,043	5,442,990
Capital Lease Principal Payment	(84,248)	-
Total Financing Transactions	6,325,795	5,442,990
Net Increase (Decrease) in Cash and Cash Equivalents	4,438,829	(1,723,721)
Cash and Cash Equivalents, beginning of year	43,264,211	44,987,932
Cash and Cash Equivalents, end of year	47,703,040	43,264,211
Cash and Cash Equivalents, end of year, is made up of:		
Cash	45,263,283	40,866,711
Cash Equivalents	2,439,757	2,397,500
	47,703,040	43,264,211

SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

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. 44 (North Vancouver)", and operates as "School District No. 44 (North Vancouver)." A board of education ("Board") elected for a four-year term governs the School District. The School District provides educational programs to students enrolled in schools in the district, and is principally funded by the Province of British Columbia through the Ministry of Education. School District No. 44 (North Vancouver) 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 follows:

a) Basis of Accounting

The financial statements have been prepared in accordance with Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board. The Budget Transparency and Accountability Act requires that the financial statements be prepared in accordance with the set of standards and guidelines that comprise generally accepted accounting principles for senior governments in Canada, or if the Treasury Board makes a regulation, the set of standards and guidelines that comprise generally accepted accounting principles for senior governments in Canada as modified by the alternate standard or guideline or part thereof adopted in the regulation.

Regulation 257/2010 requires all tax-payer supported organizations in the Schools, Universities, Colleges and Hospitals sectors to adopt Canadian public sector accounting standards without any PS4200 elections effective their first fiscal year commencing after January 1, 2012.

Regulation 198/2011 requires that restricted contributions received or receivable for acquiring or developing a depreciable tangible capital asset or contributions in the form of a depreciable tangible capital asset are to be deferred and recognized in revenue at the same rate that amortization of the related tangible capital asset is recorded.

For British Columbia tax-payer supported organizations, these contributions include government transfers and externally restricted contributions.

SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

a) Basis of Accounting *(continued)*

The accounting policy requirements under Regulation 198/2011 are significantly different from the requirements of Canadian public sector accounting standards which requires that

- government transfers, which do not contain a stipulation that creates a liability, be recognized as revenue by the recipient when approved by the transferor and the eligibility criteria have been met in accordance with public sector accounting standard PS3410; and
- externally restricted contributions be recognized as revenue in the period in which the resources are used for the purpose or purposes specified in accordance with public sector accounting standard PS3100.

As a result, revenue recognized in the statement of operations and certain related deferred capital revenue would be recorded differently under Canadian Public Sector Accounting Standards.

b) Basis of Consolidation

These financial statements reflect the assets, liabilities, revenues, and expenses of the reporting entity, which is comprised of all controlled entities, including the Cheakamus Foundation for Environmental Learning. Inter-departmental balances and organizational transactions have been eliminated.

The School District does not administer any trust activities on behalf of external parties.

c) Cash and Cash Equivalents

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

d) Accounts Receivable

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

e) Inventories for Resale

Publications for resale are recorded using the first-in-first-out method. Artists for Kids print inventory is recorded using the specific identification method.

f) Unearned Revenue

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

SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

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 o).

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.

h) Employee Future Benefits

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

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

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

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

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

SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

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) 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:

- i) an environmental standard exists;
- ii) contamination exceeds the environmental standard;
- iii) the School District is directly responsible or accepts responsibility
- iv) it is expected that future economic benefits will be given up; and
- v) 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.

k) Tangible Capital Assets

The following criteria apply:

- Tangible capital assets acquired or constructed are recorded at cost which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost also includes overhead directly attributable to construction as well as interest costs that are directly attributable to the acquisition or construction of the asset.
- Donated tangible capital assets are recorded at their fair market value on the date of donation, except in circumstances where fair value cannot be reasonably determined, which are then recognized at nominal value. Transfers of capital assets from related parties for no consideration 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.

SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

k) Tangible Capital Assets *(continued)*

- The cost, less residual value, of tangible capital assets (excluding sites), is amortized on a straight-line basis over the estimated useful life of the asset. It is management's responsibility to determine the appropriate useful lives for tangible capital assets. These useful lives are reviewed on a regular basis or if significant events initiate the need to revise. Estimated useful life is as follows:

Buildings	40 years
Furniture & Equipment	10 years
Vehicles	10 years
Computer Software	5 years
Computer Hardware	5 years
Assets Under Capital Lease	Term of the lease

l) Capital Leases

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

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

m) Prepaid Expenses

Payments for insurance, subscriptions, membership and maintenance contracts for use within the School District in a future period are included as a prepaid expense and stated at acquisition cost and are charged to expense over the periods expected to benefit from it.

n) Funds and Reserves

Certain amounts, as approved by the Board are set aside in accumulated surplus for future operating and capital purposes. Transfers to and from funds and reserves are an adjustment to the respective fund when approved.

o) 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.

SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

o) Revenue Recognition *(continued)*

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.

Revenue related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned or service performed.

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

p) Expenditures

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

SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

p) Expenditures *(continued)*

Allocation of Costs

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

q) 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, accounts payable and accrued liabilities and other liabilities.

Except for portfolio investments in equity instruments quoted in an active market that are recorded at fair value, all financial assets and liabilities are recorded at cost or amortized cost and the associated transaction costs are added to the carrying value of these investments upon initial recognition and amortized using the effective interest rate method. 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 measured at fair value 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. There are no measurement gains or losses during the periods presented; therefore no statement of remeasurement gains or losses is included in these financial statements.

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

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

SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

r) Measurement Uncertainty

Preparation of financial statements in accordance with the basis of accounting described in note 2 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, estimates for contingent liabilities, rates for amortization and estimated employee future benefits. Actual results could differ from those estimates.

s) Comparative Information

Certain comparative information has been reclassified to conform to the financial statement presentation adopted for the current year.

