

Audited Financial Statements of

School District No. 84 (Vancouver Island West)

June 30, 2018

School District No. 84 (Vancouver Island West)

June 30, 2018

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School District No. 84 (Vancouver Island West)

MANAGEMENT REPORT

Version: 9234-8488-6506

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 84 (Vancouver Island West) 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.


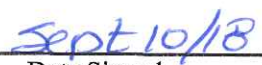
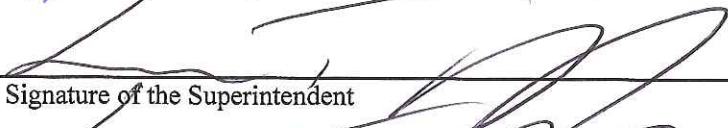
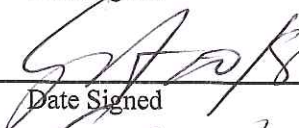
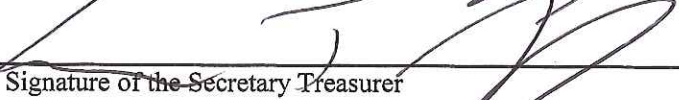

The preparation of financial statements necessarily involves the use of estimates based on management's judgment particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

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. 84 (Vancouver Island West) (called the "Board") is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Board. The Board reviews internal financial statements on a monthly basis and externally audited financial statements yearly.

The external auditors, Moeller Matthews, 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. 84 (Vancouver Island West) 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. 84 (Vancouver Island West)

 _____ Signature of the Chairperson of the Board of Education	 _____ Date Signed
 _____ Signature of the Superintendent	 _____ Date Signed
 _____ Signature of the Secretary Treasurer	 _____ Date Signed

INDEPENDENT AUDITORS' REPORT

**To the Board of Education of School District No. 84 (Vancouver Island West)
To the Minister of Education, Province of British Columbia**

We have audited the accompanying financial statements of the School District No. 84 (Vancouver Island West), which comprise the statement of financial position as at June 30, 2018, the statements 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 accounting requirements 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 in our audit is sufficient and appropriate to provide a basis for our audit opinion.


Opinion

In our opinion, the financial statements of the School District No. 84 (Vancouver Island West) as at June 30, 2018 and for the year then ended are prepared, in all material respects, in accordance with the accounting requirements 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 describe the basis of accounting and the significant differences between such basis of accounting and Canadian Public Sector Accounting standards.

Campbell River, Canada
September 10, 2018



Chartered Professional Accountants

School District No. 84 (Vancouver Island West)

Statement 1

Statement of Financial Position

As at June 30, 2018

	2018 Actual	2017 Actual (Restated - Note 20)
	\$	\$
Financial Assets		
Cash and Cash Equivalents (Note 2b)	2,047,183	2,269,693
Accounts Receivable		
Due from Province - Ministry of Education		6,600
Due from LEA/Direct Funding	548,821	659,110
Other (Note 3)	201,253	65,556
Total Financial Assets	2,797,257	3,000,959
Liabilities		
Accounts Payable and Accrued Liabilities		
Other (Note 4)	726,787	714,110
Unearned Revenue (Note 5)	42,779	41,670
Deferred Revenue (Note 6)	396,750	417,152
Deferred Capital Revenue (Note 7)	14,463,145	14,433,050
Employee Future Benefits (Note 9)	30,707	31,789
Total Liabilities	15,660,168	15,637,771
Net Financial Assets (Debt)	(12,862,911)	(12,636,812)
Non-Financial Assets		
Tangible Capital Assets (Note 10)	19,315,455	19,184,081
Prepaid Expenses (Note 2i)	7,757	2,419
Total Non-Financial Assets	19,323,212	19,186,500
Accumulated Surplus (Deficit) (Note 16)	6,460,301	6,549,688

Approved by the Board

Signature of the Chairperson of the Board of Education

Date Signed

Signature of the Superintendent

Date Signed

Signature of the Secretary Treasurer

Date Signed

School District No. 84 (Vancouver Island West)

Statement 2

Statement of Operations

Year Ended June 30, 2018

	2018 Budget	2018 Actual	2017 Actual (Restated - Note 20)
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education (Note 2k)	6,547,915	6,921,945	5,834,477
Tuition	75,000	192,796	109,590
Other Revenue	3,174,394	3,196,035	3,284,790
Rentals and Leases	1,000		320
Investment Income	21,513	30,519	20,040
Amortization of Deferred Capital Revenue (Note 2e)	594,942	575,707	536,723
Total Revenue	10,414,764	10,917,002	9,785,940
Expenses (Note 2l)			
Instruction	7,653,016	7,971,554	6,836,417
District Administration	757,456	708,901	711,698
Operations and Maintenance	2,062,441	2,009,906	2,054,518
Transportation and Housing	273,536	316,028	230,938
Total Expense	10,746,449	11,006,389	9,833,571
Surplus (Deficit) for the year	(331,685)	(89,387)	(47,631)
Accumulated Surplus (Deficit) from Operations, beginning of year		6,549,688	6,597,319
Accumulated Surplus (Deficit) from Operations, end of year		6,460,301	6,549,688

School District No. 84 (Vancouver Island West)

