



Draft

Audited Financial Statements of  
School District No. 36 (Surrey)  
June 30, 2017

# School District No. 36 (Surrey)

June 30, 2017

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# School District No. 36 (Surrey)

## MANAGEMENT REPORT

Version: 2187-1441-8459

### Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 36 (Surrey) 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. 36 (Surrey) (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, Grant Thornton, LLP, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of School District No. 36 (Surrey) 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. 36 (Surrey)

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Signature of the Chairperson of the Board of Education

Date Signed

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Signature of the Superintendent

Date Signed

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Signature of the Secretary Treasurer

Date Signed

# School District No. 36 (Surrey)

Statement 1

## Statement of Financial Position

As at June 30, 2017

	2017 Actual	2016 Actual
	\$	\$
<b>Financial Assets</b>		
Cash and Cash Equivalents	145,093,901	136,075,201
Accounts Receivable		
Due from Province - Ministry of Education	2,218,221	4,646,888
Other (Note 4)	4,250,247	3,700,538
Portfolio Investments (Note 5)	43,578,450	45,022,820
<b>Total Financial Assets</b>	<b>195,140,819</b>	<b>189,445,447</b>
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities		
Due to Province - Ministry of Education	76,842	
Other	13,527,398	13,052,900
Unearned Revenue (Note 6)	13,642,893	13,383,402
Deferred Revenue (Note 7)	11,059,863	8,963,153
Deferred Capital Revenue (Note 8)	552,161,864	545,520,452
Employee Future Benefits (Note 9)	15,722,470	16,239,767
Other Liabilities (Note 10)	53,642,851	51,402,196
<b>Total Liabilities</b>	<b>659,834,181</b>	<b>648,561,870</b>
<b>Net Financial Assets (Debt)</b>	<b>(464,693,362)</b>	<b>(459,116,423)</b>
<b>Non-Financial Assets</b>		
Tangible Capital Assets (Note 12)	971,075,430	940,549,260
Prepaid Expenses	1,861,069	1,205,218
<b>Total Non-Financial Assets</b>	<b>972,936,499</b>	<b>941,754,478</b>
<b>Accumulated Surplus (Deficit)</b>	<b>508,243,137</b>	<b>482,638,055</b>

Contractual Obligations and Contingencies (Note 15,17)

Approved by the Board

Signature of the Chairperson of the Board of Education	Date Signed
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Signature of the Superintendent	Date Signed
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Signature of the Secretary Treasurer	Date Signed
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# School District No. 36 (Surrey)

Statement 2

Statement of Operations

Year Ended June 30, 2017

	2017 Budget (Note 21)	2017 Actual	2016 Actual
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	654,803,578	<b>660,652,485</b>	631,815,350
Other	352,500	<b>379,575</b>	460,950
Municipal Grants Spent on Sites	5,258,128	<b>5,271,212</b>	6,039,435
Federal Grants	3,376,215	<b>3,592,732</b>	2,833,194
Tuition	14,879,448	<b>15,319,720</b>	14,322,670
Other Revenue	19,116,668	<b>19,367,959</b>	18,712,125
Rentals and Leases	2,335,150	<b>2,911,196</b>	2,827,838
Investment Income	2,256,000	<b>2,337,933</b>	2,284,800
Amortization of Deferred Capital Revenue	22,272,000	<b>22,531,943</b>	22,170,647
<b>Total Revenue</b>	<u>724,649,687</u>	<u><b>732,364,755</b></u>	<u>701,467,009</u>
<b>Expenses (Note 19)</b>			
Instruction	603,388,267	<b>586,260,715</b>	567,709,873
District Administration	15,185,203	<b>13,894,822</b>	12,434,871
Operations and Maintenance	100,695,252	<b>100,844,286</b>	97,787,190
Transportation and Housing	5,671,212	<b>5,759,850</b>	5,303,997
<b>Total Expense</b>	<u>724,939,934</u>	<u><b>706,759,673</b></u>	<u>683,235,931</u>
<b>Surplus (Deficit) for the year</b>	<u>(290,247)</u>	<u><b>25,605,082</b></u>	<u>18,231,078</u>
<b>Accumulated Surplus (Deficit) from Operations, beginning of year</b>		<b>482,638,055</b>	464,406,977
<b>Accumulated Surplus (Deficit) from Operations, end of year</b>		<u><u><b>508,243,137</b></u></u>	<u>482,638,055</u>

# School District No. 36 (Surrey)

Statement 4

Statement of Changes in Net Financial Assets (Debt)

Year Ended June 30, 2017

	2017 Budget (Note 21)	2017 Actual	2016 Actual
	\$	\$	\$
<b>Surplus (Deficit) for the year</b>	<u>(290,247)</u>	<u>25,605,082</u>	<u>18,231,078</u>
<b>Effect of change in Tangible Capital Assets</b>			
Acquisition of Tangible Capital Assets	(56,227,893)	(63,166,883)	(50,549,244)
Amortization of Tangible Capital Assets	32,850,000	32,640,713	31,739,726
Net carrying value of Tangible Capital Assets disposed of			7,500
<b>Total Effect of change in Tangible Capital Assets</b>	<u>(23,377,893)</u>	<u>(30,526,170)</u>	<u>(18,802,018)</u>
Acquisition of Prepaid Expenses		(1,861,069)	(1,205,218)
Use of Prepaid Expenses		1,205,218	1,561,513
<b>Total Effect of change in Other Non-Financial Assets</b>	<u>-</u>	<u>(655,851)</u>	<u>356,295</u>
<b>(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)</b>	<u>(23,668,140)</u>	<u>(5,576,939)</u>	<u>(214,645)</u>
<b>Net Remeasurement Gains (Losses)</b>			
<b>(Increase) Decrease in Net Financial Assets (Debt)</b>		<u>(5,576,939)</u>	<u>(214,645)</u>
<b>Net Financial Assets (Debt), beginning of year</b>		<u>(459,116,423)</u>	<u>(458,901,778)</u>
<b>Net Financial Assets (Debt), end of year</b>		<u><u>(464,693,362)</u></u>	<u><u>(459,116,423)</u></u>

# School District No. 36 (Surrey)

Statement 5

Statement of Cash Flows  
Year Ended June 30, 2017

	2017 Actual	2016 Actual
	\$	\$
<b>Operating Transactions</b>		
Surplus (Deficit) for the year	25,605,082	18,231,078
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	1,878,958	(2,991,867)
Prepaid Expenses	(655,851)	356,295
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	551,340	3,890,819
Unearned Revenue	259,491	932,660
Deferred Revenue	2,096,710	(728,363)
Employee Future Benefits	(517,297)	(493,400)
Other Liabilities	2,240,655	5,303,319
Amortization of Tangible Capital Assets	32,640,713	31,739,726
Amortization of Deferred Capital Revenue	(22,531,943)	(22,170,647)
Recognition of Deferred Capital Revenue Spent on Sites	(12,784,443)	(10,694,322)
District Portion of Proceeds on Disposal		7,500
<b>Total Operating Transactions</b>	<b>28,783,415</b>	<b>23,382,798</b>
<b>Capital Transactions</b>		
Tangible Capital Assets Purchased	(38,996,593)	(35,402,742)
Tangible Capital Assets -WIP Purchased	(24,170,290)	(15,146,502)
<b>Total Capital Transactions</b>	<b>(63,166,883)</b>	<b>(50,549,244)</b>
<b>Financing Transactions</b>		
Capital Revenue Received	41,957,798	27,901,265
<b>Total Financing Transactions</b>	<b>41,957,798</b>	<b>27,901,265</b>
<b>Investing Transactions</b>		
Investments in Portfolio Investments	1,444,370	(1,059,399)
<b>Total Investing Transactions</b>	<b>1,444,370</b>	<b>(1,059,399)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>9,018,700</b>	<b>(324,580)</b>
<b>Cash and Cash Equivalents, beginning of year</b>	<b>136,075,201</b>	<b>136,399,781</b>
<b>Cash and Cash Equivalents, end of year</b>	<b>145,093,901</b>	<b>136,075,201</b>
<b>Cash and Cash Equivalents, end of year, is made up of:</b>		
Cash	145,093,901	136,075,201
	<b>145,093,901</b>	<b>136,075,201</b>
Supplementary Cash Flow Information		

# School District No. 36 (Surrey)

## Notes to Financial Statements

Year Ended June 30, 2017

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### NOTE 1 AUTHORITY AND PURPOSE

The School District 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. 36 (Surrey)", and operates as "School District No. 36 (Surrey)". A board of education ("the Board") is elected for a four-year term and governs the School District. The School District provides educational programs to students enrolled in its schools in the cities of Surrey and White Rock, and is principally funded by the Province of British Columbia through the Ministry of Education. School District No. 36 (Surrey) 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(f) and 2(l).