NOTE 3 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	2018	2017
GST/PST/HST Receivable	\$81,515	\$127,125
Recoverable Insurance Claims	50,221	106,560
Recoverable Payroll	42,865	50,370
Sundry Billings	553,784	473,599
Miscellaneous Receivables	504,630	453,965
Special Purpose	26,618	24,367
	\$1,259,633	\$1,235,986

NOTE 4 INVENTORIES FOR RESALE

Inventories for resale include:

	2018	2017
Publications	\$47,119	\$52,261
Artists for Kids – Prints	310,753	301,102
	\$357,872	\$353,363

NOTE 5 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES - OTHER

	2018	2017
Trade payables	\$1,604,057	\$2,385,089
Salaries and benefits payable	6,902,883	4,395,281
Accrued vacation pay	569,840	599,552
	\$9,076,780	\$7,379,922

SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

NOTE 6 UNEARNED REVENUE

	2018	2017
Balance, beginning of year	\$9,557,725	\$8,000,085
Changes for the year:		
Increase:		
Tuition fees collected	11,288,203	11,400,476
Other	2,656,032	3,073,827
	13,944,235	14,474,303
Decrease:		
Tuition fees recognized	(11,012,146)	(10,027,753)
Other	(2,814,793)	(2,888,910)
	(13,826,939)	(12,916,663)
Net changes for the year	117,296	1,557,640
Balance, end of year	\$9,675,021	\$9,557,725

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.

	2018	2017
Balance, beginning of year	\$4,396,932	\$3,461,337
Changes for the year:		
Increase:		
Provincial grants	15,014,119	6,704,104
Other revenue	7,242,219	7,309,247
Investment income	10,447	5,803
	22,266,785	14,019,154
Decrease:		
Allocated to revenue	(21,937,859)	(13,083,559)
Net changes for the year	328,926	935,595
Balance, end of year	\$4,725,858	\$4,396,932

SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

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>2018</u>	<u>2017</u>
Deferred capital revenue subject to amortization		
Balance, beginning of year	\$170,569,984	\$173,477,204
Increases:		
Capital additions	5,745,605	2,467,890
Transfer from deferred capital revenue – work in progress	5,250,288	510,590
Decreases:		
Amortization	<u>(5,934,773)</u>	<u>(5,885,700)</u>
Net change for the year	<u>5,061,120</u>	<u>(2,907,220)</u>
Balance, end of year	<u>175,631,104</u>	<u>170,569,984</u>
 Deferred capital revenue – work in progress		
Balance, beginning of year	5,591,185	3,764,814
Increases:		
Transfer from deferred capital revenue - unspent	2,213,530	2,336,961
Decreases:		
Transfer to deferred capital revenue subject to amortization	<u>(5,250,288)</u>	<u>(510,590)</u>
Net change for the year	<u>(3,036,758)</u>	<u>1,826,371</u>
Balance, end of year	<u>2,554,427</u>	<u>5,591,185</u>
 Deferred capital revenue - unspent		
Balance, beginning of year	6,684,131	6,045,992
Increases:		
Provincial Grants – Ministry of Education	6,253,622	5,351,378
MOE Restricted portion of proceeds on disposal	-	-
Provincial Grants – Other	53,648	91,362
Playground - PAC	<u>102,773</u>	<u>250</u>
	<u>6,410,043</u>	<u>5,442,990</u>
Decreases:		
Transfer to deferred capital revenue subject to amortization	(5,745,605)	(2,467,890)
Transfer to deferred capital revenue – work in progress	(2,213,530)	(2,336,961)
Insurance proceeds netted with expenditures	<u>(1,047,469)</u>	<u>-</u>
	<u>(9,006,604)</u>	<u>(4,804,851)</u>
Net change for the year	<u>(2,596,561)</u>	<u>638,139</u>
Balance, end of year	<u>4,087,570</u>	<u>6,684,131</u>
Total deferred capital revenue balance, end of year	<u>\$182,273,101</u>	<u>\$182,845,300</u>

SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

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.

	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	7,429,266	8,112,378
Service Cost	556,656	555,304
Interest Cost	206,140	200,054
Benefit Payments	-583,092	-810,917
Actuarial (Gain) Loss	-389,914	-627,553
Accrued Benefit Obligation – March 31	<u>7,219,056</u>	<u>7,429,266</u>
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation - March 31	7,219,056	7,429,266
Market Value of Plan Assets - March 31	<u>0</u>	<u>0</u>
Funded Status - Surplus (Deficit)	-7,219,056	-7,429,266
Employer Contributions After Measurement Date	331,421	181,603
Benefits Expense After Measurement Date	-194,771	-190,699
Unamortized Net Actuarial (Gain) Loss	-149,493	328,397
Accrued Benefit Asset (Liability) - June 30	<u>-7,231,899</u>	<u>-7,109,965</u>
Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability (Asset) - July 1	7,109,965	6,801,307
Net Expense for Fiscal Year	854,844	920,802
Employer Contributions	-732,910	-612,144
Accrued Benefit Liability (Asset) - June 30	<u>7,231,899</u>	<u>7,109,965</u>
Components of Net Benefit Expense		
Service Cost	561,880	555,643
Interest Cost	204,988	201,575
Amortization of Net Actuarial (Gain)/Loss	<u>87,976</u>	<u>163,584</u>
Net Benefit Expense (Income)	<u>854,844</u>	<u>920,802</u>
Assumptions		
Discount Rate - April 1	2.75%	2.50%
Discount Rate - March 31	2.75%	2.75%
Long Term Salary Growth - April 1	2.50% + seniority	2.50% + seniority
Long Term Salary Growth - March 31	2.50% + seniority	2.50% + seniority
EARSL - March 31	8.3	8.3

SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

NOTE 10 CAPITAL LEASE OBLIGATION

The School District entered into an obligation for multi-function business devices under capital lease during the year, which expires November 30, 2022.

Repayments are due as follows:

2019	\$182,149
2020	182,149
2021	182,149
2022	182,149
2023	69,982
Total minimum lease payments	<u>\$798,578</u>
Less amounts representing interest at 5.38%	<u>78,258</u>
Present value of net minimum capital lease payments	<u>\$720,320</u>

Total interest on the capital lease obligation for the year ended June 30, 2018 was \$22,005 (2017: \$nil).

