



Consolidated Audited Financial Statements of Abbotsford School District

Year Ended June 30, 2018

School District No. 34 (Abbotsford)

June 30, 2018

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Management Report

Management's Responsibility for the Consolidated Financial Statements

The accompanying consolidated financial statements of School District No. 34 (Abbotsford) 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. 34 (Abbotsford) (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 consolidated financial statements on a monthly basis and externally audited consolidated financial statements yearly.

The external auditors, KPMG, 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. 34 (Abbotsford) 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. 34 (Abbotsford):

**Signed copies are available upon
request at the Abbotsford School
District Office, or by emailing the
request to: finance@abbyschools.ca**

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



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INDEPENDENT AUDITORS' REPORT

To the Board of Education of the School District No. 34 (Abbotsford), and
To the Minister of Education, Province of British Columbia

We have audited the accompanying consolidated financial statements of School District No. 34 (Abbotsford), which comprise the consolidated statement of financial position as at June 30, 2018, the consolidated 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 Consolidated Financial Statements

Management is responsible for the preparation of these consolidated 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 consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements of School District No. 34 (Abbotsford) 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(a) to the consolidated financial statements, which describes the basis of accounting and the significant differences between such basis of accounting and Canadian public sector accounting standards.

KPMG LLP

Chartered Professional Accountants

Abbotsford, Canada
September 18, 2018

School District No. 34 (Abbotsford)

Statement 1

Consolidated Statement of Financial Position

As at June 30, 2018

	2018 Actual	2017 Actual
	\$	\$
Financial Assets		
Cash and Cash Equivalents	49,620,228	48,814,500
Accounts Receivable		
Due from Province - Ministry of Education	125,444	647,420
Due from LEA/Direct Funding	44,090	29,681
Other (Note 3)	882,262	715,519
Total Financial Assets	50,672,024	50,207,120
Liabilities		
Accounts Payable and Accrued Liabilities		
Other (Note 5)	12,254,099	10,195,318
Unearned Revenue (Note 6)	5,713,505	4,649,940
Deferred Revenue (Note 7)	2,448,765	2,536,150
Deferred Capital Revenue (Note 8)	165,732,199	169,578,851
Employee Future Benefits (Note 9)	8,620,573	8,500,734
Other Liabilities (Note 10)	8,984,097	8,100,189
Total Liabilities	203,753,238	203,561,182
Net Financial Assets (Debt)	(153,081,214)	(153,354,062)
Non-Financial Assets		
Tangible Capital Assets (Note 12)	215,494,906	219,023,074
Prepaid Expenses	1,280,066	748,658
Other Assets	-	369
Total Non-Financial Assets	216,774,972	219,772,101
Accumulated Surplus (Deficit) (Note 21)	63,693,758	66,418,039

Contractual Obligations (Note 16)

Contingent Liabilities (Note 18)

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

**Signed copies are available upon
request at the Abbotsford School
District Office, or by emailing the
request to: finance@abbyschools.ca**

School District No. 34 (Abbotsford)

Statement 2

Consolidated Statement of Operations

Year Ended June 30, 2018

	2018 Budget (Note 17)	2018 Actual	2017 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	189,371,993	188,621,888	180,734,015
Other	290,000	323,260	341,271
Federal Grants		26,578	14,920
Tuition	5,550,000	5,822,609	5,572,174
Other Revenue	7,894,382	8,802,015	8,330,428
Rentals and Leases	364,000	384,492	408,520
Investment Income	350,000	586,140	399,405
Amortization of Deferred Capital Revenue	7,250,000	7,503,419	7,429,924
Total Revenue	<u>211,070,375</u>	<u>212,070,401</u>	<u>203,230,657</u>
Expenses			
Instruction	176,765,970	174,295,001	161,866,824
District Administration	5,638,518	5,698,948	5,381,355
Operations and Maintenance	29,078,358	30,706,367	30,021,347
Transportation and Housing	3,397,529	4,094,366	3,841,277
Debt Services			457
Total Expense	<u>214,880,375</u>	<u>214,794,682</u>	<u>201,111,260</u>
Surplus (Deficit) for the year	<u>(3,810,000)</u>	<u>(2,724,281)</u>	<u>2,119,397</u>
Accumulated Surplus (Deficit) from Operations, beginning of year		66,418,039	64,298,642
Accumulated Surplus (Deficit) from Operations, end of year		<u>63,693,758</u>	<u>66,418,039</u>

School District No. 34 (Abbotsford)

Statement 4

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

	2018 Budget (Note 17) \$	2018 Actual \$	2017 Actual \$
Surplus (Deficit) for the year	<u>(3,810,000)</u>	<u>(2,724,281)</u>	<u>2,119,397</u>
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets (Note 12)		(6,369,307)	(4,504,362)
Amortization of Tangible Capital Assets (Note 12)	10,100,000	9,897,475	10,007,837
Total Effect of change in Tangible Capital Assets	<u>10,100,000</u>	<u>3,528,168</u>	<u>5,503,475</u>
Acquisition of Prepaid Expenses	(875,000)	(1,280,066)	(748,658)
Use of Prepaid Expenses	875,000	748,658	873,492
Use of Other Assets		369	306
Total Effect of change in Other Non-Financial Assets	<u>-</u>	<u>(531,039)</u>	<u>125,140</u>
(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)	<u>6,290,000</u>	<u>272,848</u>	<u>7,748,012</u>
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Financial Assets (Debt)		<u>272,848</u>	<u>7,748,012</u>
Net Financial Assets (Debt), beginning of year		(153,354,062)	(161,102,074)
Net Financial Assets (Debt), end of year		<u>(153,081,214)</u>	<u>(153,354,062)</u>

School District No. 34 (Abbotsford)