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 (f) and 2 (l), Section 23.1 of the *Budget Transparency and Accountability Act* and its related regulations require the School District to recognize non-capital restricted contributions into revenue in the fiscal period in which the restriction the contribution is subject to is met and 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. Canadian public sector accounting standards would require these contributions, if they are government transfers, to be recognized into revenue immediately when received unless they contain a stipulation that meets the definition of a liability. The impact of these differences on the financial statements of the School District are as follows:

Year-ended June 30, 2016 - decrease in annual surplus by \$5,692,067

June 30, 2016 - increase in accumulated surplus by \$528,688,741, a decrease in deferred revenue by \$4,744,392 and a decrease in deferred capital revenue by \$533,195,839.

Year-ended June 30, 2017 - increase in annual surplus by \$8,738,122

June 30, 2017 - increase in accumulated surplus by \$539,779,077, a decrease in deferred revenue by \$6,583,237 and a decrease in deferred capital revenue by \$533,195,840.

#### b) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand balances on deposit in financial institutions 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 shown net of allowance for doubtful accounts. (See Note 4)



# School District No. 36 (Surrey)

## Notes to Financial Statements

Year Ended June 30, 2017

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

#### d) Portfolio Investments

The School District has investments in GIC's, term deposits and bonds, that either have no maturity dates or have a maturity of greater than 3 months at the time of acquisition. GIC's, term deposits, bonds and other investments not quoted in an active market are reported at cost or amortized cost.

The School District did not include a statement of re-measurement gains and losses as there were no re-measurement transactions to report.

Detailed information regarding portfolio investments is disclosed in Note 5.

#### 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.

#### f) Deferred Revenue and Deferred Capital Revenue

Deferred revenue includes both government transfers and other 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(l).

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.

#### g) 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.

# School District No. 36 (Surrey)

## Notes to Financial Statements

Year Ended June 30, 2017

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

#### g) Employee Future Benefits (cont'd)

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.

#### h) Prepaid Expenses

Materials and supplies held in central stores for use within the district are included as a prepaid expense and stated at acquisition cost and are charged to expense over the periods expected to benefit.

#### i) 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 Notes 13 – Interfund Transfers and Note 20 – Internally Restricted – Operating Fund).

#### j) Liability for Contaminated Sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when a site is not in productive use all the following criteria are met:

- an environmental standard exists;
- contamination exceeds the environmental standard;
- the School District:
  - is directly responsible; or
  - accepts responsibility;
- it is expected that future economic benefits will be given up; and
- a reasonable estimate of the amount can be made.

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

#### k) Tangible Capital Assets

The following criteria apply:

- Tangible capital assets acquired or constructed are recorded at cost which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost also includes overhead directly attributable to construction as well as interest costs that are directly attributable to the acquisition or construction of the asset.
- Donated tangible capital assets are recorded at their fair market value on the date of donation, except in circumstances where fair value cannot be reasonably determined, which are then recognized at nominal value. Transfers of capital assets from related parties 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.

# School District No. 36 (Surrey)

## Notes to Financial Statements

Year Ended June 30, 2017

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

#### k) Tangible Capital Assets *(Continued)*

- 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

#### l) Revenue Recognition

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

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

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

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

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

The accounting treatment for restricted contributions that are government transfers 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.

# School District No. 36 (Surrey)

## Notes to Financial Statements

Year Ended June 30, 2017

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

#### m) Expenditures

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

- 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.

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

#### o) Financial Instruments

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

Financial instruments consist of cash and cash equivalents, accounts receivable, portfolio investments, accounts payable and accrued liabilities, and other liabilities. The School District does not have any derivatives.

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. Interest and dividends attributable to financial instruments are reported in the statement of operations.

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

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

**School District No. 36 (Surrey)**  
**Notes to Financial Statements**  
Year Ended June 30, 2017

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

p) 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.

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# School District No. 36 (Surrey)

## Notes to Financial Statements

Year Ended June 30, 2017

### NOTE 3 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 4 ACCOUNTS RECEIVABLE – OTHER

	June 30, 2017	June 30, 2016
Due from Federal Government	\$ 1,977,353	\$ 1,364,334
Trade accounts receivable	443,644	612,218
Interest receivable	252,749	238,945
Payroll accounts receivable	87,258	117,958
Other accounts receivable	82,353	16,769
School site acquisition charges	1,406,890	1,350,314
	<b>\$ 4,250,247</b>	<b>\$ 3,700,538</b>

### NOTE 5 PORTFOLIO INVESTMENTS

Investments consist of bank GIC, bank corporate, provincial, federal and municipal bonds.

	June 30, 2017			June 30, 2016		
	Effective Fair Value Yield	Cost	Fair Value	Effective Fair Value Yield	Cost	Fair Value
Bank term investments	2.16%	\$ 1,000,000	\$ 1,000,000	2.13%	\$ 5,513,000	\$ 5,513,000
Fixed income securities						
Bank corporate	2.51%	\$ 32,543,968	\$ 32,458,160	2.66%	\$ 25,664,062	\$ 25,936,324
Federal bonds	0.00%	-	-	3.13%	3,589,874	3,540,752
Provincial bonds	3.12%	7,877,745	7,762,483	3.07%	8,406,348	8,664,354
Municipal bonds	2.89%	2,156,737	2,202,344	2.87%	1,849,536	1,962,163
Total Portfolio Investments		<b>\$ 43,578,450</b>	<b>\$ 43,422,987</b>		<b>\$ 45,022,820</b>	<b>\$ 45,616,593</b>

# School District No. 36 (Surrey)

## Notes to Financial Statements

Year Ended June 30, 2017

### NOTE 6 UNEARNED REVENUE

Unearned revenue as at June 30<sup>th</sup>, 2017

	<b>Balance, June 30, 2016</b>	<b>Increases to Unearned Revenue</b>	<b>Revenue recognized in the period</b>	<b>Balance, June 30, 2017</b>
	\$	\$	\$	\$
Tuition Fees	13,245,079	15,576,454	(15,319,721)	13,501,812
Rental/Lease of Facilities	138,323	2,913,954	(2,911,196)	141,081
<b>Total</b>	<b>13,383,402</b>	<b>18,490,408</b>	<b>(18,230,917)</b>	<b>13,642,893</b>

Unearned revenue as at June 30<sup>th</sup>, 2016

	<b>Balance, June 30, 2015</b>	<b>Increases to Unearned Revenue</b>	<b>Revenue recognized in the period</b>	<b>Balance, June 30, 2016</b>
	\$	\$	\$	\$
Tuition Fees	12,416,310	15,151,439	(14,322,670)	13,245,079
Rental/Lease of Facilities	34,432	2,931,729	(2,827,838)	138,323
<b>Total</b>	<b>12,450,742</b>	<b>18,083,168</b>	<b>(17,150,508)</b>	<b>13,383,402</b>

### NOTE 7 DEFERRED REVENUE

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

Deferred Revenue as at June 30<sup>th</sup>, 2017

	<b>Balance, June 30, 2016</b>	<b>Contributions received</b>	<b>Revenue recognized in the period</b>	<b>Balance, June 30, 2017</b>
	\$	\$	\$	\$
Provincial Grants - Ministry of Education	2,864,861	27,902,804	(26,977,048)	3,790,617
Provincial Grants - Other	32,500	-	(1,625)	30,875
Federal Grants	19,719	949,773	(969,492)	-
Other	6,046,073	17,656,244	(16,463,946)	7,238,371
Investment Income	-	6,306	(6,306)	-
<b>Total</b>	<b>8,963,153</b>	<b>46,515,127</b>	<b>(44,418,417)</b>	<b>11,059,863</b>

# School District No. 36 (Surrey)

## Notes to Financial Statements

Year Ended June 30, 2017

### NOTE 7 DEFERRED REVENUE (Continued)

Deferred Revenue as at June 30<sup>th</sup>, 2016

	Balance, June 30, 2015	Contributions received	Revenue recognized in the period	Balance, June 30, 2016
	\$	\$	\$	\$
Provincial Grants - Ministry of Education	4,025,665	20,799,470	(21,960,274)	2,864,861
Provincial Grants - Other	36,750	-	(4,250)	32,500
Federal Grants	-	631,983	(612,264)	19,719
Other	5,629,101	16,191,079	(15,774,107)	6,046,073
Investment Income	-	8,495	(8,495)	-
<b>Total</b>	<b>9,691,516</b>	<b>37,631,027</b>	<b>(38,359,390)</b>	<b>8,963,153</b>