Statement 4

Statement of Changes in Net Financial Assets (Debt)

Year Ended June 30, 2018

	2018 Budget	2018 Actual	2017 Actual (Restated - Note 20)
	\$	\$	\$
Surplus (Deficit) for the year	<u>(331,685)</u>	<u>(89,387)</u>	<u>(47,631)</u>
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets (Note 10)		(906,556)	(1,276,815)
Amortization of Tangible Capital Assets (Note 10)		775,182	722,423
Total Effect of change in Tangible Capital Assets	<u>-</u>	<u>(131,374)</u>	<u>(554,392)</u>
Acquisition of Prepaid Expenses		(7,757)	(2,419)
Use of Prepaid Expenses		2,419	6,016
Total Effect of change in Other Non-Financial Assets	<u>-</u>	<u>(5,338)</u>	<u>3,597</u>
(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)	<u>(331,685)</u>	<u>(226,099)</u>	<u>(598,426)</u>
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Financial Assets (Debt)		<u>(226,099)</u>	<u>(598,426)</u>
Net Financial Assets (Debt), beginning of year		<u>(12,636,812)</u>	<u>(12,038,386)</u>
Net Financial Assets (Debt), end of year		<u><u>(12,862,911)</u></u>	<u><u>(12,636,812)</u></u>

School District No. 84 (Vancouver Island West)

Statement 5

Statement of Cash Flows

Year Ended June 30, 2018

	2018 Actual	2017 Actual (Restated - Note 20)
Operating Transactions	\$	\$
Surplus (Deficit) for the year	(89,387)	(47,631)
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(18,808)	(618,465)
Prepaid Expenses	(5,338)	3,597
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	12,677	246,344
Unearned Revenue	1,109	23,445
Deferred Revenue	(20,402)	88,910
Employee Future Benefits	(1,082)	(5,435)
Amortization of Tangible Capital Assets (Note 10)	775,182	722,423
Amortization of Deferred Capital Revenue	(575,707)	(536,723)
Total Operating Transactions	78,244	(123,535)
Capital Transactions		
Tangible Capital Assets Purchased (Note 10)	(906,556)	(1,227,500)
Tangible Capital Assets -WIP Purchased (Note 10)		(49,315)
Total Capital Transactions	(906,556)	(1,276,815)
Financing Transactions		
Capital Revenue Received	605,802	854,415
Total Financing Transactions	605,802	854,415
Net Increase (Decrease) in Cash and Cash Equivalents	(222,510)	(545,935)
Cash and Cash Equivalents, beginning of year	2,269,693	2,815,628
Cash and Cash Equivalents, end of year	2,047,183	2,269,693
Cash and Cash Equivalents, end of year, is made up of:		
Cash	2,047,183	2,269,693
	2,047,183	2,269,693



NOTE 1 AUTHORITY AND PURPOSE

The School District, established on January 1, 1965 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. 84 (Vancouver Island West)", and operates as "School District No. 84 (Vancouver Island West)". 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. 84 (Vancouver Island West) is exempt from federal and provincial corporate income taxes.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting

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

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

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

Year-ended June 30, 2017 – decrease in annual surplus by \$317,692
June 30, 2017 – increase in accumulated surplus and decrease in deferred contributions by \$14,433,050
Year-ended June 30, 2018 – increase in annual surplus by \$30,095
June 30, 2018 – increase in accumulated surplus and decrease in deferred contributions by \$14,463,145

b) Cash and cash equivalents

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

c) Accounts Receivable

Accounts receivable are measured at amortized cost and shown net of allowance for doubtful accounts (refer also to Note 3).



NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d) 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.

e) 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(k).

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.

f) 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 (EARS�) of active employees covered under the plan.

The most recent valuation of the obligation was performed at March 31, 2017 and projected to March 31, 2019. The next valuation will be performed at March 31, 2019 for use at June 30, 2019. For the purposes of determining the financial position of the plans and the employee future benefit costs, a measurement date of March 31 was adopted for all periods subsequent to July 1, 2004.

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



NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

g) 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.

h) Tangible Capital Assets

The following criteria apply:

- Tangible capital assets acquired or constructed are recorded at cost which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost also includes overhead directly attributable to construction as well as interest costs that are directly attributable to the acquisition or construction of the asset.
- Donated tangible capital assets are recorded at their fair market value on the date of donation, except in circumstances where fair value cannot be reasonably determined, which are then recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.
- Work-in-progress is recorded as an acquisition to the applicable asset class at substantial completion.
- Tangible capital assets are written down to residual value when conditions indicate they no longer contribute to the ability of the School District to provide services or when the value of future economic benefits associated with the sites and buildings are less than their net book value. The write-downs are accounted for as expenses in the Statement of Operations.
- Buildings that are demolished or destroyed are written-off.
- 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

i) Prepaid Expenses

Fees for the Districts fleet insurance and MSP premiums for July are included as a prepaid expense and stated at acquisition cost and are charged to expense over the periods expected to benefit from it.



NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j) Funds and Reserves

Certain amounts, as approved by the Board are set aside in accumulated surplus for future operating and capital purposes. Transfers to and from funds and reserves are an adjustment to the respective fund when approved (see Note 11 – Interfund Transfers, Note 16 – Operating Fund Balance, End of Year, and Note 17 – Local Capital Fund Balance, End of Year).

k) Revenue recognition

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

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

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

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

The accounting treatment for restricted contributions is not consistent with the requirements of Canadian public sector accounting standards which require that government transfers be recognized as revenue when approved by the transferor and eligibility criteria have been met unless the transfer contains a stipulation that meets the criteria for liability recognition in which case the transfer is recognized as revenue over the period that the liability is extinguished. See Note 2(a) for the impact of this policy on these financial statements.

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

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

l) Expenditures

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

Categories of Salaries

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



NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (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.

m) Financial instruments

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

Financial instruments consist of cash and cash equivalents, accounts receivable, 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. Transaction costs are incremental costs directly attributable to the acquisition or issue of a financial asset or a financial liability.

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

All financial assets except derivatives are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations. A write-down of a portfolio investment to reflect a loss in value is not reversed for a subsequent increase in value. For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense.

n) Measurement Uncertainty

Preparation of financial statements in accordance with the basis of accounting described in Note 2(a) requires management to make estimates and assumptions that impact reported amounts of assets and liabilities at the date of the financial statements and revenues and expenses during the reporting periods. Significant areas requiring the use of management estimates relate to the potential impairment of assets, liabilities for contaminated sites, rates for amortization and estimated employee future benefits. Actual results could differ from those estimates.



**THE BOARD OF EDUCATION OF
SCHOOL DISTRICT No. 84
(Vancouver Island West)**

**Notes to Financial Statements
Year Ended June 30, 2018**

NOTE 3 ACCOUNTS RECEIVABLE

Accounts Receivable - Due from Province - Ministry of Education	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Shoulder Tapper Grant	0	\$6,600
Totals Accounts Receivable - Due from Province - Ministry of Education	<u>0</u>	<u>\$6,600</u>

Accounts Receivable - Other	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Due from Canada (GST rebate)	\$133,752	\$41,853
Due from Employees	1,205	2,795
Due from Various Professional Associations	10,234	3,984
Due from First Nations (non Local Education Agreements)	23,844	838
Other School Districts	27,637	16,086
Miscellaneous	4,581	
Totals Accounts Receivable - Other	<u>\$201,253</u>	<u>\$65,556</u>

NOTE 4 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES - OTHER

	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Trade payables	\$186,817	\$182,950
Salaries and benefits payable	413,387	383,153
Accrued vacation pay	126,583	148,007
Totals	<u>\$726,787</u>	<u>\$714,110</u>

NOTE 5 UNEARNED REVENUE

	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Balance, beginning of year	\$41,670	\$18,255
Changes for the year:		
Increase:		
Tuition fees - International Student Education Program	42,779	41,670
	<u>\$84,449</u>	<u>\$59,925</u>
Decrease:		
Tuition fees - International Student Education Program	\$41,670	\$18,255
Balance, end of year	<u>\$42,779</u>	<u>\$41,670</u>



NOTE 6 DEFERRED REVENUE

Deferred revenue (formerly deferred contributions) 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. Detailed information about the changes in deferred revenue is included in Schedule 3A.

NOTE 7 DEFERRED CAPITAL REVENUE

Deferred capital revenue (formerly deferred capital contributions) 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. Detailed information about the changes in deferred capital revenue is included in Schedules 4C and 4D.

NOTE 8 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 is then 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 valuation and pursuant to the joint trustee agreement, \$1,927M was transferred to the rate stabilization account and \$297M ensured the contribution rate remained unchanged.

School District No. 84 (Vancouver Island West) paid \$728,216 (2017: \$664,652) for employer contributions to these plans in the year ended June 30, 2018.

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

Employers participating in the plans record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plans record accrued



NOTE 9 EMPLOYEE FUTURE BENEFITS

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.

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

	June 30, 2018	June 30, 2017
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	\$23,403	24,764
Service Cost	2,217	2,237
Interest Cost	660	628
Benefit Payments	-8,284	-2,125
Actuarial (Gain) Loss	5,195	-2,101
Accrued Benefit Obligation – March 31	<u>\$23,191</u>	<u>\$23,403</u>
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation – March 31	\$23,191	\$23,403
Market Value of Plan Assets – March 31	0	0
Funded Status – Surplus (Deficit)	<u>-23,191</u>	<u>-23,403</u>
Employer Contributions After Measurement Date	0	5,345
Benefit Expense After Measurement Date	-773	-719
Unamortized Net Actuarial (Gain) Loss	<u>-6,743</u>	<u>-13,012</u>
Accrued Benefit Asset (Liability) – June 30	<u>-\$30,707</u>	<u>-\$31,789</u>
Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability – July 1	\$31,789	\$37,224
Net expense for Fiscal Year	1,856	2,036
Employer Contributions	<u>-2,939</u>	<u>-7,470</u>
Accrued Benefit Liability – June 30	<u>\$30,706</u>	<u>\$31,789</u>
Components of Net Benefit Expense		
Service Cost	\$2,267	\$2,232
Interest Cost	663	636
Amortization of Net Actuarial (Gain)/Loss	<u>-1074</u>	<u>-832</u>
Net Benefit Expense (Income)	<u>\$1,856</u>	<u>\$2,036</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
EARSLS – March 31	8.7	8.7