Statement 5

Consolidated Statement of Cash Flows

Year Ended June 30, 2018

	2018 Actual	2017 Actual
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	(2,724,281)	2,119,397
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	340,823	(222,481)
Prepaid Expenses	(531,407)	124,834
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	2,058,781	(262,026)
Unearned Revenue	1,063,565	245,808
Deferred Revenue	(87,385)	341,642
Employee Future Benefits	119,839	255,897
Other Liabilities	883,908	76,983
Amortization of Tangible Capital Assets	9,897,475	10,007,837
Amortization of Deferred Capital Revenue	(7,503,419)	(7,429,924)
AFG COA spent on non-capital	(2,887,308)	(1,888,475)
Other assets	369	306
Total Operating Transactions	630,960	3,369,798
Capital Transactions		
Tangible Capital Assets Purchased	(6,369,307)	(4,504,362)
Total Capital Transactions	(6,369,307)	(4,504,362)
Financing Transactions		
Capital Revenue Received	6,544,075	4,876,078
Capital Lease payments		(122,122)
Total Financing Transactions	6,544,075	4,753,956
Net Increase (Decrease) in Cash and Cash Equivalents	805,728	3,619,392
Cash and Cash Equivalents, beginning of year	48,814,500	45,195,108
Cash and Cash Equivalents, end of year	49,620,228	48,814,500
Cash and Cash Equivalents, end of year, is made up of:		
Cash	49,620,228	48,814,500
	49,620,228	48,814,500

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. 34 (Abbotsford)", and operates as "School District No. 34 (Abbotsford)" and "Abbotsford School District". 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. 34 (Abbotsford) is exempt from federal and provincial corporate income taxes.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated 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**

These consolidated 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 consolidated 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.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

The accounting policy requirements under Regulation 198/2011 are significantly different from the requirements of Canadian public sector accounting standards which require 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 contributions would be recorded differently under Canadian Public Sector Accounting Standards.

b) Basis of Consolidation

These consolidated financial statements reflect the assets, liabilities, revenues, and expenses of the reporting entity, which is comprised of all controlled entities. School District No. 34 Business Company is an other government organization which is 100% owned by the School District. No adjustment is made for accounting policies of the enterprise that are different from those of the School District. Inter-organizational transactions and balances have been eliminated.

c) Cash and Cash Equivalents

Cash and cash equivalents include cash and highly liquid securities 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) 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.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

f) 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 (n).

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.

g) 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.

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.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

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

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

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 Consolidated Statement of Operations.

j) **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.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

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

Estimated useful life is as follows:

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

k) Capital leases

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

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

l) Prepaid Expenses

Various instructional supplies, subscriptions and contracted services are included as a prepaid expense and stated at acquisition cost and are charged to expense over the periods expected to benefit from it.

m) 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 14 – Interfund Transfers and Note 21– Accumulated Surplus).

n) Revenue Recognition

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

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

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

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

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

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.

o) Expenditures

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year is expensed. Interest expense is interest paid on capital leases.

Categories of Salaries

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

Allocation of Costs

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

p) 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. 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.

q) Measurement Uncertainty

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

NOTE 3 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Due from federal government	\$ 177,466	\$ 140,154
Due from students and PAC	5,853	3,248
Due from investment and bank interest	25,364	21,832
Due from City of Abbotsford School Site Acquisition	168,620	157,054
Due from Employees for benefits	40,017	72,564
Due from others	464,942	320,667
	<u>\$ 882,262</u>	<u>\$ 715,519</u>

NOTE 4 INVESTMENT IN SUBSIDIARY

School District #34 Business Company ("SD34BC") was created to explore in-district, out-of-district and global educational possibilities. Intercompany transactions are eliminated through the consolidation and recording of SD34BC as Related Entities in the Special Purpose Funds.

NOTE 5 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES – OTHER

	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Trade Payables	\$ 5,788,645	\$ 3,557,653
Salaries and benefits payable	5,430,730	5,641,456
Accrued vacation pay	1,034,724	996,209
	<u>\$ 12,254,099</u>	<u>\$ 10,195,318</u>

NOTE 6 UNEARNED REVENUE

	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Balance, beginning of year	<u>\$ 4,649,940</u>	<u>\$ 4,404,132</u>
Changes for year		
Increase:		
Tuition fees	5,685,139	4,648,347
Rental/lease of facilities	28,366	1,593
	<u>5,713,505</u>	<u>4,649,940</u>
Decrease:		
Tuition fees	(4,648,347)	(4,403,899)
Rental/lease of facilities	(1,593)	(233)
	<u>(4,649,940)</u>	<u>(4,404,132)</u>
Net Changes for year	<u>1,063,565</u>	<u>245,808</u>
Balance, end of year	<u>\$ 5,713,505</u>	<u>\$ 4,649,940</u>

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
Year ended June 30, 2018



NOTE 7 DEFERRED REVENUE (cont'd)

		<u>June 30, 2018</u>	<u>June 30, 2017</u>
Balance, beginning of year		\$ 2,536,150	\$ 2,194,508
Changes for the year:			
	Increases:		
	Provincial Grants	13,659,020	8,055,564
	Other revenue	5,839,070	5,748,219
		<u>\$ 19,498,090</u>	<u>\$ 13,803,783</u>
	Decreases:		
	Allocated to Revenue	(19,504,095)	(13,462,141)
	Transfers	(60,473)	-
	Recoveries	(20,907)	-
		<u>\$ (19,585,475)</u>	<u>\$ (13,462,141)</u>
Net change for year		(87,385)	341,642
Balance, end of year		<u>\$ 2,448,765</u>	<u>\$ 2,536,150</u>