### 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.

	2017 \$	2016 \$
Deferred Capital Revenue, (includes Work in progress), beginning of year, July 1st.	545,520,452	550,484,156
Increases:		
Provincial Grants - MOE	38,621,890	25,358,394
Provincial Grants - Other	89,094	-
Local Government Site Fees	3,096,129	2,238,632
Investment Income	150,685	304,239
Sale of Capital Asset	-	-
	<u>41,957,798</u>	<u>27,901,265</u>
Decreases:		
Transfers to revenue - site purchases	12,784,443	10,694,322
Amortization of Deferred Capital Revenue	22,531,943	22,170,647
	<u>35,316,386</u>	<u>32,864,969</u>
Net Change for the year	6,641,412	(4,963,704)
Deferred Capital Revenue (includes Work in progress), end of year, June 30th.	<b>552,161,864</b>	<b>545,520,452</b>

Work in progress amount as of June 30, 2017 was \$27,176,075 (June 30, 2016: \$15,605,004).



**School District No. 36 (Surrey)**  
**Notes to Financial Statements**  
Year Ended June 30, 2017

**NOTE 9 EMPLOYEE FUTURE BENEFITS**

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

	<u>June 30, 2017</u>	<u>June 30, 2016</u>
	\$	\$
<b>Reconciliation of Accrued Benefit Obligation</b>		
Accrued Benefit Obligation – April 1	17,039,343	17,768,013
Service Cost	817,484	1,063,924
Interest Cost	408,514	397,039
Benefit Payments	(1,842,332)	(2,100,530)
Actuarial (Gain) Loss	(1,398,556)	(89,103)
Accrued Benefit Obligation – March 31	<u>15,024,453</u>	<u>17,039,343</u>
<b>Reconciliation of Funded Status at End of Fiscal Year</b>		
Accrued Benefit Obligation - March 31	15,024,453	17,039,343
Market Value of Plan Assets - March 31	-	-
Funded Status - Surplus (Deficit)	(15,024,453)	(17,039,343)
Employer Contributions After Measurement Date	260,091	232,730
Benefits Expense After Measurement Date	(306,050)	(306,500)
Unamortized Net Actuarial (Gain) Loss	(652,058)	873,346
Accrued Benefit Asset (Liability) - June 30	<u>(15,722,470)</u>	<u>(16,239,767)</u>
<b>Reconciliation of Change in Accrued Benefit Liability</b>		
Accrued Benefit Liability (Asset) - July 1	16,239,767	16,733,167
Net Expense for Fiscal Year	1,352,397	1,537,556
Employer Contributions	(1,869,694)	(2,030,956)
Accrued Benefit Liability (Asset) - June 30	<u>15,722,470</u>	<u>16,239,767</u>
<b>Components of Net Benefit Expense</b>		
Service Cost	817,934	1,002,314
Interest Cost	407,615	399,908
Amortization of Net Actuarial (Gain)/Loss	126,848	135,334
Net Benefit Expense (Income)	<u>1,352,397</u>	<u>1,537,556</u>

# School District No. 36 (Surrey)

## Notes to Financial Statements

Year Ended June 30, 2017

### NOTE 9 EMPLOYEE FUTURE BENEFITS *(Continued)*

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

	2017	2016
Discount Rate – April 1	2.50%	2.25%
Discount Rate – March 31	2.75%	2.50%
Long Term Salary Growth – April 1	2.50% + seniority	2.50% + seniority
Long Term Salary Growth – March 31	2.50% + seniority	2.50% + seniority
EARSL – March 31	10.5 years	10.5 years

### NOTE 10 OTHER LIABILITIES

Vacation pay and banked overtime are recognized as an expense at the time the entitlement is earned through service.

	June 30, 2017	June 30, 2016
	\$	\$
Salaries and Benefits Payable	46,526,989	44,257,001
Accrued Vacation Pay	7,115,862	7,145,195
	<b>53,642,851</b>	<b>51,402,196</b>

# School District No. 36 (Surrey)

## Notes to Financial Statements

Year Ended June 30, 2017

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### NOTE 11 EMPLOYEE PENSION PLANS

The School District and its employees contribute to the Teachers' Pension Plan and Municipal Pension Plan, jointly trustee pension plans. The board of trustees for these plans represents plan members and employers and is 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. Defined contribution plan accounting is applied to the plans as the plan exposes the participating entities to actuarial risks associated with the current and former employees of other entities, with the result that there is no consistent and reliable basis for allocating the obligation, plan assets and cost to individual entities participating in the plan. The School District's employer contributions to these plans in the fiscal year ended June 30, 2017 were \$ 58,431,136, (2016: \$62,328,023).

#### Teachers' Pension Plan

Every three years, an actuarial valuation is performed to assess the financial position of the plans and the adequacy of plan funding. 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 next valuation will be as at December 31, 2017 with results available in 2018.

As of 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.

Teacher Pension Plan is determined on a formula based on contribution rates as a percentage of salary. The following rates were used for 2017 and 2016 fiscal years.

	Employer
On salary equal to or less than Year's Maximum Pensionable Earnings (YMPE)	12.81%
On salary equal to or greater than Year's Maximum Pensionable Earnings (YMPE)	14.31%

YMPE for 2017 set at \$55,300.

YMPE for 2016 set at \$54,900.

#### Municipal Pension Plan

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 rates remained unchanged. The next valuation will be as at December 31, 2018 with results available in 2019.

As of December 31, 2016, The Municipal Pension Plan has about 193,000 active members, of which approximately 24,000 are from school districts.

Municipal Pension Plan is determined on a formula based on contribution rate of 9.96% of salary for 2017 (2016: 9.96%).

**School District No. 36 (Surrey)**  
**Notes to Financial Statements**  
Year Ended June 30, 2017

**NOTE 12 TANGIBLE CAPITAL ASSETS**

<b>June 30, 2017</b>	<b>Land</b>	<b>Building</b>	<b>Furniture and Equipment</b>	<b>Vehicles</b>	<b>Computer Software</b>	<b>Computer Hardware</b>	<b>2017 Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Cost							
Beginning of year	274,157,139	1,068,810,766	35,878,955	6,627,574	2,895,112	10,063,343	1,398,432,889
Additions	14,741,547	39,880,593	3,585,515	731,732	529,908	3,697,588	63,166,883
Disposals							-
Deemed Disposals		-	(5,080,399)	(878,346)	(359,047)	(2,598,090)	(8,915,882)
Closing Balance	288,898,686	1,108,691,359	34,384,071	6,480,960	3,065,973	11,162,841	1,452,683,890
Accumulated Amortization							
Beginning Balance		429,887,531	17,836,988	3,270,515	1,329,614	5,558,981	457,883,629
Amortization		25,170,347	3,767,172	699,344	632,014	2,371,836	32,640,713
Disposals							-
Deemed Disposals			(5,080,399)	(878,346)	(359,047)	(2,598,090)	(8,915,882)
Closing Balance		455,057,878	16,523,761	3,091,513	1,602,581	5,332,727	481,608,460
Net Book Value	288,898,686	653,633,481	17,860,310	3,389,447	1,463,392	5,830,114	971,075,430

Cost at June 30<sup>th</sup>, 2017, includes work in progress on Buildings for \$34,289,248.

**School District No. 36 (Surrey)**  
**Notes to Financial Statements**  
Year Ended June 30, 2017

**NOTE 12 TANGIBLE CAPITAL ASSETS** *(Continued)*

<b>June 30, 2016</b>	<b>Land</b>	<b>Building</b>	<b>Furniture and Equipment</b>	<b>Vehicles</b>	<b>Computer Software</b>	<b>Computer Hardware</b>	<b>2016 Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Cost							
Beginning of year	262,191,476	1,039,712,803	34,829,744	6,374,536	2,737,418	8,791,933	1,354,637,910
Additions	11,965,663	29,105,463	4,354,264	1,186,524	842,021	3,095,309	50,549,244
Disposals		(7,500)					(7,500)
Deemed Disposals			(3,305,053)	(933,486)	(684,327)	(1,823,899)	(6,746,765)
Closing Balance	274,157,139	1,068,810,766	35,878,955	6,627,574	2,895,112	10,063,343	1,398,432,889
Accumulated Amortization							
Beginning Balance		405,244,877	17,441,353	3,507,220	1,382,255	5,314,963	432,890,668
Amortization		24,642,654	3,700,688	696,781	631,686	2,067,917	31,739,726
Disposals							-
Deemed Disposals			(3,305,053)	(933,486)	(684,327)	(1,823,899)	(6,746,765)
Closing Balance		429,887,531	17,836,988	3,270,515	1,329,614	5,558,981	457,883,629
Net Book Value	274,157,139	638,923,235	18,041,967	3,357,059	1,565,498	4,504,362	940,549,260

Cost at June 30<sup>th</sup>, 2016, includes work in progress on Buildings for \$15,605,004.