NOTE 10 TANGIBLE CAPITAL ASSETS

Net Book Value:

	Net Book Value June 30, 2018	Net Book Value June 30, 2017
Sites	\$1,449,225	\$1,449,225
Buildings	16,893,203	16,865,426
Buildings – work in progress	0	49,315
Furniture & Equipment	421,084	355,744
Vehicles	465,757	354,605
Computer Software	-	-
Computer Hardware	86,186	109,766
Total	\$19,315,455	\$19,184,081

June 30, 2018

Cost:	July 1, 2017	Additions	Disposals	Transfers (WIP)	June 30, 2018
Sites	\$1,449,225				\$1,449,225
Buildings	29,562,042	\$556,141		49,315	30,167,498
Buildings – work in progress	49,315			-49,315	0
Furniture & Equipment	570,756	122,416			693,172
Vehicles	675,321	178,684	-38,454		815,551
Computer Software	-				-
Computer Hardware	117,887				117,887
Total	\$32,375,231	\$857,242	-\$38,454		\$33,243,333

Accumulated Amortization:	July 1, 2017	Additions	Disposals	June 30, 2018
Sites				
Buildings	\$12,647,301	\$626,994		\$13,274,295
Furniture & Equipment	215,012	57,076		272,088
Vehicles	320,716	67,532	-38,454	349,794
Computer Software				-
Computer Hardware	8,121	23,580		31,701
Total	\$13,191,150	\$775,182	-\$38,454	\$13,927,878



NOTE 10 TANGIBLE CAPITAL ASSETS (Continued)

June 30, 2017

Cost:	July 1, 2016	Additions	Disposals	Transfers (WIP)	June 30, 2017
Sites	\$1,449,225				\$1,449,225
Buildings	28,543,915	\$968,812			29,562,042
Buildings – work in progress		49,315			49,315
Furniture & Equipment	507,217	73,286	-9,747		570,756
Vehicles	587,490	87,832	-1		675,321
Computer Software					-
Computer Hardware	33,035	97,570	-12,718		117,887
Total	\$31,120,882	\$1,227,500	-\$22,466		\$32,375,231

Accumulated Amortization:	July 1, 2016	Additions	Disposals	June 30, 2017
Sites				
Buildings	\$12,040,953	\$606,348		\$12,647,301
Furniture & Equipment	174,037	50,722	-9,747	215,012
Vehicles	261,968	58,749	-1	320,716
Computer Software				-
Computer Hardware	14,235	6,607	-12,718	8,121
Total	\$12,491,193	\$722,423	-\$22,466	\$13,191,150

NOTE 11 INTERFUND TRANSFERS

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

- \$188,653 from Local Capital to Capital funds for purchase of capital assets (\$92,240 in 206/17)
- \$0 from Operating funds to Local Capital (\$235,000 in 2016/17)

NOTE 12 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.



NOTE 13 BUDGET FIGURES

The budget figures data presented in these financial statements are based upon the 2017/18 amended annual budget adopted by the Board on February 5 2018. The chart following presents the originally approved 2017/18 annual budget bylaw approved May 9, 2017 and the amended annual budget bylaw reported in these finance statements.

	2018 Amended Annual Budget	2018 Annual Budget
Revenues		
Provincial Grants		
Ministry of Education	\$5484,454	\$5,476,695
Tuition	95,000	75,000
Other Revenue	3,005,297	3,005,207
Rental and Leases	1,000	1,000
Investment Income	20,000	20,000
Amortization of Deferred Capital Revenue	536,723	536,338
Total Revenue	\$9,529,424	\$9,398,628
Expenses		
Instruction	\$6,808,517	\$6,540,806
District Administration	791,397	757,456
Operations and Maintenance	1,334,206	1,273,524
Transportation and Housing	152,043	156,116
Total Expenses	\$9,086,163	\$8,727,902
Net Revenue (Expenses)	(\$445,502)	(\$150,000)
Budgeted Allocation (Retirement) of Surplus (Deficit)	\$595,502	\$200,000
Budgeted Surplus (Deficit), for the year	(\$150,000)	(\$50,000)
Budgeted Surplus (Deficit), for the year comprised of:		
Capital Fund Surplus (Deficit)	(\$150,000)	(\$50,000)
Budget Bylaw Amount		
Operating - Total Expenses	\$9,086,163	\$8,727,902
Special Purpose Funds - Total Expenses	1,406,041	1,241,420
Special Purpose Funds – Tangible Capital Assets Purchased		
Capital Fund - Total Expense	775,179	777,127
Capital Fund – Tangible Capital Assets Purchased from Local Capital	225,000	100,000
Total Budget Bylaw Amount	\$11,492,383	\$10,846,449

NOTE 14 ASSET RETIREMENT OBLIGATIONS

The fair value of the liability for asbestos removal or disposal will be recognized in the period in which it is incurred. As at June 30, 2018, the liability cannot be reasonably determined.