NOTE 11 TANGIBLE CAPITAL ASSETS

Net Book Value:	Net Book Value 2018	Net Book Value 2017
Sites	\$12,472,243	\$12,472,243
Buildings	251,947,805	246,794,452
Buildings – work in progress	3,605,051	9,138,714
Furniture & Equipment	2,188,542	1,397,703
Vehicles	796,595	650,811
Computer Software	270,987	457,218
Computer Software – work in progress	-	-
Computer Hardware	2,808,956	2,150,466
Total	<u>\$274,090,179</u>	<u>\$273,061,607</u>

SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

NOTE 11 TANGIBLE CAPITAL ASSETS
(Continued)

June 30, 2018

Cost:	Opening Cost	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2018
Sites	\$12,472,243	\$ -	-	-	\$12,472,243
Buildings	365,105,982	5,639,989	-	-	378,555,075
				7,809,104	
Buildings – work in progress	9,138,714	2,275,441	-	(7,809,104)	3,605,051
Furniture & Equipment	2,901,504	1,080,989	(613,043)	-	3,369,450
Vehicles	1,383,955	284,180	(456,938)	-	1,211,197
Computer Software	931,153	-	(268,279)	-	662,874
Computer Software – work in progress	-	-	-	-	-
Computer Hardware	3,842,449	1,426,980	(922,994)	-	4,346,435
Total	\$395,776,000	\$10,707,579	(\$2,261,254)	\$ -	\$404,222,325

Accumulated Amortization:	Opening Accumulated Amortization	Additions	Disposals	Balance at June 30, 2018
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	118,311,530	8,295,740	-	126,607,270
Furniture & Equipment	1,503,801	290,150	(613,043)	1,180,908
Vehicles	733,144	138,396	(456,938)	414,602
Computer Software	473,935	186,231	(268,279)	391,887
Computer Hardware	1,691,983	768,490	(922,994)	1,537,479
Total	\$122,714,393	\$9,679,007	(\$2,261,254)	\$130,132,146

SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

NOTE 11 TANGIBLE CAPITAL ASSETS
(Continued)

June 30, 2017

Cost:	Opening Cost	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2017
Sites	\$12,472,243	\$ -	-	\$ -	\$12,472,243
Buildings	362,002,026	2,593,366	-	510,590	365,105,982
Buildings – work in progress	3,823,955	5,825,349	-	(510,590)	9,138,714
Furniture & Equipment	2,831,856	276,267	(206,619)	-	2,901,504
Vehicles	1,488,867	1,702	(106,614)	-	1,383,955
Computer Software	1,823,384	48,254	(959,285)	18,800	931,153
Computer Software – work in progress	18,800	-	-	(18,800)	-
Computer Hardware	4,203,628	687,010	(1,048,189)	-	3,842,449
Total	\$388,664,759	\$9,431,948	(\$2,320,707)	\$ -	\$395,776,000

Accumulated Amortization:	Opening Accumulated Amortization	Additions	Disposals	Balance at June 30, 2017
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	110,066,513	8,245,017	-	118,311,530
Furniture & Equipment	1,427,234	283,186	(206,619)	1,503,801
Vehicles	690,871	148,887	(106,614)	733,144
Computer Software	1,068,543	364,677	(959,285)	473,935
Computer Hardware	1,899,447	840,725	(1,048,189)	1,691,983
Total	\$115,152,608	\$9,882,492	(\$2,320,707)	\$122,714,393

- Buildings – work in progress having a value of \$3,605,051 (2017: \$9,138,714) has not been amortized. Amortization of these assets will commence when the asset is put into service.
- Equipment under capital lease: Included in capital assets is equipment under capital lease with a cost of \$804,568 (2017: \$nil) and accumulated amortization of \$nil (2017: \$nil).

**SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018**

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, 2016, the Teachers' Pension Plan has about 45,000 active members and approximately 37,000 retired members. As of December 31, 2016, the Municipal Pension Plan has about 193,000 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, 2014, indicated a \$449 million surplus for basic pension benefits on a going concern basis. As a result of the 2014 basic account actuarial valuation surplus and pursuant to the joint trustee agreement, the employer basic contribution rate decreased.

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.

School District No. 44 paid \$14,075,488 for employer contributions to these plans for the year ended June 30, 2018 (2017: \$13,325,663).

NOTE 13 ACCUMULATED SURPLUS

Accumulated surplus consists of individual fund surpluses as follows:

	2018	2017
Invested in tangible capital assets	\$94,690,927	\$96,407,037
Operating surplus	10,018,731	6,162,327
Local capital surplus	6,134,787	6,027,769
	\$110,844,445	\$108,597,133

Interfund transfers between the operating, special purpose and capital funds for the year ended June 30, 2018, were as follows:

- Tangible capital assets and work in progress purchased from operating fund: \$752,597
- Capital lease principal payments from operating fund: \$84,248
- Tangible capital assets purchased from special purpose fund: \$1,210,136

SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

NOTE 13 ACCUMULATED SURPLUS
(Continued)

The operating surplus has been internally restricted (appropriated) by the Board for:

	2018	2017
Restricted Surplus		
Anticipated Unusual Expenses	\$2,300,000	\$2,300,000
Operations Spanning the School Year	3,981,311	3,150,925
Subtotal Internally Restricted	\$6,281,311	\$5,450,925
Unrestricted Surplus	3,737,420	711,402
Total Available for Future Operations	\$10,018,731	\$6,162,327

NOTE 14 RELATED PARTY TRANSACTIONS

The School District is related through common control 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.

NOTE 15 UNRECOGNIZED ASSETS

The School District manages and controls various works of art and non-operational historical cultural assets including buildings, artifacts, paintings and sculptures located at the Educational Services Center and public display areas. These assets are not recognized in the financial statements. The cost of the permanent art collection is \$2,046,037 at June 30, 2018 (2017: \$1,979,818).

SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

NOTE 16 CONTRACTUAL OBLIGATIONS

The School District has entered into contracts related to various capital projects totaling approximately \$53,300,000. These contracts primarily relate to the Argyle Secondary School replacement.