# School District No. 36 (Surrey)

## Notes to Financial Statements

Year Ended June 30, 2017

### NOTE 13 INTERFUND TRANSFERS

The School District manages their accounts using three different funds – operating, special purpose and capital. Transfers between funds during the current year are as follows:

- Transfers of \$2,906,100 (2016: \$687,043) from the operating fund and \$345,456 (2016: \$538,737) from the special purpose fund, totalling \$3,251,556 (2016: \$1,225,780) to the capital fund, were made to purchase various capital assets;
- Transfers of \$4,209,451 (2016: \$12,496,373) from the operating fund to the capital fund's local capital were made for the district's commitment to approved government capital projects, furniture and equipment, vehicles and other infrastructure upgrades.

### NOTE 14 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 15 CONTRACTUAL OBLIGATIONS

The School District has a total of \$27,545,681 (2016: \$37,314,038) of contractual obligations at year end related to the construction or renovation of buildings, which are funded from deferred capital revenues of Ministry of Education Bylaw capital, Restricted Capital, Land Capital, Local Capital Reserve funds. Disclosure relates to the unperformed portion of the contracts.

#### Contractual Commitments:

Salish Secondary	CCDC Contract	\$ 12,623,711
Portables	CCDC Contract	4,872,886
Woodward Hill Elementary	CCDC Contract	4,186,387
Mechanical Upgrades - Various Sites	CCDC Contract	3,154,535
Roofing Projects - Various Sites	CCDC Contract	849,332
Functional Improvements - Various Sites	CCDC Contract	745,579
Painting Projects - Various Sites	CCDC Contract	389,225
McLoed Road Elementary	CCDC Contract	370,105
Electrical Upgrades - Various Sites	CCDC Contract	205,310
Site 206 (Grandview South Elementary)	CCDC Contract	94,312
Latimer Road Elementary	CCDC Contract	16,586
Elgin Park Secondary	CCDC Contract	11,420
Lord Tweedsmuir Secondary	CCDC Contract	10,020
Earl Marriott Secondary	CCDC Contract	7,402
Site Improvements - Various Sites	CCDC Contract	5,131
Frank Hurt Secondary	CCDC Contract	3,739
<b>Total Construction Commitments</b>		<b>\$ 27,545,681</b>

# School District No. 36 (Surrey)

## Notes to Financial Statements

Year Ended June 30, 2017

### NOTE 16 OPERATING LEASE OBLIGATIONS

The School District has operating lease agreements for facilities that require payments over the next five fiscal years ending June 30 as follows:

2018	\$655,877
2019	\$339,068
2020	\$261,953
2021	\$254,943
2022	\$234,536

### NOTE 17 CONTINGENCIES

In the ordinary course of operations, the School District has legal proceedings brought against it and provisions have been included in liabilities where appropriate. It is the opinion of management that final determination of these claims will not have a material effect on the financial position or operations of the School District. The resulting loss on the District, if any, will be recorded in the period in which it is determinable.

### NOTE 18 ASSET RETIREMENT OBLIGATION

Legal liabilities may exist for the removal or disposal of asbestos in schools that will undergo major renovations or demolition. The value of the liability for asbestos removal or disposal will be recognized in the period in which a reasonable estimate of fair value can be made. As at June 30, 2017 the liability is not reasonably determinable.

### NOTE 19 EXPENSE BY OBJECT

	2017	2016
Salaries and Benefits	\$ 594,588,274	\$ 576,368,642
Services and Supplies	79,530,686	75,127,563
Amortization	32,640,713	31,739,726
<b>Total</b>	<b>\$ 706,759,673</b>	<b>\$ 683,235,931</b>

### NOTE 20 INTERNALLY RESTRICTED – OPERATING FUND

The School District attributes a portion of the accumulated surplus to an internal operating fund and internally restricts for 2017: \$30,067,132 (2016: \$19,807,888). The detail of the internal restricted items are as follows:

2017-2018 Operating Budget	\$ 16,410,898
School Learning Grant	3,563,213
Learning Resources/Curriculum Implementation	3,000,000
Facilities Code Upgrades	2,000,000
Facilities Equipment/Fleet Renewal	1,000,000
Net School Operating Surplus	1,633,786
Learning Resources Surplus	723,488
Business/Human Resources System Reviews	500,000
Aboriginal Education Targeted Funds	427,078
Business Development	263,331
Safe Schools Wrap Contributions	257,000
Food Services	193,338
MyBC ESIS Upgrades	95,000
<b>Total Internally Restricted Items</b>	<b>\$ 30,067,132</b>

# School District No. 36 (Surrey)

## Notes to Financial Statements

Year Ended June 30, 2017

### NOTE 21 BUDGET FIGURES

Budget figures included in the financial statements are the School District's amended annual budget adopted by the Board of Education on February 18<sup>th</sup>, 2016 and reflect more current estimates on student FTE, revenues and expenditures.

	Original Budget \$	Amended Budget \$	Change \$
<b>Statement 2</b>			
<b>Revenue</b>			
Provincial Grants			
Ministry of Education	645,646,840	654,803,578	9,156,738
Other	320,000	352,500	32,500
Municipal Grants Spent on Sites	-	5,258,128	5,258,128
Federal Grants	2,197,061	3,376,215	1,179,154
Tuition	13,642,174	14,879,448	1,237,274
Other Revenues	16,273,536	19,116,668	2,843,132
Rental and Leases	2,300,150	2,335,150	35,000
Investment Income	2,209,000	2,256,000	47,000
Gain (Loss) on Disposal of Tangible Capital Assets	-	-	-
Amortization of Deferred Capital Revenue	22,100,000	22,272,000	172,000
<b>Total Revenue</b>	<b>704,688,761</b>	<b>724,649,687</b>	<b>19,960,926</b>
<b>Expenses</b>			
Instruction	593,656,801	603,388,267	9,731,466
District Administration	13,530,054	15,185,203	1,655,149
Operations and Maintenance	98,862,841	100,695,252	1,832,411
Transportation and Housing	5,312,940	5,671,212	358,272
<b>Total Expense</b>	<b>711,362,636</b>	<b>724,939,934</b>	<b>13,577,298</b>
<b>Net Revenue</b>	<b>(6,673,875)</b>	<b>(290,247)</b>	<b>6,383,628</b>
Budgeted Allocation of Surplus (Deficit)	6,282,717	21,408,660	15,125,943
<b>Budgeted Surplus (Deficit) for the Year</b>	<b>(391,158)</b>	<b>21,118,413</b>	<b>21,509,571</b>
<b>Statement 4</b>			
<b>Surplus (Deficit) for the year</b>	<b>(6,673,875)</b>	<b>(290,247)</b>	<b>6,383,628</b>
<b>Effect of change in Tangible Capital Assets</b>			
Acquisition of Tangible Capital Assets	(36,360,537)	(56,227,893)	(19,867,356)
Amortization of Tangible Capital Assets	32,100,000	32,850,000	750,000
Net carrying value of Tangible Capital Assets disposed of	-	-	-
<b>Total Effects of change in Tangible Assets</b>	<b>(4,260,537)</b>	<b>(23,377,893)</b>	<b>(19,117,356)</b>
<b>(Increase) Decrease in Net Financial Assets (Debt) before Net Remeasurment Gains (Losses)</b>	<b>(10,934,412)</b>	<b>(23,668,140)</b>	<b>(12,733,728)</b>

#### Statement 2

The significant changes between the original budget and amended were:

##### Revenues:

- Ministry Grants – Amended to reflect actual approved Capital Revenue draws and Operating grant adjustments, New Special Purpose fund, Priority Measures \$6.3 million provided to district in January 2017
- Tuition – International student tuition higher than originally projected



# School District No. 36 (Surrey)

## Notes to Financial Statements

Year Ended June 30, 2017

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### NOTE 21 BUDGET FIGURES *(Continued)*

Expenses:

- Instruction – Recognition of Board approved use of internally restricted funds from 2016 and increased teacher and EA staffing required to address additional student growth
- Operations and Maintenance – Recognition of Board approved use of internally restricted funds from 2016

Budgeted Allocation of Surplus – Actual 2016 year end Surplus greater than anticipated

Statement 4

The significant changes between original budget and amended were:

- Subsequent approvals from Ministry of Education to draw on Deferred Capital revenues

### NOTE 22 RISK MANAGEMENT

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

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

a) Credit risk:

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

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

It is management's opinion that the School District is not exposed to significant credit risk associated with its cash deposits and investments as they are placed in recognized Canadian and British Columbia financial 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. The School District is exposed to interest rate risk through its investments. The investment objectives are on protecting investments rather than the potential for superior returns. The school district has very low tolerance for risk with investments and prefers a low degree of price volatility.