NOTE 8 DEFERRED CAPITAL REVENUE

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

	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Deferred capital revenue subject to amortization		
Balance, beginning of year	\$ 166,089,056	\$ 170,389,485
Increases:		
Capital additions	3,477,018	3,129,495
Decreases:		
Amortization	(7,503,419)	(7,429,924)
Net change for year	<u>\$ (4,026,401)</u>	<u>\$ (4,300,429)</u>
Balance, end of year	<u>\$ 162,062,655</u>	<u>\$ 166,089,056</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
Year ended June 30, 2018



NOTE 8 DEFERRED CAPITAL REVENUE (cont'd)

	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Deferred capital revenue not subject to amortization		
Balance, beginning of year	\$ 3,489,795	\$ 3,631,687
Increases:		
Provincial Grants - Ministry of Education	6,032,755	4,327,218
Provincial Grants - Other	21,703	153,999
Other revenues	299,652	352,401
Investment income	189,965	42,460
	<u>6,544,075</u>	<u>4,876,078</u>
Decreases:		
Transfer to deferred capital revenue subject to amortization	(3,477,018)	(3,129,495)
AFG-COA spent on non capital items	(2,887,308)	(1,888,475)
	<u>(6,364,326)</u>	<u>(5,017,970)</u>
Net change for the year	<u>179,749</u>	<u>(141,892)</u>
Balance, end of year	\$ <u>3,669,544</u>	\$ <u>3,489,795</u>
Total deferred capital revenue balance, end of year	\$ <u>165,732,199</u>	\$ <u>169,578,851</u>

NOTE 9 EMPLOYEE FUTURE BENEFITS

	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	\$ 8,368,855	\$ 8,516,109
Service Cost	632,489	634,786
Interest Cost	236,651	218,361
Benefit Payments	(741,073)	(539,748)
Actuarial (Gain) Loss	(18,375)	(460,653)
Accrued Benefit Obligation – March 31	\$ <u>8,478,547</u>	\$ <u>8,368,855</u>
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation - March 31	\$ 8,478,547	\$ 8,368,855
Market Value of Plan Assets - March 31	-	-
Funded Status - Surplus (Deficit)	(8,478,547)	(8,368,855)
Employer Contributions After Measurement Date	341,390	323,587
Benefits Expense After Measurement Date	(230,764)	(217,285)
Unamortized Net Actuarial (Gain) Loss	(252,652)	(238,181)
Accrued Benefit Asset (Liability) - June 30	\$ <u>(8,620,573)</u>	\$ <u>(8,500,734)</u>

NOTE 9 EMPLOYEE FUTURE BENEFITS (cont'd)

	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability (Asset) - July 1	\$ 8,500,734	\$ 8,244,837
Net Expense for Fiscal Year	878,715	891,312
Employer Contributions	(758,876)	(635,415)
Accrued Benefit Liability (Asset) - June 30	<u>\$ 8,620,573</u>	<u>\$ 8,500,734</u>
Components of Net Benefit Expense		
Service Cost	\$ 644,711	\$ 634,212
Interest Cost	237,908	222,934
Amortization of Net Actuarial (Gain)/Loss	(3,904)	34,167
Net Benefit Expense (Income)	<u>\$ 878,715</u>	<u>\$ 891,312</u>
Assumptions		
Discount Rate - April 1	2.50%	2.50%
Discount Rate - March 31	2.75%	2.75%
Long Term Salary Growth - April 1	2.5% + seniority	2.5% + seniority
Long Term Salary Growth - March 31	2.5%+ seniority	2.5%+ seniority
EARSL - March 31	12.1	12.1

NOTE 10 OTHER LIABILITIES

	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Teacher Summer Pay trust	\$ 6,016,628	\$ 5,841,605
Prepaid International student homestay/medical	2,092,288	1,533,948
Other liabilities	875,181	724,636
	<u>\$ 8,984,097</u>	<u>\$ 8,100,189</u>

NOTE 11 DEBT

The School District has an approved line of credit of \$3,865,310 with interest at the banks' prime rate. As of June 30, 2018, the School District had nil borrowings (2017: nil) under this facility.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
Year ended June 30, 2018



NOTE 12 TANGIBLE CAPITAL ASSETS

	Net Book Value, June 30, 2018	Net Book Value, June 30, 2017
Sites	\$ 35,470,192	\$ 35,470,192
Buildings	170,343,182	174,867,186
Furniture & Equipment	2,935,190	3,147,506
Vehicles	3,377,205	3,115,253
Computer Software	164,497	291,542
Computer Hardware	3,204,640	2,002,111
Computer Hardware under capital lease	-	129,284
Total	\$ 215,494,906	\$ 219,023,074

Cost	Balance at July 1, 2017	Additions	Disposals	Balance at June 30, 2018
Sites	\$ 35,470,192	\$ -	\$ -	\$ 35,470,192
Buildings	324,695,934	2,833,026	-	327,528,960
Furniture & Equipment	6,689,996	480,720	857,728	6,312,988
Vehicles	5,550,568	860,010	220,183	6,190,395
Computer Software	638,582	-	6,708	631,874
Computer Hardware	4,320,131	2,195,551	2,098,187	4,417,495
Computer Hardware under capital lease	2,485,434	-	2,485,434	-
Total	\$ 379,850,837	\$ 6,369,307	\$ 5,668,240	\$ 380,551,904

Accumulated Amortization	Balance at July 1, 2017	Additions	Disposals	Balance at June 30, 2018
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	149,828,748	7,357,030	-	157,185,778
Furniture & Equipment	3,542,490	693,036	857,728	3,377,798
Vehicles	2,435,315	598,058	220,183	2,813,190
Computer Software	347,040	127,045	6,708	467,377
Computer Hardware	2,318,020	993,022	2,098,187	1,212,855
Computer Hardware under capital lease	2,356,150	129,284	2,485,434	-
Total	\$ 160,827,763	\$ 9,897,475	\$ 5,668,240	\$ 165,056,998

NOTE 13 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 represents plan members and employers and are responsible for the management of the pension plan including investment of the assets and administration of benefits. The pension plans are multi-employer contributory pension plans. Basic pension benefits provided are based on a formula. As at December 31, 2016, the Teachers' Pension Plan has about 45,000 active members from school districts, and approximately 37,000 retired members from school districts. As at 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 the adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plans. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plans. This rate is then adjusted to the extent there is amortization of any funding deficit.