**THE BOARD OF EDUCATION OF
SCHOOL DISTRICT No. 84
(Vancouver Island West)**

**Notes to Financial Statements
Year Ended June 30, 2018**

NOTE 15 EXPENSE BY OBJECT

	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Salaries and benefits	\$7,861,071	\$6,744,504
Services and supplies	2,467,753	2,276,991
Amortization	767,218	722,423
Totals	<u>\$11,096,042</u>	<u>\$9,743,918</u>

NOTE 16 OPERATING FUND BALANCE, END OF YEAR

Internally restricted (appropriated) by Board for:

	<u>2018</u>	<u>2017</u>
School and misc education programs from 2017/18 applied to 2018/19	5,000	
School and misc education programs from 2016/17 applied to 2017/18		\$12,353
Release school and district holdback on supplies		55,000
Additional allocations of supplies to schools	50,000	50,000
Furniture and Equipment	50,000	
Professional Development	40,000	18,149
Action For Learning		20,000
Business Efficiency Initiatives (health & safety)	50,000	25,000
To maintain educational programs	85,000	
Implementation of new educational programs	200,000	230,000
Unfunded cost pressures	75,000	75,000
Amount required for difference in LEA recovery and actual revenue	0	75,000
Adjustments based on Sept 30 enrollment	0	90,000
Internally restricted surplus	<u>\$555,000</u>	<u>\$595,502</u>
Unrestricted operating surplus	<u>481,442</u>	<u>452,305</u>
Total available for future operations	<u>\$1,036,442</u>	<u>\$1,047,807</u>

NOTE 17 LOCAL CAPITAL FUND BALANCE, END OF YEAR

Internally restricted (appropriated) by Board for:

	<u>2018</u>	<u>2017</u>
Network & PLNet infrastructure upgrade in 2016/17		
Ongoing Photocopier replacement		
Replacement of District Mtce Vehicle fleet		\$175,000
Replacement of District Outdoor Education bus		40,000
Ongoing Technology equipment upgrades		25,000
Internally restricted Local Capital	\$0	\$240,000
Unrestricted Local Capital	142,471	59,324
Total available for future Local Capital requirements	<u>\$142,471</u>	<u>\$299,324</u>



NOTE 18 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.

NOTE 19 RISK MANAGEMENT

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

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

a) Credit risk :

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

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

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

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. It is management's opinion that the School District is not exposed to significant interest rate risk.

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.



NOTE 20 PRIOR PERIOD ADJUSTMENT

During the year, management identified that the vacation payable accrual for certain employees was not recorded. The total value of the unrecorded vacation payable was \$89,653.

As such, the prior year financial statements have been restated by increasing total vacation payable by \$89,653 and salary expense by \$89,653 while decreasing the unappropriated surplus by \$89,653.

AUDITORS' COMMENTS ON SUPPLEMENTARY FINANCIAL INFORMATION

**To the Board of Education of School District No. 84 (Vancouver Island West)
To the Minister of Education, Province of British Columbia**

We have audited the financial statements of School District No. 84 (Vancouver Island West), which comprise the statement of financial position as at June 30, 2018, and the statements of operations, changes in net financial assets (debt) and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, and have issued our report thereon dated September 10, 2018 which contained an unmodified opinion on those financial statements. The audit was performed to form an opinion on the financial statements as a whole. The schedules presented hereinafter are presented for the purposes of additional analysis and is not a required part of the financial statements. Such supplementary information is the responsibility of management and was derived from the underlying accounting and other records used to prepare the financial statements.

The supplementary information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such supplementary information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves.

Campbell River, British Columbia
September 10, 2018

MOELLER MATTHEWS

Chartered Professional Accountants

School District No. 84 (Vancouver Island West)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund

Year Ended June 30, 2018

Schedule 1 (Unaudited)

	Operating Fund	Special Purpose Fund	Capital Fund	2018 Actual	2017 Actual (Restated - Note 20)
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	958,154		5,591,534	6,549,688	6,597,319
Changes for the year					
Surplus (Deficit) for the year	78,288		(167,675)	(89,387)	(47,631)
Net Changes for the year	<u>78,288</u>	<u>-</u>	<u>(167,675)</u>	<u>(89,387)</u>	<u>(47,631)</u>
Accumulated Surplus (Deficit), end of year - Statement 2	<u>1,036,442</u>	<u>-</u>	<u>5,423,859</u>	<u>6,460,301</u>	<u>6,549,688</u>

School District No. 84 (Vancouver Island West)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2018

	2018 Budget	2018 Actual	2017 Actual (Restated - Note 20)
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	5,476,695	5,712,210	5,322,014
Tuition	75,000	192,796	109,590
Other Revenue	3,005,207	2,927,787	3,095,760
Rentals and Leases	1,000		320
Investment Income	20,000	30,519	19,494
Total Revenue	8,577,902	8,863,312	8,547,178
Expenses			
Instruction	6,540,806	6,705,714	6,306,460
District Administration	757,456	708,901	711,698
Operations and Maintenance	1,273,524	1,223,046	1,304,891
Transportation and Housing	156,116	147,363	122,845
Total Expense	8,727,902	8,785,024	8,445,894
Operating Surplus (Deficit) for the year	(150,000)	78,288	101,284
Budgeted Appropriation (Retirement) of Surplus (Deficit)	200,000		
Net Transfers (to) from other funds			
Local Capital	(50,000)		(235,000)
Total Net Transfers	(50,000)	-	(235,000)
Total Operating Surplus (Deficit), for the year	-	78,288	(133,716)
Operating Surplus (Deficit), beginning of year		958,154	1,091,870
Operating Surplus (Deficit), end of year		1,036,442	958,154
Operating Surplus (Deficit), end of year			
Internally Restricted (Note 16)		555,000	595,502
Unrestricted		481,442	362,652
Total Operating Surplus (Deficit), end of year		1,036,442	958,154

