



Audited Financial Statements of
School District No. 36 (Surrey)
June 30, 2018

School District No. 36 (Surrey)

June 30, 2018

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School District No. 36 (Surrey)

MANAGEMENT REPORT

Version: 6070-5324-3341

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.



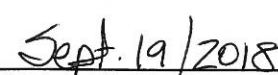
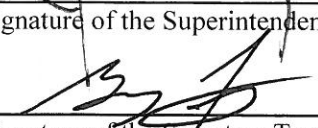
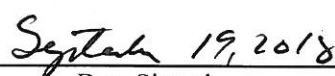
The preparation of financial statements necessarily involves the use of estimates based on management's judgment particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

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)

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

Independent Auditor's Report

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To the Board of Education of [School District No. 36 \(Surrey\)](#) and
the Minister of Education of the Province of British Columbia:

We have audited the accompanying financial statements of School District No. 36 (Surrey) (the "School District"), which comprise the statement of financial position as at June 30, 2018 and the statement of operations, statement of changes in net financial assets (debt), and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

[Management's responsibility for the financial statements](#)

Management is responsible for the preparation of these financial statements in accordance with the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

[Auditor's responsibility](#)

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the School District's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements of the School District No. 36 (Surrey) for the year ended June 30, 2018 are prepared, in all material respects, in accordance with Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

Emphasis of matter

Without modifying our opinion, we draw attention to Note 2 to the financial statements, which describes the basis of accounting and the significant differences between such basis of accounting and Canadian public sector accounting standards.

Other matters

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The supplementary information included in Schedules 1 through 4 is presented for purposes of additional information and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied, only to the extent necessary to express an opinion, in the audit of the financial statements taken as a whole.

Vancouver, Canada
September 19, 2018



Chartered Professional Accountants

School District No. 36 (Surrey)

Statement of Financial Position

As at June 30, 2018

Statement 1


	2018 Actual	2017 Actual
	\$	\$
Financial Assets		
Cash and Cash Equivalents	156,144,353	145,093,901
Accounts Receivable		
Due from Province - Ministry of Education	2,211,621	2,218,221
Other (Note 4)	4,325,607	4,250,247
Portfolio Investments (Note 5)	24,581,934	43,578,450
Total Financial Assets	187,263,515	195,140,819
Liabilities		
Accounts Payable and Accrued Liabilities		
Due to Province - Ministry of Education	155,000	76,842
Other (Note 6)	14,853,994	13,527,398
Unearned Revenue (Note 7)	13,824,700	13,642,893
Deferred Revenue (Note 8)	8,305,554	11,059,863
Deferred Capital Revenue (Note 9)	550,906,185	552,161,864
Employee Future Benefits (Note 10)	14,990,396	15,722,470
Other Liabilities (Note 11)	57,751,286	53,642,851
Total Liabilities	660,787,115	659,834,181
Net Financial Assets (Debt)	(473,523,600)	(464,693,362)
Non-Financial Assets		
Tangible Capital Assets (Note 13)	1,022,596,712	971,075,430
Prepaid Expenses	2,126,931	1,861,069
Total Non-Financial Assets	1,024,723,643	972,936,499
Accumulated Surplus (Deficit)	551,200,043	508,243,137

Contractual Obligations (Note 16,17)

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

Sept. 19/2018

September 19, 2018.

School District No. 36 (Surrey)

Statement 2

Statement of Operations

Year Ended June 30, 2018

	2018 Budget (Note 22)	2018 Actual	2017 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	695,747,730	717,853,939	660,652,485
Other	883,175	415,246	379,575
Municipal Grants Spent on Sites	370,581	1,727,398	5,271,212
Federal Grants	3,394,926	3,513,076	3,592,732
Tuition	15,489,771	15,744,283	15,319,720
Other Revenue	19,246,486	26,094,255	19,367,959
Rentals and Leases	2,756,650	2,958,963	2,911,196
Investment Income	2,408,676	2,176,044	2,337,933
Gain (Loss) on Disposal of Tangible Capital Assets		117,000	
Amortization of Deferred Capital Revenue	41,390,000	33,682,996	22,531,943
Total Revenue	781,687,995	804,283,200	732,364,755
Expenses			
Instruction	643,574,746	628,208,682	586,260,715
District Administration	17,320,312	15,320,752	13,894,822
Operations and Maintenance	122,345,938	111,886,624	100,844,286
Transportation and Housing	6,094,859	5,910,236	5,759,850
Total Expense	789,335,855	761,326,294	706,759,673
Surplus (Deficit) for the year	(7,647,860)	42,956,906	25,605,082
Accumulated Surplus (Deficit) from Operations, beginning of year		508,243,137	482,638,055
Accumulated Surplus (Deficit) from Operations, end of year		551,200,043	508,243,137

School District No. 36 (Surrey)

Statement of Changes in Net Financial Assets (Debt)