The most recent actuarial valuation of the Teachers' Pension Plan as at December 31, 2014 indicated a \$449 million surplus for basic pension benefits on a going concern basis. As a result of the 2014 basic account actuarial valuation surplus and pursuant to the joint trustee agreement, the employer basic contribution 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 remained unchanged.

The Abbotsford School District paid \$13,955,925 for employer contributions to these plans in the year ended June 30, 2018 (2017: \$12,818,312).

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

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

NOTE 14 INTERFUND TRANSFERS

	Operating	Special Purpose	Capital
Tangible capital assets purchased			
Furniture & Equipment	\$ (202,203)	(44,916)	247,119
Hardware	(2,174,536)		2,174,536
Transfer to local capital	(316,323)		316,323
Other			
School District Business Company	15,557	(15,557)	
Totals	\$ (2,677,505)	\$ (60,473)	\$ 2,737,978

NOTE 15 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 16 CONTRACTUAL OBLIGATIONS

The School District has entered into a number of multiple-year contracts for the delivery of services and the construction of tangible capital assets. These contractual obligations will become liabilities in the future when the terms of the contracts are met. Disclosure relates to the unperformed portion of the contracts.

Year	Obligation
2019	\$ 1,002,375
2020	822,375
2021	211,955
Total	\$ 2,036,705

NOTE 17 BUDGET FIGURES

Budget figures included in the consolidated financial statements were approved by the Board through the adoption of the annual budget on May 30, 2017.

NOTE 18 CONTINGENCIES

The School District issues letters of guarantee through its financial institutions to provide guarantees to certain parties. Outstanding letters of guarantee amount to \$954,857 (2017: \$815,958).

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

NOTE 19 ASSET RETIREMENT OBLIGATION

Legal liabilities may exist for the removal and disposal of asbestos in schools that will undergo major renovations or demolition. The fair value of the liability for asbestos removal or disposal will be recognized in the period in which it is incurred if a reasonable estimate of fair value can be made. As of June 30, 2018, the liability is not reasonably determinable.

NOTE 20 EXPENSE BY OBJECT

	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Salaries and benefits	\$ 170,434,026	\$ 159,291,629
Services and supplies	34,463,181	31,811,337
Interest	-	457
Amortization	9,897,475	10,007,837
	<u>\$ 214,794,682</u>	<u>\$ 201,111,260</u>

NOTE 21 ACCUMULATED SURPLUS

Accumulated surplus consists of individual fund surplus and reserves and reserve funds as follows:

	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Invested in tangible capital assets	\$ 53,438,218	\$ 52,939,985
Local capital surplus	<u>1,439,639</u>	<u>1,569,118</u>
Total capital surplus	\$ 54,877,857	\$ 54,509,103
Operating surplus	8,815,901	11,880,499
Special purpose surplus	-	28,437
	<u>\$ 63,693,758</u>	<u>\$ 66,418,039</u>

NOTE 21 ACCUMULATED SURPLUS (cont'd)

The operating surplus is further restricted as follows:

	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Internally restricted (appropriated) by Board for:		
Appropriation to schools	\$ 1,427,367	\$ 2,003,206
Aboriginal education program	250,198	64,444
Other educational and targeted budgets	4,740,390	6,593,611
Utility cost reserves	425,000	425,000
Equipment reserve	375,000	375,000
	<u>\$ 7,217,955</u>	<u>\$ 9,461,261</u>
Unrestricted operating surplus	1,597,946	2,419,238
Total available for future operations	<u>\$ 8,815,901</u>	<u>\$ 11,880,499</u>

The local capital surplus is comprised of a fund for capital additions and a fund for the replacement of the School District Office, which was created in the 2016-2017 fiscal year.

	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Capital Additions	\$ 727,234	\$ 869,118
Reserved for new school district office	712,405	700,000
Total available for future operations	<u>\$ 1,439,639</u>	<u>\$ 1,569,118</u>

NOTE 22 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 consolidated financial statements have been prepared on a going concern basis.

NOTE 23 RISK MANAGEMENT

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

NOTE 23 RISK MANAGEMENT (cont'd)

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 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 deposits as they are placed in recognized British Columbia institutions and the School District invests solely in the Province of British Columbia's Certificate of Deposit program.

b) Market risk:

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

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

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The School District is exposed to interest rate risk through its investments. It is management's opinion that the School District is not exposed to significant interest rate risk as they invest solely in certificates of deposit 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. 34 (Abbotsford)

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
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	11,880,499	28,437	54,509,103	66,418,039	64,298,642
Changes for the year					
Surplus (Deficit) for the year	(387,093)	32,036	(2,369,224)	(2,724,281)	2,119,397
Interfund Transfers					
Tangible Capital Assets Purchased	(2,376,739)	(44,916)	2,421,655	-	-
Local Capital	(316,323)		316,323	-	-
Other	15,557	(15,557)	-	-	-
Net Changes for the year	(3,064,598)	(28,437)	368,754	(2,724,281)	2,119,397
Accumulated Surplus (Deficit), end of year - Statement 2	8,815,901	-	54,877,857	63,693,758	66,418,039

School District No. 34 (Abbotsford)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2018