School District No. 84 (Vancouver Island West)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2018

	2018 Budget	2018 Actual	2017 Actual (Restated - Note 20)
	\$	\$	\$
Provincial Grants - Ministry of Education			
Operating Grant, Ministry of Education	8,275,297	8,270,339	8,068,216
DISC/LEA Recovery	(2,960,207)	(2,768,976)	(2,960,207)
Other Ministry of Education Grants			
Pay Equity	55,087	55,087	55,087
Funding for Graduated Adults			3,708
Transportation Supplement	57,593	57,593	57,593
Economic Stability Dividend		2,503	2,201
Return of Administrative Savings	40,077	40,077	40,077
Carbon Tax Grant	4,500	5,114	4,995
Student Learning Grant			20,750
FSA Marking	4,348	4,094	4,094
Skills Training Access		5,000	5,000
Trades Shoulder Tapper		17,079	17,500
Travel Subsidy/SG3		14,300	3,000
Indigenous Language		10,000	
Total Provincial Grants - Ministry of Education	5,476,695	5,712,210	5,322,014
Tuition			
International and Out of Province Students	75,000	192,796	109,590
Total Tuition	75,000	192,796	109,590
Other Revenues			
LEA/Direct Funding from First Nations	2,885,207	2,768,976	2,960,207
Miscellaneous			
Kyuquot Grant	75,500	118,373	74,346
Outdoor Education	9,000	1,000	5,154
Nuchaltlaht Tribe Grant	30,000		25,401
Art Start	2,000	6,200	4,967
Miscellaneous	3,500	2,588	25,685
Recruitment and Retention		25,000	
Children's Health		5,650	
Total Other Revenue	3,005,207	2,927,787	3,095,760
Rentals and Leases	1,000	-	320
Investment Income	20,000	30,519	19,494
Total Operating Revenue	8,577,902	8,863,312	8,547,178

School District No. 84 (Vancouver Island West)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2018

	2018 Budget	2018 Actual	2017 Actual (Restated - Note 20)
	\$	\$	\$
Salaries			
Teachers	2,396,612	2,257,400	2,277,861
Principals and Vice Principals	1,070,715	1,304,692	1,034,934
Educational Assistants	392,096	426,356	410,613
Support Staff	770,191	744,871	710,745
Other Professionals	387,150	332,444	428,972
Substitutes	264,695	301,229	296,095
Total Salaries	5,281,459	5,366,992	5,159,220
Employee Benefits	1,376,721	1,308,888	1,232,383
Total Salaries and Benefits	6,658,180	6,675,880	6,391,603
Services and Supplies			
Services	451,371	465,678	395,607
Student Transportation	37,100	38,100	23,536
Professional Development and Travel	326,326	369,285	422,004
Rentals and Leases	170,000	175,000	208,576
Dues and Fees	36,400	36,400	29,281
Insurance	44,000	44,000	38,870
Supplies	621,775	683,344	538,439
Utilities	382,750	297,337	397,978
Total Services and Supplies	2,069,722	2,109,144	2,054,291
Total Operating Expense	8,727,902	8,785,024	8,445,894

School District No. 84 (Vancouver Island West)

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	1,662,207	903,296	29,396	29,201		142,801	2,766,901
1.07 Library Services	82,060		4,195	18,242		2,010	106,507
1.08 Counseling							-
1.10 Special Education	494,998	64,723	255,333			35,276	850,330
1.30 English Language Learning		38,834	29,297				68,131
1.31 Aboriginal Education	18,135					1,504	19,639
1.41 School Administration							-
1.60 Summer School		297,839		153,071		25,153	476,063
1.61 Continuing Education							-
1.62 International and Out of Province Students				2,123			2,123
1.64 Other			108,135			4,352	112,487
Total Function 1	2,257,400	1,304,692	426,356	202,637	-	211,096	4,402,181
4 District Administration							
4.11 Educational Administration					175,480	2,741	178,221
4.40 School District Governance					85,588		85,588
4.41 Business Administration				46,427	54,799	2,887	104,113
Total Function 4	-	-	-	46,427	315,867	5,628	367,922
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration					16,577		16,577
5.50 Maintenance Operations				442,318		83,562	525,880
5.52 Maintenance of Grounds							-
5.56 Utilities							-
Total Function 5	-	-	-	442,318	16,577	83,562	542,457
7 Transportation and Housing							
7.70 Student Transportation				53,489		943	54,432
Total Function 7	-	-	-	53,489	-	943	54,432
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	2,257,400	1,304,692	426,356	744,871	332,444	301,229	5,366,992

School District No. 84 (Vancouver Island West)