Additionally, the School District has commitments relating to a management contract expiring June 30, 2022 for the operations of the Cheakamus Centre:

2019	\$245,000
2020	250,000
2021	250,000
2022	250,000
Total future obligation	<u><u>\$995,000</u></u>

NOTE 17 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 lease contracts entered into for the rental of four locations as summarized below:

2019	\$1,438,200
2020	1,438,200
2021	801,600
2022	382,800
2023	350,000
Thereafter	379,200
Total future lease revenue	<u><u>\$4,790,000</u></u>

NOTE 18 BUDGET FIGURES

Budget figures included in the financial statements represent the amended annual budget approved by the Board on February 20, 2018. The Board approved the annual budget on June 27, 2017. The following table sets out the amended annual budget with a comparison to the annual budget.

SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

NOTE 18 BUDGET FIGURES
(Continued)

Annual Budget - Revenue and Expense

Statement 2

	2018 Amended Annual Budget	2018 Annual Budget	2018 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	148,829,332	143,013,798	148,597,332
Other	10,000	10,000	17,385
Federal Grants	5,000	5,000	5,000
Tuition	9,289,275	9,275,000	11,012,146
Other Revenue	11,673,196	11,634,658	12,143,272
Rentals and Leases	2,030,638	2,030,638	2,132,489
Investment Income	576,300	431,300	815,375
Gain (Loss) on Disposal of Tangible Capital Assets	-	-	-
Amortization of Deferred Capital Revenue	5,885,700	5,885,700	5,934,773
Total Revenue	178,299,441	172,286,094	180,657,772
Expenses			
Instruction	151,577,942	146,402,349	147,219,935
District Administration	4,334,475	4,767,629	5,657,610
Operations and Maintenance	16,343,393	16,148,850	15,510,023
Transportation and Housing	450,308	453,128	321,880
Interest	-	-	22,005
Amortization of Tangible Capital Assets	9,882,492	9,882,492	9,679,007
Total Expense	182,588,610	177,654,448	178,410,460
Net Revenue (Expense)	(4,289,169)	(5,368,354)	2,247,312
Allocation (Retirement) of Surplus (Deficit)	1,113,740	2,175,425	-
Surplus (Deficit), for the year	(3,175,429)	(3,192,929)	2,247,312

SCHOOL DISTRICT NO. 44 (NORTH VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

NOTE 19 CONTINGENCIES

The School District has granted \$244,817 in irrevocable standby letters of credit in favour of the Corporation of the District of North Vancouver. Two letters of credit, for \$100,000 each, are in lieu of security deposits for general capital projects and the Argyle replacement, respectively. A third irrevocable standby letter of credit in the amount of \$44,817 in favour of the Corporation of the District of North Vancouver was issued in lieu of a security deposit for the Highlands School capital project.

The School District has not accrued the unpaid Teacher Remedy expense of \$448,136 related to the Classroom Enhancement Fund and restored language, pending outcome of the provincial arbitration. The deferred Classroom Enhancement Fund grant revenue of \$322,273 relates to the funds received from the Province in respect of this unpaid Teacher Remedy. At June 30, 2018, a contingent liability of \$125,863 related to a portion of the Teacher Remedy exists.

Certain schools in the School District may contain asbestos. No amount has been recorded in these financial statements with regard to this potential liability since the fair value of the future removal costs cannot be reasonably estimated due to unknown timelines.

The nature of the School District's activities are such there is usually litigation pending or in process at any time. With respect to unsettled claims at June 30, 2018, management believes the School District has valid defenses and appropriate insurance coverage in place. In the event that any claims are successful, management believes that such claims are not expected to have a material effect on the School District's financial position or operations.

NOTE 20 EXPENSE BY OBJECT

	2018	2017
Salaries and Benefits	\$ 145,227,306	\$ 138,052,230
Services and Supplies	23,482,142	24,539,822
Interest	22,005	-
Amortization	9,679,007	9,882,492
	\$ 178,410,460	\$ 172,474,544

NOTE 21 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. 44 (NORTH VANCOUVER)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

NOTE 22 RISK MANAGEMENT

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

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

a) Credit risk:

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

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 and cash equivalents as they are placed in recognized British Columbia institutions and the School District invests solely in placement of funds with institutions that have achieved the highest creditworthiness in the marketplace and earned a public reputation as a good 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 cash. It is management's opinion that the School District is not exposed to significant interest rate risk as it invests solely in investments that are considered liquid (e.g. term deposits) that have a maturity date of no more than 3 years.

c) Liquidity risk:

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

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

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

School District No. 44 (North Vancouver)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund
Year Ended June 30, 2018

	Operating Fund	Special Purpose Fund	Capital Fund	2018 Actual	2017 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	6,162,327		102,434,806	108,597,133	111,572,149
Changes for the year					
Surplus (Deficit) for the year	4,693,249	1,210,136	(3,656,073)	2,247,312	(2,975,016)
Interfund Transfers					
Tangible Capital Assets Purchased	(752,597)	(1,210,136)	1,962,733	-	
Other	(84,248)		84,248	-	
Net Changes for the year	3,856,404	-	(1,609,092)	2,247,312	(2,975,016)
Accumulated Surplus (Deficit), end of year - Statement 2	10,018,731	-	100,825,714	110,844,445	108,597,133

School District No. 44 (North Vancouver)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2018