	2018 Budget (Note 17)	2018 Actual	2017 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	173,671,035	172,163,240	171,163,347
Other	225,000	273,182	289,215
Federal Grants		26,578	14,920
Tuition	5,550,000	5,822,609	5,572,174
Other Revenue	1,973,020	2,858,865	2,602,536
Rentals and Leases	364,000	384,492	408,520
Investment Income	350,000	561,308	389,026
Total Revenue	182,133,055	182,090,274	180,439,738
Expenses			
Instruction	158,332,878	155,454,442	149,135,444
District Administration	4,946,545	5,698,948	5,381,355
Operations and Maintenance	16,966,103	17,827,669	17,927,387
Transportation and Housing	2,847,529	3,496,308	3,288,049
Total Expense	183,093,055	182,477,367	175,732,235
Operating Surplus (Deficit) for the year	(960,000)	(387,093)	4,707,503
Budgeted Appropriation (Retirement) of Surplus (Deficit)	960,000		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased		(2,376,739)	(437,387)
Local Capital		(316,323)	(1,000,000)
Other		15,557	(122,580)
Total Net Transfers	-	(2,677,505)	(1,559,967)
Total Operating Surplus (Deficit), for the year	-	(3,064,598)	3,147,536
Operating Surplus (Deficit), beginning of year		11,880,499	8,732,963
Operating Surplus (Deficit), end of year		8,815,901	11,880,499
Operating Surplus (Deficit), end of year			
Internally Restricted (Note 21)		7,217,955	9,461,261
Unrestricted		1,597,946	2,419,238
Total Operating Surplus (Deficit), end of year		8,815,901	11,880,499

School District No. 34 (Abbotsford)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2018

	2018 Budget (Note 17)	2018 Actual	2017 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education			
Operating Grant, Ministry of Education	172,755,955	170,942,501	169,043,961
DISC/LEA Recovery	(363,387)	(440,899)	(410,101)
Other Ministry of Education Grants			
Pay Equity	118,014	118,014	118,014
Funding for Graduated Adults	-	109,102	13,411
Transportation Supplement	313,969	313,969	310,000
Economic Stability Dividend	-	117,776	105,008
Return of Administrative Savings	846,484	846,484	846,484
Carbon Tax Grant	-	121,474	110,303
Student Learning Grant			991,028
Miscellaneous	-	34,819	35,239
Total Provincial Grants - Ministry of Education	173,671,035	172,163,240	171,163,347
Provincial Grants - Other	225,000	273,182	289,215
Federal Grants		26,578	14,920
Tuition			
Summer School Fees	-	36,650	41,600
International and Out of Province Students	5,550,000	5,785,959	5,530,574
Total Tuition	5,550,000	5,822,609	5,572,174
Other Revenues			
LEA/Direct Funding from First Nations	363,387	440,899	410,101
Miscellaneous			
School Fees	950,000	1,414,374	1,251,621
School of choice busing/other busing	500,000	483,020	510,504
Donations		38,658	
Other	159,633	481,914	430,310
Total Other Revenue	1,973,020	2,858,865	2,602,536
Rentals and Leases	364,000	384,492	408,520
Investment Income	350,000	561,308	389,026
Total Operating Revenue	182,133,055	182,090,274	180,439,738

School District No. 34 (Abbotsford)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2018

	2018 Budget (Note 17)	2018 Actual	2017 Actual
	\$	\$	\$
Salaries			
Teachers	83,830,308	80,273,773	78,013,719
Principals and Vice Principals	9,996,126	10,102,573	9,464,499
Educational Assistants	13,765,804	14,294,640	12,800,585
Support Staff	13,340,457	13,154,567	12,722,068
Other Professionals	3,549,488	3,632,271	3,516,772
Substitutes	6,511,188	5,132,239	6,207,397
Total Salaries	130,993,371	126,590,063	122,725,040
Employee Benefits	33,604,309	32,503,487	30,311,049
Total Salaries and Benefits	164,597,680	159,093,550	153,036,089
Services and Supplies			
Services	3,683,314	6,494,701	7,231,754
Student Transportation	307,516	187,593	191,427
Professional Development and Travel	1,435,524	2,083,797	1,770,144
Rentals and Leases	30,000	1,271,273	1,378,821
Dues and Fees	355,485	269,368	257,886
Insurance	380,995	423,483	576,142
Supplies	10,037,541	10,298,411	8,824,583
Utilities	2,265,000	2,355,191	2,465,389
Total Services and Supplies	18,495,375	23,383,817	22,696,146
Total Operating Expense	183,093,055	182,477,367	175,732,235

School District No. 34 (Abbotsford)

Operating Expense by Function, Program and Object

Year Ended June 30, 2018

Schedule 2C (Unaudited)