**School District No. 36 (Surrey)**  
**Notes to Financial Statements**  
Year Ended June 30, 2017

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**NOTE 22**      **RISK MANAGEMENT** *(Continued)*

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.

Draft

# School District No. 36 (Surrey)

Schedule 1 (Unaudited)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund  
Year Ended June 30, 2017

	Operating Fund	Special Purpose Fund	Capital Fund	2017 Actual	2016 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	21,408,660		461,229,395	482,638,055	464,406,977
Changes for the year					
Surplus (Deficit) for the year	21,808,998	345,456	3,450,628	25,605,082	18,231,078
Interfund Transfers					
Tangible Capital Assets Purchased	(2,906,100)	(345,456)	3,251,556	-	
Local Capital	(4,209,451)		4,209,451	-	
Net Changes for the year	14,693,447	-	10,911,635	25,605,082	18,231,078
Accumulated Surplus (Deficit), end of year - Statement 2	36,102,107	-	472,141,030	508,243,137	482,638,055

# School District No. 36 (Surrey)

## Schedule of Operating Operations

Year Ended June 30, 2017

Schedule 2 (Unaudited)

	2017 Budget (Note 21)	2017 Actual	2016 Actual
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	618,744,656	<b>626,162,206</b>	605,200,189
Other	320,000	<b>377,950</b>	456,700
Federal Grants	2,642,623	<b>2,623,240</b>	2,220,930
Tuition	14,879,448	<b>15,319,720</b>	14,322,670
Other Revenue	2,427,668	<b>2,810,577</b>	2,877,964
Rentals and Leases	2,335,150	<b>2,911,196</b>	2,827,838
Investment Income	1,500,000	<b>1,650,108</b>	1,557,089
<b>Total Revenue</b>	<b>642,849,545</b>	<b>651,854,997</b>	<b>629,463,380</b>
<b>Expenses</b>			
Instruction	559,781,344	<b>545,406,671</b>	532,454,029
District Administration	15,185,203	<b>13,239,211</b>	12,434,871
Operations and Maintenance	65,282,161	<b>65,640,267</b>	63,482,655
Transportation and Housing	5,671,212	<b>5,759,850</b>	5,303,997
<b>Total Expense</b>	<b>645,919,920</b>	<b>630,045,999</b>	<b>613,675,552</b>
<b>Operating Surplus (Deficit) for the year</b>	<b>(3,070,375)</b>	<b>21,808,998</b>	<b>15,787,828</b>
<b>Budgeted Appropriation (Retirement) of Surplus (Deficit)</b>	<b>9,100,573</b>		
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased	(2,827,893)	<b>(2,906,100)</b>	(687,043)
Local Capital	(3,202,305)	<b>(4,209,451)</b>	(12,496,373)
<b>Total Net Transfers</b>	<b>(6,030,198)</b>	<b>(7,115,551)</b>	<b>(13,183,416)</b>
<b>Total Operating Surplus (Deficit), for the year</b>	<b>-</b>	<b>14,693,447</b>	<b>2,604,412</b>
<b>Operating Surplus (Deficit), beginning of year</b>		<b>21,408,660</b>	<b>18,804,248</b>
<b>Operating Surplus (Deficit), end of year</b>		<b>36,102,107</b>	<b>21,408,660</b>
<b>Operating Surplus (Deficit), end of year</b>			
Internally Restricted (Note 20)		<b>30,067,132</b>	19,807,888
Unrestricted		<b>6,034,975</b>	1,600,772
<b>Total Operating Surplus (Deficit), end of year</b>		<b>36,102,107</b>	<b>21,408,660</b>

**School District No. 36 (Surrey)**

Schedule 2A (Unaudited)

## Schedule of Operating Revenue by Source

Year Ended June 30, 2017

	2017 Budget (Note 21)	2017 Actual	2016 Actual
	\$	\$	\$
<b>Provincial Grants - Ministry of Education</b>			
Operating Grant, Ministry of Education	610,517,410	<b>610,343,431</b>	595,069,227
INAC/LEA Recovery	(41,784)	<b>(73,760)</b>	(45,869)
Other Ministry of Education Grants			
Pay Equity	6,861,222	<b>6,861,224</b>	6,861,224
Funding for Graduated Adults	773,500	<b>1,275,053</b>	
Transportation Supplement	72,999	<b>72,999</b>	
Economic Stability Dividend	390,423	<b>377,390</b>	517,095
Return of Administrative Savings		<b>3,128,483</b>	
Carbon Tax Grant		<b>432,146</b>	419,847
Student Learning Grant		<b>3,569,213</b>	
Other Miscellaneous	170,886	<b>252,869</b>	404,612
Education Guarantee			1,476,794
Refugee Count Special Grant			497,259
2016/2017 Cont. Ed. Enrolment Compliance Audit Recovery		<b>(76,842)</b>	
<b>Total Provincial Grants - Ministry of Education</b>	<b>618,744,656</b>	<b>626,162,206</b>	605,200,189
<b>Provincial Grants - Other</b>	<b>320,000</b>	<b>377,950</b>	456,700
<b>Federal Grants</b>	<b>2,642,623</b>	<b>2,623,240</b>	2,220,930
<b>Tuition</b>			
Summer School Fees	216,948	<b>216,147</b>	199,174
Continuing Education	587,500	<b>755,195</b>	622,989
International and Out of Province Students	14,075,000	<b>14,348,378</b>	13,500,507
<b>Total Tuition</b>	<b>14,879,448</b>	<b>15,319,720</b>	14,322,670
<b>Other Revenues</b>			
LEA/Direct Funding from First Nations	41,784	<b>73,760</b>	45,869
Miscellaneous			
Teaching Kitchen	812,600	<b>815,396</b>	777,031
Energy Management	150,000	<b>115,081</b>	141,024
Worksafe BC	340,000	<b>434,341</b>	419,765
Other Miscellaneous	1,083,284	<b>1,371,999</b>	1,494,275
<b>Total Other Revenue</b>	<b>2,427,668</b>	<b>2,810,577</b>	2,877,964
<b>Rentals and Leases</b>	<b>2,335,150</b>	<b>2,911,196</b>	2,827,838
<b>Investment Income</b>	<b>1,500,000</b>	<b>1,650,108</b>	1,557,089
<b>Total Operating Revenue</b>	<b>642,849,545</b>	<b>651,854,997</b>	629,463,380

# School District No. 36 (Surrey)

Schedule 2B (Unaudited)

## Schedule of Operating Expense by Object

Year Ended June 30, 2017

	2017 Budget (Note 21)	2017 Actual	2016 Actual
	\$	\$	\$
<b>Salaries</b>			
Teachers	308,079,632	<b>306,777,690</b>	298,416,960
Principals and Vice Principals	28,263,843	<b>28,248,947</b>	27,066,489
Educational Assistants	56,763,956	<b>53,915,605</b>	48,559,878
Support Staff	51,803,467	<b>49,787,757</b>	49,083,893
Other Professionals	9,249,842	<b>8,731,481</b>	8,995,552
Substitutes	20,528,251	<b>17,215,498</b>	16,693,223
<b>Total Salaries</b>	<b>474,688,991</b>	<b>464,676,978</b>	448,815,995
<b>Employee Benefits</b>	109,440,184	<b>107,487,817</b>	109,957,893
<b>Total Salaries and Benefits</b>	<b>584,129,175</b>	<b>572,164,795</b>	558,773,888
<b>Services and Supplies</b>			
Services	15,132,955	<b>17,261,034</b>	15,984,521
Student Transportation	5,037,165	<b>4,972,837</b>	4,454,702
Professional Development and Travel	2,254,077	<b>2,084,327</b>	1,807,498
Rentals and Leases	781,600	<b>736,478</b>	922,889
Dues and Fees	1,982,108	<b>1,527,458</b>	1,882,959
Insurance	1,525,909	<b>1,427,544</b>	1,652,869
Interest	-	-	-
Supplies	25,078,337	<b>19,791,162</b>	18,283,680
Utilities	9,998,594	<b>10,080,364</b>	9,912,546
<b>Total Services and Supplies</b>	<b>61,790,745</b>	<b>57,881,204</b>	54,901,664
<b>Total Operating Expense</b>	<b>645,919,920</b>	<b>630,045,999</b>	613,675,552