	2018 Budget	2018 Actual	2017 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	133,277,362	133,682,731	132,371,732
Other	10,000	17,900	4,256
Federal Grants	5,000	5,000	5,000
Tuition	9,289,275	11,012,146	10,027,753
Other Revenue	5,068,196	5,129,946	5,610,193
Rentals and Leases	2,030,638	2,132,489	1,919,987
Investment Income	576,300	694,762	515,655
Total Revenue	<u>150,256,771</u>	<u>152,674,974</u>	<u>150,454,576</u>
Expenses			
Instruction	130,078,935	126,658,890	128,061,609
District Administration	4,249,475	5,618,687	5,526,772
Operations and Maintenance	16,343,393	15,428,609	16,031,239
Transportation and Housing	450,308	275,539	329,533
Total Expense	<u>151,122,111</u>	<u>147,981,725</u>	<u>149,949,153</u>
Operating Surplus (Deficit) for the year	<u>(865,340)</u>	<u>4,693,249</u>	<u>505,423</u>
Budgeted Appropriation (Retirement) of Surplus (Deficit)	<u>1,113,740</u>		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(248,400)	(752,597)	(599,185)
Local Capital			(2,600,000)
Other		(84,248)	
Total Net Transfers	<u>(248,400)</u>	<u>(836,845)</u>	<u>(3,199,185)</u>
Total Operating Surplus (Deficit), for the year	<u>-</u>	<u>3,856,404</u>	<u>(2,693,762)</u>
Operating Surplus (Deficit), beginning of year		6,162,327	8,856,089
Operating Surplus (Deficit), end of year		<u>10,018,731</u>	<u>6,162,327</u>
Operating Surplus (Deficit), end of year			
Internally Restricted		6,281,311	5,450,925
Unrestricted		3,737,420	711,402
Total Operating Surplus (Deficit), end of year		<u>10,018,731</u>	<u>6,162,327</u>

School District No. 44 (North Vancouver)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2018

	2018 Budget	2018 Actual	2017 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education			
Operating Grant, Ministry of Education	129,485,757	129,602,729	127,678,098
Other Ministry of Education Grants			
Pay Equity	2,966,047	2,966,047	2,966,047
Funding for Graduated Adults	12,000	16,452	13,698
Transportation Supplement	40,566	40,566	40,566
Economic Stability Dividend		92,203	81,337
Return of Administrative Savings	665,252	665,252	665,252
Carbon Tax Grant	90,000	113,861	119,203
Student Learning Grant			765,291
Scorer / Marker	17,740	17,740	17,740
Skills Training Access & Support	-	17,079	22,500
French Education Partnership	-	-	2,000
Support Staff Benefits	-	98,802	-
Support Building Capacity	-	52,000	-
Total Provincial Grants - Ministry of Education	133,277,362	133,682,731	132,371,732
Provincial Grants - Other	10,000	17,900	4,256
Federal Grants	5,000	5,000	5,000
Tuition			
Summer School Fees	104,275	104,275	116,450
International and Out of Province Students	9,185,000	10,907,871	9,911,303
Total Tuition	9,289,275	11,012,146	10,027,753
Other Revenues			
Miscellaneous			
Cheakamus Centre	2,386,058	2,218,161	2,368,487
District Miscellaneous	192,000	244,343	467,149
Band & Strings	583,000	588,820	535,115
Recoveries & Donations	211,500	340,006	529,905
School Miscellaneous	332,500	334,559	341,442
Artists for Kids	214,838	283,851	254,954
Academy Fees	1,148,300	1,120,206	1,113,141
Total Other Revenue	5,068,196	5,129,946	5,610,193
Rentals and Leases	2,030,638	2,132,489	1,919,987
Investment Income	576,300	694,762	515,655
Total Operating Revenue	150,256,771	152,674,974	150,454,576

School District No. 44 (North Vancouver)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2018

	2018 Budget	2018 Actual	2017 Actual
	\$	\$	\$
Salaries			
Teachers	66,693,054	65,008,622	65,978,288
Principals and Vice Principals	9,517,570	9,519,308	9,199,005
Educational Assistants	12,749,268	12,779,955	12,265,802
Support Staff	11,692,745	11,123,371	11,094,476
Other Professionals	3,677,178	3,754,613	3,718,005
Substitutes	3,836,450	4,290,006	4,884,616
Total Salaries	108,166,265	106,475,875	107,140,192
Employee Benefits	26,526,034	25,369,082	26,215,997
Total Salaries and Benefits	134,692,299	131,844,957	133,356,189
Services and Supplies			
Services	7,847,284	8,493,831	8,361,770
Student Transportation	56,000	52,860	47,243
Professional Development and Travel	705,285	862,068	794,407
Rentals and Leases	25,000	31,632	22,552
Dues and Fees	58,100	56,648	60,172
Insurance	420,000	349,626	407,961
Interest	-	-	-
Supplies	4,377,333	3,677,097	3,962,026
Utilities	2,940,810	2,613,006	2,936,833
Total Services and Supplies	16,429,812	16,136,768	16,592,964
Total Operating Expense	151,122,111	147,981,725	149,949,153

School District No. 44 (North Vancouver)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2018

	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	50,631,245	2,896,697	1,719,104	1,681,449	1,414	3,428,931	60,358,840
1.03 Career Programs	77,511	-	23,436	231,599	-	7,657	340,203
1.07 Library Services	2,169,799	-	175,906	217,803	-	13,326	2,576,834
1.08 Counselling	3,198,869	-	-	-	-	5,681	3,204,550
1.10 Special Education	6,620,334	21,239	10,207,186	635,337	-	276,919	17,761,015
1.30 English Language Learning	1,336,244	-	-	-	-	22,100	1,358,344
1.31 Aboriginal Education	340,205	127,705	487,050	-	-	3,480	958,440
1.41 School Administration	-	6,343,410	-	806,132	-	64,170	7,213,712
1.60 Summer School	262,819	-	-	22,073	-	-	284,892
1.61 Continuing Education	-	-	-	-	-	-	-
1.62 International and Out of Province Students	296,550	-	-	90,571	158,289	2,904	548,314
1.64 Other	67,224	-	-	14,778	144,887	14,030	240,919
Total Function 1	65,000,800	9,389,051	12,612,682	3,699,742	304,590	3,839,198	94,846,063
4 District Administration							
4.11 Educational Administration	-	-	-	-	653,767	-	653,767
4.40 School District Governance	-	-	-	-	171,678	-	171,678
4.41 Business Administration	-	130,257	-	1,009,596	1,409,808	3,255	2,552,916
Total Function 4	-	130,257	-	1,009,596	2,235,253	3,255	3,378,361
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	7,822	-	-	51,269	793,534	-	852,625
5.50 Maintenance Operations	-	-	-	6,051,881	421,236	447,073	6,920,190
5.52 Maintenance of Grounds	-	-	-	290,479	-	-	290,479
5.56 Utilities	-	-	-	-	-	-	-
Total Function 5	7,822	-	-	6,393,629	1,214,770	447,073	8,063,294
7 Transportation and Housing							
7.41 Transportation and Housing Administration	-	-	-	-	-	-	-
7.70 Student Transportation	-	-	167,273	20,404	-	480	188,157
7.73 Housing	-	-	-	-	-	-	-
Total Function 7	-	-	167,273	20,404	-	480	188,157
9 Debt Services							
9.92 Interest on Bank Loans	-	-	-	-	-	-	-
9.94 Interest on Temporary Borrowing	-	-	-	-	-	-	-
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	65,008,622	9,519,308	12,779,955	11,123,371	3,754,613	4,290,006	106,475,875