	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	62,226,417	1,114,741	90,789	341,803	21,060	4,142,285	67,937,095
1.03 Career Programs	484,936	183,239	176,162	34,502	-	8,960	887,799
1.07 Library Services	2,006,350	38,047	329,440	-	-	-	2,373,837
1.08 Counselling	2,497,865	-	-	-	-	-	2,497,865
1.10 Special Education	9,118,279	637,714	12,381,994	231,851	-	216,572	22,586,410
1.30 English Language Learning	3,187,679	112,785	87,334	-	-	9,272	3,397,070
1.31 Aboriginal Education	289,025	177,922	873,269	45,494	-	54,191	1,439,901
1.41 School Administration	128,913	7,788,671	-	2,826,969	-	56,243	10,800,796
1.60 Summer School	313,920	49,454	60,956	15,210	-	7,605	447,145
1.61 Continuing Education	-	-	-	-	-	-	-
1.62 International and Out of Province Students	20,389	-	294,696	117,468	287,391	2,213	722,157
1.64 Other	-	-	-	-	-	-	-
Total Function 1	80,273,773	10,102,573	14,294,640	3,613,297	308,451	4,497,341	113,090,075
4 District Administration							
4.11 Educational Administration	-	-	-	-	884,578	3,292	887,870
4.40 School District Governance	-	-	-	-	166,570	-	166,570
4.41 Business Administration	-	-	-	648,177	1,254,388	35,570	1,938,135
Total Function 4	-	-	-	648,177	2,305,536	38,862	2,992,575
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	-	-	-	274,949	476,922	1,388	753,259
5.50 Maintenance Operations	-	-	-	6,476,344	455,873	463,252	7,395,469
5.52 Maintenance of Grounds	-	-	-	681,954	-	-	681,954
5.56 Utilities	-	-	-	-	-	-	-
Total Function 5	-	-	-	7,433,247	932,795	464,640	8,830,682
7 Transportation and Housing							
7.41 Transportation and Housing Administration	-	-	-	219,701	85,489	1,314	306,504
7.70 Student Transportation	-	-	-	1,240,145	-	130,082	1,370,227
Total Function 7	-	-	-	1,459,846	85,489	131,396	1,676,731
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	80,273,773	10,102,573	14,294,640	13,154,567	3,632,271	5,132,239	126,590,063

School District No. 34 (Abbotsford)

Operating Expense by Function, Program and Object

Year Ended June 30, 2018

Schedule 2C (Unaudited)

	Total Salaries \$	Employee Benefits \$	Total Salaries and Benefits \$	Services and Supplies \$	2018 Actual \$	2018 Budget (Note 17) \$	2017 Actual \$
1 Instruction							
1.02 Regular Instruction	67,937,095	18,250,156	86,187,251	9,235,409	95,422,660	102,906,603	95,187,589
1.03 Career Programs	887,799	227,819	1,115,618	456,845	1,572,463	564,677	1,438,952
1.07 Library Services	2,373,837	627,067	3,000,904	160,066	3,160,970	2,520,961	1,266,350
1.08 Counselling	2,497,865	584,467	3,082,332	12,939	3,095,271	2,093,573	2,546,255
1.10 Special Education	22,586,410	5,600,100	28,186,510	962,445	29,148,955	26,842,014	26,599,618
1.30 English Language Learning	3,397,070	846,741	4,243,811	87,922	4,331,733	4,346,184	3,338,580
1.31 Aboriginal Education	1,439,901	366,149	1,806,050	528,976	2,335,026	2,504,034	2,464,751
1.41 School Administration	10,800,796	2,640,647	13,441,443	809,921	14,251,364	14,795,516	14,328,247
1.60 Summer School	447,145	23,104	470,249	8,965	479,214	396,147	399,364
1.61 Continuing Education	-	-	-	-	-	-	-
1.62 International and Out of Province Students	722,157	178,912	901,069	755,717	1,656,786	1,363,169	1,565,738
1.64 Other	-	-	-	-	-	-	-
Total Function 1	113,090,075	29,345,162	142,435,237	13,019,205	155,454,442	158,332,878	149,135,444
4 District Administration							
4.11 Educational Administration	887,870	212,844	1,100,714	505,672	1,606,386	1,280,236	1,397,938
4.40 School District Governance	166,570	3,512	170,082	204,665	374,747	319,250	364,243
4.41 Business Administration	1,938,135	457,660	2,395,795	1,322,020	3,717,815	3,347,059	3,619,174
Total Function 4	2,992,575	674,016	3,666,591	2,032,357	5,698,948	4,946,545	5,381,355
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	753,259	126,039	879,298	403,949	1,283,247	1,082,651	1,325,783
5.50 Maintenance Operations	7,395,469	1,759,423	9,154,892	3,620,442	12,775,334	12,722,964	12,663,414
5.52 Maintenance of Grounds	681,954	157,159	839,113	574,784	1,413,897	895,488	1,472,801
5.56 Utilities	-	-	-	2,355,191	2,355,191	2,265,000	2,465,389
Total Function 5	8,830,682	2,042,621	10,873,303	6,954,366	17,827,669	16,966,103	17,927,387
7 Transportation and Housing							
7.41 Transportation and Housing Administration	306,504	74,737	381,241	51,891	433,132	382,338	454,696
7.70 Student Transportation	1,370,227	366,951	1,737,178	1,325,998	3,063,176	2,465,191	2,833,353
Total Function 7	1,676,731	441,688	2,118,819	1,377,889	3,496,308	2,847,529	3,288,049
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	126,590,063	32,503,487	159,093,550	23,383,817	182,477,367	183,093,055	175,732,235

School District No. 34 (Abbotsford)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2018

	2018 Budget (Note 17)	2018 Actual	2017 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	13,138,703	13,571,340	7,682,193
Other	65,000	50,078	52,056
Other Revenue	5,921,362	5,943,150	5,727,892
Total Revenue	<u>19,125,065</u>	<u>19,564,568</u>	<u>13,462,141</u>
Expenses			
Instruction	18,433,092	18,840,559	12,731,380
District Administration	691,973		
Operations and Maintenance		691,973	750,876
Total Expense	<u>19,125,065</u>	<u>19,532,532</u>	<u>13,482,256</u>
Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>32,036</u>	<u>(20,115)</u>
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased		(44,916)	
Other		(15,557)	
Total Net Transfers	<u>-</u>	<u>(60,473)</u>	<u>-</u>
Total Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>(28,437)</u>	<u>(20,115)</u>
Special Purpose Surplus (Deficit), beginning of year		28,437	48,552
Special Purpose Surplus (Deficit), end of year		<u>-</u>	<u>28,437</u>
Special Purpose Surplus (Deficit), end of year			
Related Entities		-	28,437
Total Special Purpose Surplus (Deficit), end of year		<u>-</u>	<u>28,437</u>