# School District No. 36 (Surrey)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2017

	Teachers Salaries	Principals and Vice Principals Salaries	Educational Assistants Salaries	Support Staff Salaries	Other Professionals Salaries	Substitutes Salaries	Total Salaries
	\$	\$	\$	\$	\$	\$	\$
<b>1 Instruction</b>							
1.02 Regular Instruction	236,249,430	3,970,190		5,219,770	788,899	9,799,001	256,027,290
1.03 Career Programs	3,066,071	123,313		1,253,669		129,971	4,573,024
1.07 Library Services	6,607,703	69,350		573,526	46,386	273,570	7,570,535
1.08 Counselling	7,880,594	118,474				312,111	8,311,179
1.10 Special Education	33,557,265	2,418,594	50,653,907	443,383		3,342,259	90,415,408
1.30 English Language Learning	11,996,794		429,755			474,565	12,901,114
1.31 Aboriginal Education	716,961	103,662	1,619,252	78,948	143,537	126,308	2,788,668
1.41 School Administration	19,548	20,244,424		11,857,603		557,820	32,679,395
1.60 Summer School	1,578,042	186,693	41,678	131,810			1,938,223
1.61 Continuing Education	277,073	28,614		46,197			351,884
1.62 International and Out of Province Students	4,219,592	357,278	57,103	990,805	294,012	193,809	6,112,599
1.64 Other	261,880		1,098,761	132,184	148,092		1,640,917
<b>Total Function 1</b>	<b>306,430,953</b>	<b>27,620,592</b>	<b>53,900,456</b>	<b>20,727,895</b>	<b>1,420,926</b>	<b>15,209,414</b>	<b>425,310,236</b>
<b>4 District Administration</b>							
4.11 Educational Administration	253,104	119,528		141,841	1,639,300		2,153,773
4.40 School District Governance				152,313	357,502		509,815
4.41 Business Administration	25,722	508,827		3,106,669	2,755,654	9,624	6,406,496
<b>Total Function 4</b>	<b>278,826</b>	<b>628,355</b>	<b>-</b>	<b>3,400,823</b>	<b>4,752,456</b>	<b>9,624</b>	<b>9,070,084</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration	67,911		15,149	1,116,762	1,271,568	4,065	2,475,455
5.50 Maintenance Operations				22,004,359	1,055,417	1,863,341	24,923,117
5.52 Maintenance of Grounds				2,076,919	95,440	59,697	2,232,056
5.56 Utilities							-
<b>Total Function 5</b>	<b>67,911</b>	<b>-</b>	<b>15,149</b>	<b>25,198,040</b>	<b>2,422,425</b>	<b>1,927,103</b>	<b>29,630,628</b>
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration				95,824	135,674		231,498
7.70 Student Transportation				365,175		69,357	434,532
7.73 Housing							-
<b>Total Function 7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>460,999</b>	<b>135,674</b>	<b>69,357</b>	<b>666,030</b>
<b>9 Debt Services</b>							
9.92 Interest on Bank Loans							-
9.94 Interest on Temporary Borrowing							-
<b>Total Function 9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Functions 1 - 9</b>	<b>306,777,690</b>	<b>28,248,947</b>	<b>53,915,605</b>	<b>49,787,757</b>	<b>8,731,481</b>	<b>17,215,498</b>	<b>464,676,978</b>

# School District No. 36 (Surrey)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2017

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2017 Actual	2017 Budget (Note 21)	2016 Actual
	\$	\$	\$	\$	\$	\$	\$
<b>1 Instruction</b>							
1.02 Regular Instruction	256,027,290	58,645,430	314,672,720	9,556,324	324,229,044	331,177,636	320,723,883
1.03 Career Programs	4,573,024	1,093,890	5,666,914	1,134,006	6,800,920	7,205,208	6,779,400
1.07 Library Services	7,570,535	1,761,193	9,331,728	4,634,025	13,965,753	14,826,440	12,610,064
1.08 Counselling	8,311,179	1,944,174	10,255,353		10,255,353	10,279,453	10,091,664
1.10 Special Education	90,415,408	22,146,836	112,562,244	1,210,002	113,772,246	117,304,128	107,049,551
1.30 English Language Learning	12,901,114	3,034,264	15,935,378	9,505	15,944,883	16,070,691	15,946,454
1.31 Aboriginal Education	2,788,668	673,108	3,461,776	284,582	3,746,358	4,163,161	3,720,015
1.41 School Administration	32,679,395	7,211,778	39,891,173	1,210,995	41,102,168	42,366,817	40,741,843
1.60 Summer School	1,938,223	364,879	2,303,102	241,500	2,544,602	2,648,387	2,600,972
1.61 Continuing Education	351,884	35,710	387,594	195,395	582,989	570,154	382,478
1.62 International and Out of Province Students	6,112,599	1,381,630	7,494,229	2,585,263	10,079,492	10,679,664	9,752,409
1.64 Other	1,640,917	348,278	1,989,195	393,668	2,382,863	2,489,605	2,055,296
<b>Total Function 1</b>	<b>425,310,236</b>	<b>98,641,170</b>	<b>523,951,406</b>	<b>21,455,265</b>	<b>545,406,671</b>	<b>559,781,344</b>	<b>532,454,029</b>
<b>4 District Administration</b>							
4.11 Educational Administration	2,153,773	410,831	2,564,604	876,513	3,441,117	4,463,039	2,586,227
4.40 School District Governance	509,815	52,861	562,676	220,783	783,459	941,732	757,013
4.41 Business Administration	6,406,496	1,308,316	7,714,812	1,299,823	9,014,635	9,780,432	9,091,631
<b>Total Function 4</b>	<b>9,070,084</b>	<b>1,772,008</b>	<b>10,842,092</b>	<b>2,397,119</b>	<b>13,239,211</b>	<b>15,185,203</b>	<b>12,434,871</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration	2,475,455	451,809	2,927,264	3,236,802	6,164,066	6,691,725	6,115,738
5.50 Maintenance Operations	24,923,117	5,964,913	30,888,030	11,108,067	41,996,097	44,239,249	42,309,808
5.52 Maintenance of Grounds	2,232,056	514,641	2,746,697	1,477,257	4,223,954	4,323,207	3,360,877
5.56 Utilities	-	-	-	13,256,150	13,256,150	10,027,980	11,696,232
<b>Total Function 5</b>	<b>29,630,628</b>	<b>6,931,363</b>	<b>36,561,991</b>	<b>29,078,276</b>	<b>65,640,267</b>	<b>65,282,161</b>	<b>63,482,655</b>
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration	231,498	44,216	275,714	2,017	277,731	317,072	309,838
7.70 Student Transportation	434,532	99,060	533,592	4,948,527	5,482,119	5,354,140	4,994,159
7.73 Housing	-	-	-	-	-	-	-
<b>Total Function 7</b>	<b>666,030</b>	<b>143,276</b>	<b>809,306</b>	<b>4,950,544</b>	<b>5,759,850</b>	<b>5,671,212</b>	<b>5,303,997</b>
<b>9 Debt Services</b>							
9.92 Interest on Bank Loans	-	-	-	-	-	-	-
9.94 Interest on Temporary Borrowing	-	-	-	-	-	-	-
<b>Total Function 9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Functions 1 - 9</b>	<b>464,676,978</b>	<b>107,487,817</b>	<b>572,164,795</b>	<b>57,881,204</b>	<b>630,045,999</b>	<b>645,919,920</b>	<b>613,675,552</b>



# School District No. 36 (Surrey)

## Schedule of Special Purpose Operations

Year Ended June 30, 2017

Schedule 3 (Unaudited)