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 \$ (Restated - Note 20)
1 Instruction							
1.02 Regular Instruction	2,766,901	736,503	3,503,404	605,939	4,109,343	4,240,640	4,062,212
1.07 Library Services	106,507	28,056	134,563	4,708	139,271	21,451	26,168
1.08 Counselling	-	-	-	-	-	36,000	31,250
1.10 Special Education	850,330	194,734	1,045,064	161,897	1,206,961	1,076,283	970,789
1.30 English Language Learning	68,131	15,508	83,639	-	83,639	80,929	77,261
1.31 Aboriginal Education	19,639	3,967	23,606	264,629	288,235	387,257	387,223
1.41 School Administration	-	-	-	-	-	527,113	525,636
1.60 Summer School	476,063	106,953	583,016	53,991	637,007	-	-
1.61 Continuing Education	-	-	-	5,172	5,172	10,000	2,112
1.62 International and Out of Province Students	2,123	396	2,519	94,332	96,851	54,000	77,548
1.64 Other	112,487	24,371	136,858	2,377	139,235	107,133	146,261
Total Function 1	4,402,181	1,110,488	5,512,669	1,193,045	6,705,714	6,540,806	6,306,460
4 District Administration							
4.11 Educational Administration	178,221	43,039	221,260	49,379	270,639	186,389	269,698
4.40 School District Governance	85,588	7,630	93,218	44,600	137,818	130,149	129,838
4.41 Business Administration	104,113	28,080	132,193	168,251	300,444	440,918	312,162
Total Function 4	367,922	78,749	446,671	262,230	708,901	757,456	711,698
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	16,577	2,963	19,540	36,543	56,083	134,692	127,900
5.50 Maintenance Operations	525,880	104,358	630,238	237,996	868,234	776,082	824,564
5.52 Maintenance of Grounds	-	-	-	1,392	1,392	5,000	4,080
5.56 Utilities	-	-	-	297,337	297,337	357,750	348,347
Total Function 5	542,457	107,321	649,778	573,268	1,223,046	1,273,524	1,304,891
7 Transportation and Housing							
7.70 Student Transportation	54,432	12,330	66,762	80,601	147,363	156,116	122,845
Total Function 7	54,432	12,330	66,762	80,601	147,363	156,116	122,845
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	5,366,992	1,308,888	6,675,880	2,109,144	8,785,024	8,727,902	8,445,894

School District No. 84 (Vancouver Island West)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2018

	2018 Budget	2018 Actual	2017 Actual (Restated - Note 20)
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	1,071,220	1,209,735	512,463
Other Revenue	169,187	236,448	152,791
Investment Income	1,013		
Total Revenue	<u>1,241,420</u>	<u>1,446,183</u>	<u>665,254</u>
Expenses			
Instruction	1,112,210	1,265,840	529,957
Operations and Maintenance	79,210	79,210	85,953
Transportation and Housing	50,000	101,133	49,344
Total Expense	<u>1,241,420</u>	<u>1,446,183</u>	<u>665,254</u>
Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>-</u>	<u>-</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. 84 (Vancouver Island West)

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2018

Schedule 3A (Unaudited)

	Annual Facility Grant	Learning Improvement Fund	Service Delivery Transformation	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK	Coding and Curriculum Implementation
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year			25,000	157,707					19,502
Add: Restricted Grants									
Provincial Grants - Ministry of Education	79,210	33,168			32,000	9,800	5,696	127,552	
Other				168,374					
	79,210	33,168	-	168,374	32,000	9,800	5,696	127,552	-
Less: Allocated to Revenue	79,210	33,168	-	135,315	32,000	9,800	5,696	127,552	19,502
Deferred Revenue, end of year	-	-	25,000	190,766	-	-	-	-	-
Revenues									
Provincial Grants - Ministry of Education	79,210	33,168		135,315	32,000	9,800	5,696	127,552	19,502
Other Revenue	79,210	33,168	-	135,315	32,000	9,800	5,696	127,552	19,502
Expenses									
Salaries									
Teachers									
Principals and Vice Principals							5,000	15,000	12,000
Educational Assistants		25,656			23,000			83,000	
Support Staff									
Substitutes									
Employee Benefits	-	25,656	-	-	23,000	-	5,000	98,000	12,000
Services and Supplies	79,210	7,512		135,315	5,060	9,800	696	21,260	3,784
	79,210	33,168	-	135,315	32,000	9,800	5,696	8,292	3,718
	-	-	-	-	-	-	-	127,552	19,502
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

	Classroom Enhancement Fund - Overhead Fund - \$	Classroom Enhancement Fund - Staffing Fund - \$	Employee Housing Fund - \$	Scholarships and Bursaries Fund - \$	TOTAL Fund - \$
Deferred Revenue, beginning of year					
Add: Restricted Grants					
Provincial Grants - Ministry of Education	157,549	745,258			1,190,233
Other			67,174		235,548
	157,549	745,258	67,174	-	1,425,781
Less: Allocated to Revenue	157,549	745,258	101,133	-	1,446,183
Deferred Revenue, end of year	-	-	178,438	2,546	396,750
Revenues					
Provincial Grants - Ministry of Education	157,549	745,258			1,209,735
Other Revenue			101,133		236,448
	157,549	745,258	101,133	-	1,446,183
Expenses					
Salaries					
Teachers					606,059
Principals and Vice Principals	29,596	544,463			83,000
Educational Assistants					113,786
Support Staff	65,130				8,027
Substitutes			8,027		74,993
	20,000	54,993			
	114,726	599,456	8,027	-	885,865
Employee Benefits	24,232	145,802	2,023		209,673
Services and Supplies	18,591		91,083		350,645
	157,549	745,258	101,133	-	1,446,183
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-
Interfund Transfers					
	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-