School District No. 34 (Abbotsford)

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

Schedule 3A (Unaudited)

Deferred Revenue, beginning of year
District Entered

Deferred Revenue, beginning of year, as restated

Add: Restricted Grants

Provincial Grants - Ministry of Education

Provincial Grants - Other

Other
Investment Income

Less: Allocated to Revenue
Recovered

Deferred Revenue, end of year

Revenues

Provincial Grants - Ministry of Education

Provincial Grants - Other

Other Revenue

Expenses

Salaries

Teachers

Principals and Vice Principals

Educational Assistants

Support Staff

Other Professionals

Substitutes

Employee Benefits

Services and Supplies

Net Revenue (Expense) before Interfund Transfers

Interfund Transfers

Tangible Capital Assets Purchased

Other

Net Revenue (Expense)

Annual Facility Grant	Learning Improvement Fund	Service Delivery Transformation	School Generated Funds	Related Entities	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK
\$	\$	\$	\$	\$	\$	\$	\$	\$
-	-	78,574	2,002,870	-	-	-	20,907	-
-	-	78,574	2,002,870	-	-	-	20,907	-
691,973	690,935	-	-	-	352,000	75,950	202,661	1,209,445
691,973	690,935	78,574	5,660,591	18,478	352,000	75,950	202,661	1,209,445
-	-	-	1,912,935	-	-	14,232	5,514	-
691,973	690,935	78,574	-	-	352,000	61,718	197,147	1,209,445
691,973	690,935	78,574	5,750,526	18,478	352,000	61,718	197,147	1,209,445
-	-	-	-	-	108	10,404	8,038	-
-	553,305	63,421	-	-	236,700	6,464	36,640	501,200
691,973	137,630	15,153	5,705,610	31,358	352,000	61,718	197,147	1,209,445
691,973	690,935	78,574	5,705,610	31,358	352,000	61,718	197,147	1,209,445
-	-	-	44,916	(12,880)	-	-	-	-
-	-	-	(44,916)	(15,557)	-	-	-	-
-	-	-	(44,916)	(15,557)	-	-	-	-
-	-	-	-	(28,437)	-	-	-	-

School District No. 34 (Abbotsford)

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

Schedule 3A (Unaudited)

Deferred Revenue, beginning of year
District Entered

Deferred Revenue, beginning of year, as restated

Add: Restricted Grants

Provincial Grants - Ministry of Education

Provincial Grants - Other

Other
Investment Income

Less: Allocated to Revenue
Recovered

Deferred Revenue, end of year

Revenues

Provincial Grants - Ministry of Education

Provincial Grants - Other

Other Revenue

Expenses

Salaries

Teachers

Principals and Vice Principals

Educational Assistants

Support Staff

Other Professionals

Substitutes

Employee Benefits

Services and Supplies

Net Revenue (Expense) before Interfund Transfers

Interfund Transfers

Tangible Capital Assets Purchased

Other

Net Revenue (Expense)

Coding and Curriculum Implementation	Priority Measures	Classroom Enhancement Fund - Overhead	Classroom Enhancement Fund - Staffing	PRP ADT	Safe Schools	IPALS	Early Years Centre	Literacy Matters
\$	\$	\$	\$	\$	\$	\$	\$	\$
130,142	223,644	-	-	-	-	1,545	11,130	42,911
130,142	223,644	-	-	-	-	1,545	11,130	42,911
-	-	1,122,111	9,073,201	180,390	-	-	53,783	-
-	-	1,122,111	9,073,201	180,390	86,828	9,351	-	56,278
91,619	223,644	1,122,111	8,665,213	180,390	86,828	8,269	50,078	53,119
38,523	-	-	407,988	-	-	2,627	14,835	46,070
91,619	223,644	1,122,111	8,665,213	180,390	-	-	50,078	-
91,619	223,644	1,122,111	8,665,213	180,390	86,828	8,269	50,078	53,119
-	155,651	-	6,631,214	91,600	70,801	-	-	-
-	67,993	249,580	1,636,466	13,029	-	1,050	67	-
91,619	-	41,323	397,533	36,352	16,027	-	9	-
91,619	223,644	1,122,111	8,665,213	180,390	86,828	7,219	50,002	53,119
-	-	-	-	-	-	8,269	50,078	53,119
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-

School District No. 34 (Abbotsford)

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

Deferred Revenue, beginning of year

District Entered

Deferred Revenue, beginning of year, as restated

Add: Restricted Grants

Provincial Grants - Ministry of Education

Provincial Grants - Other

Other

Investment Income

Less: Allocated to Revenue

Recovered

Deferred Revenue, end of year

Revenues

Provincial Grants - Ministry of Education

Provincial Grants - Other

Other Revenue

Expenses

Salaries

Teachers

Principals and Vice Principals

Educational Assistants

Support Staff

Other Professionals

Substitutes

Employee Benefits

Services and Supplies

Net Revenue (Expense) before Interfund Transfers

Interfund Transfers

Tangible Capital Assets Purchased

Other

Net Revenue (Expense)

Indigenous Languages	Community Support	Thomas/Yarwood Trusts	TOTAL
\$	\$	\$	\$
-	22,381	2,046	2,536,150
-	22,381	2,046	2,536,150
6,571			13,605,237
			53,783
	7,508		5,839,034
		36	36
6,571	7,508	36	19,498,090
6,571	25,930	-	19,564,568
-	3,959	2,082	2,448,765
6,571			13,571,340
			50,078
6,571	25,930		5,943,150
	25,930	-	19,564,568
	2,427		6,988,333
			262,609
	5,892		1,097,321
			376,049
			128,299
200	722		291,431
200	9,041	-	9,144,042
14	2,032		2,196,432
6,357	14,857		8,192,058
6,571	25,930	-	19,532,532
-	-	-	32,036
			(44,916)
-	-	-	(15,557)
-	-	-	(60,473)
-	-	-	(28,437)