School District No. 44 (North Vancouver)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2018

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2018 Actual	2018 Budget	2017 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	60,358,840	15,450,328	75,809,168	4,239,666	80,048,834	83,454,015	85,982,134
1.03 Career Programs	340,203	77,077	417,280	84,645	501,925	495,399	605,474
1.07 Library Services	2,576,834	606,289	3,183,123	26,571	3,209,694	3,322,869	2,474,774
1.08 Counselling	3,204,550	750,013	3,954,563	12,480	3,967,043	2,986,451	3,376,986
1.10 Special Education	17,761,015	3,759,934	21,520,949	366,425	21,887,374	21,269,043	20,338,524
1.30 English Language Learning	1,358,344	359,089	1,717,433	8,355	1,725,788	1,444,985	1,114,585
1.31 Aboriginal Education	958,440	197,690	1,156,130	67,227	1,223,357	1,338,734	980,937
1.41 School Administration	7,213,712	1,459,320	8,673,032	227,712	8,900,744	7,832,036	8,283,096
1.60 Summer School	284,892	49,184	334,076	26,243	360,319	316,943	354,605
1.61 Continuing Education	-	-	-	-	-	-	-
1.62 International and Out of Province Students	548,314	121,431	669,745	1,149,020	1,818,765	4,514,321	1,514,280
1.64 Other	240,919	50,277	291,196	2,723,851	3,015,047	3,104,139	3,036,214
Total Function 1	94,846,063	22,880,632	117,726,695	8,932,195	126,658,890	130,078,935	128,061,609
4 District Administration							
4.11 Educational Administration	653,767	134,809	788,576	381,036	1,169,612	1,027,332	1,068,022
4.40 School District Governance	171,678	23,944	195,622	113,168	308,790	307,699	298,840
4.41 Business Administration	2,552,916	521,221	3,074,137	1,066,148	4,140,285	2,914,444	4,159,910
Total Function 4	3,378,361	679,974	4,058,335	1,560,352	5,618,687	4,249,475	5,526,772
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	852,625	172,051	1,024,676	538,828	1,563,504	1,664,061	1,660,181
5.50 Maintenance Operations	6,920,190	1,536,920	8,457,110	2,076,637	10,533,747	10,857,858	10,621,616
5.52 Maintenance of Grounds	290,479	65,599	356,078	440,383	796,461	995,664	897,123
5.56 Utilities	-	-	-	2,534,897	2,534,897	2,825,810	2,852,319
Total Function 5	8,063,294	1,774,570	9,837,864	5,590,745	15,428,609	16,343,393	16,031,239
7 Transportation and Housing							
7.41 Transportation and Housing Administration	-	-	-	-	-	-	-
7.70 Student Transportation	188,157	33,906	222,063	53,476	275,539	450,308	329,533
7.73 Housing	-	-	-	-	-	-	-
Total Function 7	188,157	33,906	222,063	53,476	275,539	450,308	329,533
9 Debt Services							
9.92 Interest on Bank Loans	-	-	-	-	-	-	-
9.94 Interest on Temporary Borrowing	-	-	-	-	-	-	-
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	106,475,875	25,369,082	131,844,957	16,136,768	147,981,725	151,122,111	149,949,153

School District No. 44 (North Vancouver)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2018

	2018 Budget	2018 Actual	2017 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	15,551,970	14,914,601	5,946,789
Other		(515)	
Other Revenue	6,605,000	7,013,326	7,130,967
Investment Income		10,447	5,803
Total Revenue	22,156,970	21,937,859	13,083,559
Expenses			
Instruction	21,499,007	20,561,045	12,555,079
District Administration	85,000	38,923	87,820
Operations and Maintenance		81,414	
Transportation and Housing		46,341	
Total Expense	21,584,007	20,727,723	12,642,899
Special Purpose Surplus (Deficit) for the year	572,963	1,210,136	440,660
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(572,963)	(1,210,136)	(241,844)
Tangible Capital Assets - Work in Progress			(198,816)
Total Net Transfers	(572,963)	(1,210,136)	(440,660)
Total Special Purpose Surplus (Deficit) for the year	-	-	-
Special Purpose Surplus (Deficit), beginning of year			
Special Purpose Surplus (Deficit), end of year		-	-

School District No. 44 (North Vancouver)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2018