	2017 Budget (Note 21)	2017 Actual	2016 Actual
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	29,058,922	<b>26,977,048</b>	21,960,274
Other	32,500	<b>1,625</b>	4,250
Federal Grants	733,592	<b>969,492</b>	612,264
Other Revenue	16,689,000	<b>16,463,946</b>	15,774,107
Rentals and Leases	-		-
Investment Income	6,000	<b>6,306</b>	8,495
Income (Loss) from Investments in Government Business Enterprises	-		-
District Entered	-		-
<b>Total Revenue</b>	<u>46,520,014</u>	<u><b>44,418,417</b></u>	<u>38,359,390</u>
<b>Expenses</b>			
Instruction	43,606,923	<b>40,854,044</b>	35,255,844
District Administration	-	<b>655,611</b>	-
Operations and Maintenance	2,563,091	<b>2,563,306</b>	2,564,809
Transportation and Housing	-		-
Debt Services	-		-
District Entered	-		-
<b>Total Expense</b>	<u>46,170,014</u>	<u><b>44,072,961</b></u>	<u>37,820,653</u>
<b>Special Purpose Surplus (Deficit) for the year</b>	<u>350,000</u>	<u><b>345,456</b></u>	<u>538,737</u>
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased	(350,000)	<b>(345,456)</b>	(538,737)
Tangible Capital Assets - Work in Progress	-		-
Other	-		-
<b>Total Net Transfers</b>	<u>(350,000)</u>	<u><b>(345,456)</b></u>	<u>(538,737)</u>
<b>Total Special Purpose Surplus (Deficit) for the year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Special Purpose Surplus (Deficit), beginning of year</b>			-
<b>Special Purpose Surplus (Deficit), end of year</b>		<u>-</u>	<u>-</u>

School District No. 36 (Surrey)

Changes in Special Purpose Funds and Expense by Object  
Year Ended June 30, 2017

	Annual Facility Grant	Learning Improvement Fund	Special Education Equipment	Scholarships and Bursaries	Service Delivery Transformation	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	-	-	3,580	451,120	1,183,145	4,730,267	50,988	60,078	42,888
Add: Restricted Grants									
Provincial Grants - Ministry of Education	2,563,091	12,515,552			245,000		741,644	249,900	542,654
Federal Grants									
Other				362,301		14,832,498			
Investment Income	215			6,091					
	2,563,306	12,515,552	-	368,392	245,000	14,832,498	741,644	249,900	542,654
Less: Allocated to Revenue	2,563,306	12,424,454	3,580	378,382	655,611	14,779,603	750,513	215,982	585,542
Deferred Revenue, end of year	-	91,098	-	441,130	772,534	4,783,162	42,119	93,996	-
Revenues									
Provincial Grants - Ministry of Education	2,563,091	12,424,454	3,580		655,611		750,513	215,982	585,542
Provincial Grants - Other									
Federal Grants									
Other Revenue				372,291		14,779,603			
Investment Income	215			6,091					
	2,563,306	12,424,454	3,580	378,382	655,611	14,779,603	750,513	215,982	585,542
Expenses									
Salaries									
Teachers		7,803,523						84,393	227,127
Educational Assistants		1,988,188						9,595	
Support Staff	201,203				65,887		478,344	2,208	
Other Professionals					156,477		57,238		
Substitutes		387,781					23,873		
	201,203	10,179,492	-	-	222,364	-	559,455	96,196	227,127
Employee Benefits	29,318	2,244,962			46,058		156,808	2,928	28,806
Services and Supplies	2,332,785		3,580	378,382	387,189	14,779,603	34,250	116,858	329,609
	2,563,306	12,424,454	3,580	378,382	655,611	14,779,603	750,513	215,982	585,542
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers									
Tangible Capital Assets Purchased	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 36 (Surrey)

Changes in Special Purpose Funds and Expense by Object  
Year Ended June 30, 2017

	CommunityLINK	Coding and Curriculum Implementation	Priority Measures	Adult Psychiatric Unit	Adolescent Day Treatment Program	Daughters & Sisters PLEA Program	Waypoint Substance House	Gang Prevention	Literacy Innovation
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	1,261,076			3,173	9,110		25,026	19,719	225,797
Add: Restricted Grants									
Provincial Grants - Ministry of Education	3,872,862	371,812	6,209,985	127,448	304,562	89,395	68,899		
Federal Grants								949,773	
Other	203,829								
Investment Income									
	4,076,691	371,812	6,209,985	127,448	304,562	89,395	68,899	949,773	-
Less: Allocated to Revenue	5,231,575	61,599	4,075,080	128,116	303,276	81,377	93,925	969,492	13,889
Deferred Revenue, end of year	106,192	310,213	2,134,905	2,505	10,396	8,018	-	-	211,908
Revenues									
Provincial Grants - Ministry of Education	5,021,013	61,599	4,075,080	128,116	303,276	81,377	93,925		13,889
Provincial Grants - Other									
Federal Grants								969,492	
Other Revenue	210,562								
Investment Income									
	5,231,575	61,599	4,075,080	128,116	303,276	81,377	93,925	969,492	13,889
Expenses									
Salaries									
Teachers	18,875	37,450	3,290,813	81,262	163,662	55,071	87,652	90,528	12,655
Educational Assistants	3,747			19,020	56,737				
Support Staff	2,076,799							310,943	
Other Professionals	394,029							137,765	
Substitutes	43,726		52,346						
	2,537,176	37,450	3,343,159	100,282	220,399	55,071	87,652	539,236	12,655
Employee Benefits	556,835		731,921	21,844	53,017	14,288	3,370	103,350	
Services and Supplies	2,137,564	24,149		5,990	29,860	12,018	2,903	326,906	1,234
	5,231,575	61,599	4,075,080	128,116	303,276	81,377	93,925	969,492	13,889
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers									
Tangible Capital Assets Purchased	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 36 (Surrey)

Changes in Special Purpose Funds and Expense by Object  
Year Ended June 30, 2017

	Donations	PAC Contributions	Coyote Creek BEP	Community Schools Other	TOTAL
	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	690,141	174,545	32,500		8,963,153
Add: Restricted Grants					
Provincial Grants - Ministry of Education					27,902,804
Federal Grants					949,773
Other	1,095,532	269,685		892,399	17,656,244
Investment Income					6,306
	1,095,532	269,685	-	892,399	46,515,127
Less: Allocated to Revenue	814,238	287,252	1,625	-	44,418,417
Deferred Revenue, end of year	971,435	156,978	30,875	892,399	11,059,863
Revenues					
Provincial Grants - Ministry of Education					26,977,048
Provincial Grants - Other			1,625		1,625
Federal Grants					969,492
Other Revenue	814,238	287,252			16,463,946
Investment Income					6,306
	814,238	287,252	1,625	-	44,418,417
Expenses					
Salaries					
Teachers	10,754				11,963,765
Educational Assistants					2,077,287
Support Staff					3,135,384
Other Professionals					745,509
Substitutes					507,726
	10,754	-	-	-	18,429,671
Employee Benefits	303				3,993,808
Services and Supplies	605,189	139,788	1,625		21,649,482
	616,246	139,788	1,625	-	44,072,961
Net Revenue (Expense) before Interfund Transfers	197,992	147,464	-	-	345,456
Interfund Transfers					
Tangible Capital Assets Purchased	(197,992)	(147,464)			(345,456)
	(197,992)	(147,464)	-	-	(345,456)
Net Revenue (Expense)	-	-	-	-	-

# School District No. 36 (Surrey)

Schedule 4 (Unaudited)