School District No. 34 (Abbotsford)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2018

	2018 Budget (Note 17)	2018 Actual			2017 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Provincial Grants					
Ministry of Education	2,562,255	2,887,308		2,887,308	1,888,475
Investment Income			24,832	24,832	10,379
Amortization of Deferred Capital Revenue	7,250,000	7,503,419		7,503,419	7,429,924
Total Revenue	<u>9,812,255</u>	<u>10,390,727</u>	<u>24,832</u>	<u>10,415,559</u>	<u>9,328,778</u>
Expenses					
Operations and Maintenance	2,562,255	2,887,308		2,887,308	1,888,475
Amortization of Tangible Capital Assets					
Operations and Maintenance	9,550,000	9,299,417		9,299,417	9,454,609
Transportation and Housing	550,000	598,058		598,058	553,228
Debt Services					
Capital Lease Interest				-	457
Total Expense	<u>12,662,255</u>	<u>12,784,783</u>	<u>-</u>	<u>12,784,783</u>	<u>11,896,769</u>
Capital Surplus (Deficit) for the year	<u>(2,850,000)</u>	<u>(2,394,056)</u>	<u>24,832</u>	<u>(2,369,224)</u>	<u>(2,567,991)</u>
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased		2,421,655		2,421,655	437,387
Local Capital			316,323	316,323	1,000,000
Capital Lease Payment				-	122,580
Total Net Transfers	<u>-</u>	<u>2,421,655</u>	<u>316,323</u>	<u>2,737,978</u>	<u>1,559,967</u>
Other Adjustments to Fund Balances					
Tangible Capital Assets Purchased from Local Capital		470,634	(470,634)	-	
Total Other Adjustments to Fund Balances		<u>470,634</u>	<u>(470,634)</u>	<u>-</u>	
Total Capital Surplus (Deficit) for the year	<u>(2,850,000)</u>	<u>498,233</u>	<u>(129,479)</u>	<u>368,754</u>	<u>(1,008,024)</u>
Capital Surplus (Deficit), beginning of year		<u>52,939,985</u>	<u>1,569,118</u>	<u>54,509,103</u>	<u>55,517,127</u>
Capital Surplus (Deficit), end of year		<u><u>53,438,218</u></u>	<u><u>1,439,639</u></u>	<u><u>54,877,857</u></u>	<u><u>54,509,103</u></u>

School District No. 34 (Abbotsford)

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	35,470,192	324,695,934	6,689,996	5,550,568	638,582	6,805,565	379,850,837
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw	-	2,545,017	-	600,430	-	-	3,145,447
Deferred Capital Revenue - Other	-	132,256	199,315	-	-	-	331,571
Operating Fund	-	-	202,203	-	-	2,174,536	2,376,739
Special Purpose Funds	-	-	44,916	-	-	-	44,916
Local Capital	-	155,753	34,286	259,580	-	21,015	470,634
Decrease:							
Deemed Disposals	-	2,833,026	480,720	860,010	-	2,195,551	6,369,307
Cost, end of year							
Work in Progress, end of year	-	-	857,728	220,183	6,708	4,583,621	5,668,240
Cost and Work in Progress, end of year	35,470,192	327,528,960	6,312,988	6,190,395	631,874	4,417,495	380,551,904
Accumulated Amortization, beginning of year	35,470,192	327,528,960	6,312,988	6,190,395	631,874	4,417,495	380,551,904
Changes for the Year							
Increase: Amortization for the Year		149,828,748	3,542,490	2,435,315	347,040	4,674,170	160,827,763
Decrease:							
Deemed Disposals		7,357,030	693,036	598,058	127,045	1,122,306	9,897,475
Accumulated Amortization, end of year							
			857,728	220,183	6,708	4,583,621	5,668,240
		-	857,728	220,183	6,708	4,583,621	5,668,240
	157,185,778	3,377,798	2,813,190	467,377	1,212,855		165,056,998
Tangible Capital Assets - Net	35,470,192	170,343,182	2,935,190	3,377,205	164,497	3,204,640	215,494,906

School District No. 34 (Abbotsford)

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	160,115,729	2,746,211	3,227,116	166,089,056
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	3,145,447	244,711	86,860	3,477,018
	3,145,447	244,711	86,860	3,477,018
Decrease:				
Amortization of Deferred Capital Revenue	7,313,306	90,434	99,679	7,503,419
	7,313,306	90,434	99,679	7,503,419
Net Changes for the Year	(4,167,859)	154,277	(12,819)	(4,026,401)
Deferred Capital Revenue, end of year	155,947,870	2,900,488	3,214,297	162,062,655
Work in Progress, beginning of year				-
Changes for the Year				
Net Changes for the Year	-	-	-	-
Work in Progress, end of year	-	-	-	-
Total Deferred Capital Revenue, end of year	155,947,870	2,900,488	3,214,297	162,062,655

School District No. 34 (Abbotsford)

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	-	238,320	90,752	3,160,723	-	3,489,795
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	6,032,755					6,032,755
Provincial Grants - Other			21,703			21,703
Other				299,652	129,575	429,227
Investment Income		2,869		57,521		60,390
	6,032,755	2,869	21,703	357,173	129,575	6,544,075
Decrease:						
Transferred to DCR - Capital Additions	3,145,447	132,256	112,455		86,860	3,477,018
AFG COA spent on non capital items	2,887,308					2,887,308
	6,032,755	132,256	112,455	-	86,860	6,364,326
Net Changes for the Year	-	(129,387)	(90,752)	357,173	42,715	179,749
Balance, end of year	-	108,933	-	3,517,896	42,715	3,669,544