	Annual Facility Grant	Learning Improvement Fund	Special Education Equipment	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK	Coding and Curriculum Implementation
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	-	-	10,176	3,224,852	-	-	-	-	98,992
Add: Restricted Grants									
Provincial Grants - Ministry of Education	626,273	513,650			224,000	61,250	268,464	1,088,361	
Provincial Grants - Other				7,145,213					
Other									1,497
Investment Income									
	626,273	513,650	-	7,145,213	224,000	61,250	268,464	1,088,361	1,497
Less: Allocated to Revenue	626,273	513,650	10,176	6,917,176	224,000	61,250	268,464	1,088,361	17,202
Deferred Revenue, end of year	-	-	-	3,452,889	-	-	-	-	83,287
Revenues									
Provincial Grants - Ministry of Education	626,273	513,650	10,176		224,000	61,250	268,464	1,088,361	15,705
Provincial Grants - Other				6,917,176					
Other Revenue									1,497
Investment Income									
	626,273	513,650	10,176	6,917,176	224,000	61,250	268,464	1,088,361	17,202
Expenses									
Salaries									
Teachers							77,253	153,624	
Principals and Vice Principals									
Educational Assistants		412,824						524,305	
Support Staff					166,671	6,497		41,941	
Other Professionals									
Substitutes						5,934	23,717		
	-	412,824	-	-	166,671	12,431	100,970	719,870	-
Employee Benefits		100,826			33,646	1,610	23,084	154,022	
Services and Supplies	53,310			6,740,341	23,683	47,209	103,222	214,469	12,743
	53,310	513,650	-	6,740,341	224,000	61,250	227,276	1,088,361	12,743
Net Revenue (Expense) before Interfund Transfers	572,963	-	10,176	176,835	-	-	41,188	-	4,459
Interfund Transfers									
Tangible Capital Assets Purchased	(572,963)		(10,176)	(176,835)			(41,188)		(4,459)
	(572,963)	-	(10,176)	(176,835)	-	-	(41,188)	-	(4,459)
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 44 (North Vancouver)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2018

	Priority Measures	Classroom Enhancement Fund - Overhead	Classroom Enhancement Fund - Staffing	Cheakamus Special Projects	Inside Out	Enhanced Learning	Metro Regional Implementation	Violence Prevention	Carlile Youth Inpatient Unit PRP
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	473,903	-	-	6,031	326	10,896	303,895	-	267,861
Add: Restricted Grants									
Provincial Grants - Ministry of Education		3,923,418	7,840,163						243,540
Provincial Grants - Other							77,006	20,000	
Other									
Investment Income				110			5,481		2,844
	-	3,923,418	7,840,163	110	-	-	82,487	20,000	246,384
Less: Allocated to Revenue	473,903	3,923,418	7,517,890	-	326	10,896	81,415	20,000	183,459
Deferred Revenue, end of year	-	-	322,273	6,141	-	-	304,967	-	330,786
Revenues									
Provincial Grants - Ministry of Education	473,903	3,923,418	7,517,890			10,896			180,615
Provincial Grants - Other									
Other Revenue				(110)	326		75,934	20,000	
Investment Income				110			5,481		2,844
	473,903	3,923,418	7,517,890	-	326	10,896	81,415	20,000	183,459
Expenses									
Salaries									
Teachers	375,446		5,068,984						85,177
Principals and Vice Principals		47,580							36,832
Educational Assistants		2,354,425							
Support Staff		99,483							6,107
Other Professionals		69,500							
Substitutes		300,549	892,597						
	375,446	2,871,537	5,961,581	-	-	-	-	-	128,116
Employee Benefits	98,457	631,541	1,556,309						33,407
Services and Supplies		15,825			326	10,896	81,415	20,000	21,936
	473,903	3,518,903	7,517,890	-	326	10,896	81,415	20,000	183,459
Net Revenue (Expense) before Interfund Transfers	-	404,515	-	-	-	-	-	-	-
Interfund Transfers									
Tangible Capital Assets Purchased		(404,515)							
	-	(404,515)	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 44 (North Vancouver)

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2018

Schedule 3A (Unaudited)

	Education & the Mental Health Hub	TOTAL
	\$	\$
Deferred Revenue, beginning of year	-	4,396,932
Add: Restricted Grants		
Provincial Grants - Ministry of Education		14,789,119
Provincial Grants - Other	225,000	225,000
Other		7,242,219
Investment Income	515	10,447
	<u>225,515</u>	<u>22,266,785</u>
Less: Allocated to Revenue	-	21,937,859
Deferred Revenue, end of year	<u>225,515</u>	<u>4,725,858</u>
Revenues		
Provincial Grants - Ministry of Education		14,914,601
Provincial Grants - Other	(515)	(515)
Other Revenue		7,013,326
Investment Income	515	10,447
	<u>-</u>	<u>21,937,859</u>
Expenses		
Salaries		
Teachers		5,760,484
Principals and Vice Principals		84,412
Educational Assistants		3,291,554
Support Staff		320,699
Other Professionals		69,500
Substitutes		1,222,797
	<u>-</u>	<u>10,749,446</u>
Employee Benefits		2,632,902
Services and Supplies		7,345,375
	<u>-</u>	<u>20,727,723</u>
Net Revenue (Expense) before Interfund Transfers	<u>-</u>	<u>1,210,136</u>
Interfund Transfers		
Tangible Capital Assets Purchased		(1,210,136)
	<u>-</u>	<u>(1,210,136)</u>
Net Revenue (Expense)	<u><u>-</u></u>	<u><u>-</u></u>

School District No. 44 (North Vancouver)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2018

	2018 Budget	2018 Actual			2017 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Investment Income			110,166	110,166	75,693
Amortization of Deferred Capital Revenue	5,885,700	5,934,773		5,934,773	5,885,700
Total Revenue	5,885,700	5,934,773	110,166	6,044,939	5,961,393
Expenses					
Amortization of Tangible Capital Assets					
Operations and Maintenance	9,882,492	9,679,007		9,679,007	9,882,492
Debt Services					
Capital Lease Interest	-		22,005	22,005	-
Total Expense	9,882,492	9,679,007	22,005	9,701,012	9,882,492
Capital Surplus (Deficit) for the year	(3,996,792)	(3,744,234)	88,161	(3,656,073)	(3,921,099)
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	821,363	1,962,733		1,962,733	841,029
Tangible Capital Assets - Work in Progress				-	198,816
Local Capital				-	2,600,000
Capital Lease Payment			84,248	84,248	
Total Net Transfers	821,363	1,962,733	84,248	2,046,981	3,639,845
Other Adjustments to Fund Balances					
Tangible Capital Assets Purchased from Local Capital		298,895	(298,895)	-	
Tangible Capital Assets WIP Purchased from Local Capital		61,911	(61,911)	-	
Principal Payment					
Capital Lease		84,248	(84,248)	-	
Local Reserve Purchases Transferred to COA		(379,663)	379,663	-	
Total Other Adjustments to Fund Balances		65,391	(65,391)	-	
Total Capital Surplus (Deficit) for the year	(3,175,429)	(1,716,110)	107,018	(1,609,092)	(281,254)
Capital Surplus (Deficit), beginning of year		96,407,037	6,027,769	102,434,806	102,716,060
Capital Surplus (Deficit), end of year		94,690,927	6,134,787	100,825,714	102,434,806