## Schedule of Capital Operations

Year Ended June 30, 2017

	2017 Budget (Note 21)	2017 Actual			2016 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
<b>Revenues</b>					
Provincial Grants					
Ministry of Education	7,000,000	7,513,231		7,513,231	4,654,887
Other	-			-	-
Municipal Grants Spent on Sites	5,258,128	5,271,212		5,271,212	6,039,435
Federal Grants	-			-	-
Other Revenue	-		93,436	93,436	60,054
Rentals and Leases	-			-	-
Investment Income	750,000		681,519	681,519	719,216
Gain (Loss) on Disposal of Tangible Capital Assets	-			-	-
Amortization of Deferred Capital Revenue	22,272,000	22,531,943		22,531,943	22,170,647
District Entered	-			-	-
<b>Total Revenue</b>	<b>35,280,128</b>	<b>35,316,386</b>	<b>774,955</b>	<b>36,091,341</b>	<b>33,644,239</b>
<b>Expenses</b>					
Operations and Maintenance	-			-	-
Transportation and Housing	-			-	-
Amortization of Tangible Capital Assets					
Operations and Maintenance	32,850,000	32,640,713		32,640,713	31,739,726
Transportation and Housing	-			-	-
Write-off/down of Buildings and Sites	-			-	-
Debt Services					
Capital Lease Interest	-			-	-
Capital Loan Interest	-			-	-
District Entered	-			-	-
<b>Total Expense</b>	<b>32,850,000</b>	<b>32,640,713</b>	<b>-</b>	<b>32,640,713</b>	<b>31,739,726</b>
<b>Capital Surplus (Deficit) for the year</b>	<b>2,430,128</b>	<b>2,675,673</b>	<b>774,955</b>	<b>3,450,628</b>	<b>1,904,513</b>
<b>Net Transfers (to) from other funds</b>					
Tangible Capital Assets Purchased	3,177,893	3,251,556		3,251,556	1,225,780
Tangible Capital Assets - Work in Progress	-			-	-
Local Capital	3,202,305		4,209,451	4,209,451	12,496,373
Capital Lease Payment	-			-	-
Capital Loan Payment	-			-	-
District Entered	-			-	-
<b>Total Net Transfers</b>	<b>6,380,198</b>	<b>3,251,556</b>	<b>4,209,451</b>	<b>7,461,007</b>	<b>13,722,153</b>
<b>Other Adjustments to Fund Balances</b>					
Tangible Capital Assets Purchased from Local Capital		8,234,278	(8,234,278)	-	
Tangible Capital Assets WIP Purchased from Local Capital		7,113,173	(7,113,173)	-	
<b>Total Other Adjustments to Fund Balances</b>		<b>15,347,451</b>	<b>(15,347,451)</b>	<b>-</b>	
<b>Total Capital Surplus (Deficit) for the year</b>	<b>8,810,326</b>	<b>21,274,680</b>	<b>(10,363,045)</b>	<b>10,911,635</b>	<b>15,626,666</b>
<b>Capital Surplus (Deficit), beginning of year</b>		<b>416,604,912</b>	<b>44,624,483</b>	<b>461,229,395</b>	<b>445,602,729</b>
<b>Capital Surplus (Deficit), end of year</b>		<b>437,879,592</b>	<b>34,261,438</b>	<b>472,141,030</b>	<b>461,229,395</b>

# School District No. 36 (Surrey)

Schedule 4A (Unaudited)

Tangible Capital Assets  
Year Ended June 30, 2017

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
<b>Cost, beginning of year</b>	274,157,139	1,053,205,762	35,878,955	6,627,574	2,895,112	10,063,343	<b>1,382,827,885</b>
<b>Changes for the Year</b>							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw	7,509,843	13,830,003	113,062	130,329		9,837	<b>21,593,074</b>
Deferred Capital Revenue - Other	5,274,600	303,324	233,849			105,912	<b>5,917,685</b>
Operating Fund			30,539		529,908	2,345,653	<b>2,906,100</b>
Special Purpose Funds	313,426		32,030				<b>345,456</b>
Local Capital	1,643,678	1,576,976	3,176,035	601,403		1,236,186	<b>8,234,278</b>
Transferred from Work in Progress		5,486,046					<b>5,486,046</b>
	14,741,547	21,196,349	3,585,515	731,732	529,908	3,697,588	<b>44,482,639</b>
Decrease:							
Deemed Disposals			5,080,399	878,346	359,047	2,598,090	<b>8,915,882</b>
	-	-	5,080,399	878,346	359,047	2,598,090	<b>8,915,882</b>
<b>Cost, end of year</b>	288,898,686	1,074,402,111	34,384,071	6,480,960	3,065,973	11,162,841	<b>1,418,394,642</b>
<b>Work in Progress, end of year</b>		34,289,248					<b>34,289,248</b>
<b>Cost and Work in Progress, end of year</b>	288,898,686	1,108,691,359	34,384,071	6,480,960	3,065,973	11,162,841	<b>1,452,683,890</b>
<b>Accumulated Amortization, beginning of year</b>		429,887,531	17,836,988	3,270,515	1,329,614	5,558,981	<b>457,883,629</b>
<b>Changes for the Year</b>							
Increase: Amortization for the Year		25,170,347	3,767,172	699,344	632,014	2,371,836	<b>32,640,713</b>
Decrease:							
Deemed Disposals			5,080,399	878,346	359,047	2,598,090	<b>8,915,882</b>
		-	5,080,399	878,346	359,047	2,598,090	<b>8,915,882</b>
<b>Accumulated Amortization, end of year</b>		455,057,878	16,523,761	3,091,513	1,602,581	5,332,727	<b>481,608,460</b>
<b>Tangible Capital Assets - Net</b>	<b>288,898,686</b>	<b>653,633,481</b>	<b>17,860,310</b>	<b>3,389,447</b>	<b>1,463,392</b>	<b>5,830,114</b>	<b>971,075,430</b>

# School District No. 36 (Surrey)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2017

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
Work in Progress, beginning of year	15,605,004				15,605,004
<b>Changes for the Year</b>					
Increase:					
Deferred Capital Revenue - Bylaw	12,111,956				12,111,956
Deferred Capital Revenue - Other	4,945,161				4,945,161
Local Capital	7,113,173				7,113,173
	24,170,290	-	-	-	24,170,290
Decrease:					
Transferred to Tangible Capital Assets	5,486,046				5,486,046
	5,486,046	-	-	-	5,486,046
Net Changes for the Year	18,684,244	-	-	-	18,684,244
Work in Progress, end of year	34,289,248	-	-	-	34,289,248

**School District No. 36 (Surrey)**

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2017

	<b>Bylaw Capital</b>	<b>Other Provincial</b>	<b>Other Capital</b>	<b>Total Capital</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Deferred Capital Revenue, beginning of year</b>	494,283,208	14,056,137	-	<b>508,339,345</b>
<b>Changes for the Year</b>				
Increase:				
Transferred from Deferred Revenue - Capital Additions	14,083,231	643,085		<b>14,726,316</b>
Transferred from Work in Progress	891,183	4,594,863		<b>5,486,046</b>
	14,974,414	5,237,948	-	<b>20,212,362</b>
Decrease:				
Amortization of Deferred Capital Revenue	21,926,724	605,219		<b>22,531,943</b>
	21,926,724	605,219	-	<b>22,531,943</b>
<b>Net Changes for the Year</b>	(6,952,310)	4,632,729	-	<b>(2,319,581)</b>
<b>Deferred Capital Revenue, end of year</b>	487,330,898	18,688,866	-	<b>506,019,764</b>
<b>Work in Progress, beginning of year</b>	11,010,141	4,594,863		<b>15,605,004</b>
<b>Changes for the Year</b>				
Increase				
Transferred from Deferred Revenue - Work in Progress	12,111,956	4,945,161		<b>17,057,117</b>
	12,111,956	4,945,161	-	<b>17,057,117</b>
Decrease				
Transferred to Deferred Capital Revenue	891,183	4,594,863		<b>5,486,046</b>
	891,183	4,594,863	-	<b>5,486,046</b>
<b>Net Changes for the Year</b>	11,220,773	350,298	-	<b>11,571,071</b>
<b>Work in Progress, end of year</b>	22,230,914	4,945,161	-	<b>27,176,075</b>
<b>Total Deferred Capital Revenue, end of year</b>	<b>509,561,812</b>	<b>23,634,027</b>	<b>-</b>	<b>533,195,839</b>



# School District No. 36 (Surrey)

Schedule 4D (Unaudited)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2017

	Bylaw Capital	MEd Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	9,149,439	10,089,262	-	2,337,402	-	21,576,103
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	38,621,890					38,621,890
Provincial Grants - Other			89,094			89,094
Investment Income		135,418		15,267		150,685
Local Government Site Fees				3,096,129		3,096,129
	38,621,890	135,418	89,094	3,111,396	-	41,957,798
Decrease:						
Transferred to DCR - Capital Additions	14,083,231	557,082	86,003			14,726,316
Transferred to DCR - Work in Progress	12,111,956	4,945,161				17,057,117
Transferred to Revenue - Site Purchases	7,509,843	3,388		5,271,212		12,784,443
	33,705,030	5,505,631	86,003	5,271,212	-	44,567,876
Net Changes for the Year	4,916,860	(5,370,213)	3,091	(2,159,816)	-	(2,610,078)
Balance, end of year	14,066,299	4,719,049	3,091	177,586	-	18,966,025