School District No. 84 (Vancouver Island West)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2018

	2018 Budget	2018 Actual			2017 Actual (Restated - Note 20)
	\$	Invested in Tangible Capital Assets \$	Local Capital \$	Fund Balance \$	\$
Revenues					
Other Revenue			31,800	31,800	36,239
Investment Income	500			-	546
Amortization of Deferred Capital Revenue	594,942	575,707		575,707	536,723
Total Revenue	595,442	575,707	31,800	607,507	573,508
Expenses					
Amortization of Tangible Capital Assets					
Operations and Maintenance	709,707	707,650		707,650	663,674
Transportation and Housing	67,420	67,532		67,532	58,749
Total Expense	777,127	775,182	-	775,182	722,423
Capital Surplus (Deficit) for the year	(181,685)	(199,475)	31,800	(167,675)	(148,915)
Net Transfers (to) from other funds					
Local Capital	50,000			-	235,000
Total Net Transfers	50,000	-	-	-	235,000
Other Adjustments to Fund Balances					
Tangible Capital Assets Purchased from Local Capital		188,653	(188,653)	-	
Total Other Adjustments to Fund Balances		188,653	(188,653)	-	
Total Capital Surplus (Deficit) for the year	(131,685)	(10,822)	(156,853)	(167,675)	86,085
Capital Surplus (Deficit), beginning of year		5,292,210	299,324	5,591,534	5,505,449
Capital Surplus (Deficit), end of year		5,281,388	142,471	5,423,859	5,591,534

School District No. 84 (Vancouver Island West)

Tangible Capital Assets

Year Ended June 30, 2018

Schedule 4A (Unaudited)

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	1,449,225	29,512,727	570,756	675,321	-	117,887	32,325,916
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		605,456	42,306				647,762
Deferred Capital Revenue - Other			70,141				70,141
Local Capital			9,969	178,684			188,653
Transferred from Work in Progress		49,315					49,315
Total Increase		654,771	122,416	178,684	-	-	955,871
Decrease:							
Deemed Disposals				38,454			38,454
Total Decrease				38,454			38,454
Cost, end of year	1,449,225	30,167,498	693,172	815,551	-	117,887	33,243,333
Work in Progress, end of year							
Cost and Work in Progress, end of year	1,449,225	30,167,498	693,172	815,551	-	117,887	33,243,333
Accumulated Amortization, beginning of year							
Changes for the Year							
Increase: Amortization for the Year		12,647,301	215,012	320,716		8,121	13,191,150
Decrease:							
Deemed Disposals		626,994	57,076	67,532		23,580	775,182
Total Decrease							
Deemed Disposals				38,454			38,454
Total Decrease				38,454			38,454
Accumulated Amortization, end of year		13,274,295	272,088	349,794	-	31,701	13,927,878
Tangible Capital Assets - Net	1,449,225	16,893,203	421,084	465,757	-	86,186	19,315,455

School District No. 84 (Vancouver Island West)

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	49,315				49,315
Changes for the Year					
Decrease:					
Transferred to Tangible Capital Assets	49,315				49,315
	49,315	-	-	-	49,315
Net Changes for the Year	(49,315)	-	-	-	(49,315)
Work in Progress, end of year	-	-	-	-	-

School District No. 84 (Vancouver Island West)

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	13,871,228			13,871,228
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	647,762		70,141	717,903
Transferred from Work in Progress	49,315			49,315
	697,077	-	70,141	767,218
Decrease:				
Amortization of Deferred Capital Revenue	575,707			575,707
	575,707	-	-	575,707
Net Changes for the Year	121,370	-	70,141	191,511
Deferred Capital Revenue, end of year	13,992,598	-	70,141	14,062,739
Work in Progress, beginning of year	49,315			49,315
Changes for the Year				
Decrease				
Transferred to Deferred Capital Revenue	49,315			49,315
	49,315	-	-	49,315
Net Changes for the Year	(49,315)	-	-	(49,315)
Work in Progress, end of year	-	-	-	-
Total Deferred Capital Revenue, end of year	13,992,598	-	70,141	14,062,739

School District No. 84 (Vancouver Island West)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2018

Schedule 4D (Unaudited)

	Bylaw Capital \$	MEd Restricted Capital \$	Other Provincial Capital \$	Land Capital \$	Other Capital \$	Total \$
Balance, beginning of year	347,557	107,322	57,628			512,507
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	588,301		17,501			588,301
Provincial Grants - Other	588,301	-	17,501	-	-	605,802
Decrease:						
Transferred to DCR - Capital Additions	647,762		70,141			717,903
	647,762	-	70,141	-	-	717,903
Net Changes for the Year	(59,461)	-	(52,640)	-	-	(112,101)
Balance, end of year	288,096	107,322	4,988	-	-	400,406