School District No. 44 (North Vancouver)

Schedule 4A (Unaudited)

Tangible Capital Assets
Year Ended June 30, 2018

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	12,472,243	365,105,982	2,901,504	1,383,955	931,153	3,842,449	386,637,286
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		5,317,336	130,319	85,007			5,532,662
Deferred Capital Revenue - Other		-	212,943	-			212,943
Operating Fund		30,000	335,603	-		386,994	752,597
Special Purpose Funds		572,963	401,755	-		235,418	1,210,136
Local Capital		99,353	369	199,173			298,895
Equipment Under Capital Lease						804,568	804,568
Local Capital transferred to Bylaw		(379,663)					(379,663)
Transferred from Work in Progress		7,809,104					7,809,104
	-	13,449,093	1,080,989	284,180	-	1,426,980	16,241,242
Decrease:							
Deemed Disposals			613,043	456,938	268,279	922,994	2,261,254
	-	-	613,043	456,938	268,279	922,994	2,261,254
Cost, end of year	12,472,243	378,555,075	3,369,450	1,211,197	662,874	4,346,435	400,617,274
Work in Progress, end of year		3,605,051					3,605,051
Cost and Work in Progress, end of year	12,472,243	382,160,126	3,369,450	1,211,197	662,874	4,346,435	404,222,325
Accumulated Amortization, beginning of year		118,311,530	1,503,801	733,144	473,935	1,691,983	122,714,393
Changes for the Year							
Increase: Amortization for the Year		8,295,740	290,150	138,396	186,231	768,490	9,679,007
Decrease:							
Deemed Disposals			613,043	456,938	268,279	922,994	2,261,254
			-	613,043	268,279	922,994	2,261,254
Accumulated Amortization, end of year		126,607,270	1,180,908	414,602	391,887	1,537,479	130,132,146
Tangible Capital Assets - Net	12,472,243	255,552,856	2,188,542	796,595	270,987	2,808,956	274,090,179

School District No. 44 (North Vancouver)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2018

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
Work in Progress, beginning of year	9,138,714				9,138,714
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	310,061				310,061
Deferred Capital Revenue - Other	1,903,469				1,903,469
Local Capital	61,911				61,911
	2,275,441	-	-	-	2,275,441
Decrease:					
Transferred to Tangible Capital Assets	7,809,104				7,809,104
	7,809,104	-	-	-	7,809,104
Net Changes for the Year	(5,533,663)	-	-	-	(5,533,663)
Work in Progress, end of year	3,605,051	-	-	-	3,605,051

School District No. 44 (North Vancouver)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2018

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	163,114,244	2,870,569	4,585,171	170,569,984
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	5,532,662	87,381	125,562	5,745,605
Transferred from Work in Progress	5,250,288			5,250,288
	<u>10,782,950</u>	<u>87,381</u>	<u>125,562</u>	<u>10,995,893</u>
Decrease:				
Amortization of Deferred Capital Revenue	5,646,975	80,612	207,186	5,934,773
	<u>5,646,975</u>	<u>80,612</u>	<u>207,186</u>	<u>5,934,773</u>
Net Changes for the Year	<u>5,135,975</u>	<u>6,769</u>	<u>(81,624)</u>	<u>5,061,120</u>
Deferred Capital Revenue, end of year	<u>168,250,219</u>	<u>2,877,338</u>	<u>4,503,547</u>	<u>175,631,104</u>
Work in Progress, beginning of year	5,591,185	-	-	5,591,185
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	310,061	1,903,469		2,213,530
	<u>310,061</u>	<u>1,903,469</u>	<u>-</u>	<u>2,213,530</u>
Decrease				
Transferred to Deferred Capital Revenue	5,250,288			5,250,288
	<u>5,250,288</u>	<u>-</u>	<u>-</u>	<u>5,250,288</u>
Net Changes for the Year	<u>(4,940,227)</u>	<u>1,903,469</u>	<u>-</u>	<u>(3,036,758)</u>
Work in Progress, end of year	<u>650,958</u>	<u>1,903,469</u>	<u>-</u>	<u>2,554,427</u>
Total Deferred Capital Revenue, end of year	<u>168,901,177</u>	<u>4,780,807</u>	<u>4,503,547</u>	<u>178,185,531</u>

School District No. 44 (North Vancouver)

Schedule 4D (Unaudited)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2018

	Bylaw Capital	MEd Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
Balance, beginning of year	\$ 810,434	\$ 5,778,957	\$ 91,362	\$ -	\$ 3,378	\$ 6,684,131
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	6,253,622					6,253,622
Provincial Grants - Other			53,648			53,648
Playgrounds					102,773	102,773
	<u>6,253,622</u>	<u>-</u>	<u>53,648</u>	<u>-</u>	<u>102,773</u>	<u>6,410,043</u>
Decrease:						
Transferred to DCR - Capital Additions	5,532,662		87,381		125,562	5,745,605
Transferred to DCR - Work in Progress	310,061	1,903,469				2,213,530
Insurance proceeds netted with expenditure	1,047,469					1,047,469
	<u>6,890,192</u>	<u>1,903,469</u>	<u>87,381</u>	<u>-</u>	<u>125,562</u>	<u>9,006,604</u>
Net Changes for the Year	<u>(636,570)</u>	<u>(1,903,469)</u>	<u>(33,733)</u>	<u>-</u>	<u>(22,789)</u>	<u>(2,596,561)</u>
Balance, end of year	<u>173,864</u>	<u>3,875,488</u>	<u>57,629</u>	<u>-</u>	<u>(19,411)</u>	<u>4,087,570</u>