Year Ended June 30, 2018

Statement 4

	2018 Budget (Note 22)	2018 Actual	2017 Actual
	\$	\$	\$
Surplus (Deficit) for the year	<u>(7,647,860)</u>	<u>42,956,906</u>	<u>25,605,082</u>
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(68,003,652)	(93,649,594)	(63,166,883)
Amortization of Tangible Capital Assets	49,275,000	42,128,312	32,640,713
Total Effect of change in Tangible Capital Assets	<u>(18,728,652)</u>	<u>(51,521,282)</u>	<u>(30,526,170)</u>
Acquisition of Prepaid Expenses		(2,126,931)	(1,861,069)
Use of Prepaid Expenses		1,861,069	1,205,218
Total Effect of change in Other Non-Financial Assets	<u>-</u>	<u>(265,862)</u>	<u>(655,851)</u>
(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)	<u>(26,376,512)</u>	<u>(8,830,238)</u>	<u>(5,576,939)</u>
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Financial Assets (Debt)		<u>(8,830,238)</u>	<u>(5,576,939)</u>
Net Financial Assets (Debt), beginning of year		<u>(464,693,362)</u>	<u>(459,116,423)</u>
Net Financial Assets (Debt), end of year		<u><u>(473,523,600)</u></u>	<u><u>(464,693,362)</u></u>

School District No. 36 (Surrey)

Statement 5

Statement of Cash Flows

Year Ended June 30, 2018

	2018 Actual	2017 Actual
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	42,956,906	25,605,082
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(68,760)	1,878,958
Prepaid Expenses	(265,862)	(655,851)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	1,404,754	551,340
Unearned Revenue	181,807	259,491
Deferred Revenue	(2,754,309)	2,096,710
Employee Future Benefits	(732,074)	(517,297)
Other Liabilities	4,108,435	2,240,655
Loss (Gain) on Disposal of Tangible Capital Assets	(117,000)	
Amortization of Tangible Capital Assets	42,128,312	32,640,713
Amortization of Deferred Capital Revenue	(33,682,996)	(22,531,943)
Recognition of Deferred Capital Revenue Spent on Sites	(32,482,052)	(12,784,443)
Local Capital Site Costs Reclassified to Bylaw Capital	(486,504)	
Total Operating Transactions	20,190,657	28,783,415
Capital Transactions		
Tangible Capital Assets Purchased	(82,588,501)	(38,996,593)
Tangible Capital Assets -WIP Purchased	(11,061,093)	(24,170,290)
District Portion of Proceeds on Disposal	117,000	
Total Capital Transactions	(93,532,594)	(63,166,883)
Financing Transactions		
Capital Revenue Received	65,395,873	41,957,798
Total Financing Transactions	65,395,873	41,957,798
Investing Transactions		
Investments in Portfolio Investments	18,996,516	1,444,370
Total Investing Transactions	18,996,516	1,444,370
Net Increase (Decrease) in Cash and Cash Equivalents	11,050,452	9,018,700
Cash and Cash Equivalents, beginning of year	145,093,901	136,075,201
Cash and Cash Equivalents, end of year	156,144,353	145,093,901
Cash and Cash Equivalents, end of year, is made up of:		
Cash	156,144,353	145,093,901
	156,144,353	145,093,901

School District No. 36 (Surrey)

Notes to Financial Statements

Year Ended June 30, 2018

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, 2018 - decrease in annual surplus by \$4,009,988

June 30, 2018 - increase in accumulated surplus by \$546,510,319 a decrease in deferred revenue by \$4,068,704 and a decrease in deferred capital revenue by \$542,441,615.

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 \$6,583,238 and a decrease in deferred capital revenue by \$533,195,839.

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, 2018

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, 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.

School District No. 36 (Surrey)

Notes to Financial Statements

Year Ended June 30, 2018

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, 2018

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, 2018

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, 2018

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.

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, 2018	June 30, 2017
Due from Federal Government	\$ 2,042,127	\$ 1,977,353
Trade accounts receivable	347,812	443,644
Interest receivable	134,681	252,749
Payroll accounts receivable	136,512	87,258
Other accounts receivable	28,217	82,353
School site acquisition charges	1,636,258	1,406,890
	<u>\$ 4,325,607</u>	<u>\$ 4,250,247</u>

NOTE 5 PORTFOLIO INVESTMENTS

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

	June 30, 2018			June 30, 2017		
	Effective Fair Value			Effective Fair Value		
	Yield	Cost	Fair Value	Yield	Cost	Fair Value
Bank term investments	0.00%	\$ -	\$ -	2.16%	\$ 1,000,000	\$ 1,000,000
Fixed income securities						
Bank corporate	2.59%	\$ 17,893,015	\$ 17,489,827	2.51%	\$ 32,543,968	\$ 32,458,160
Provincial bonds	3.16%	4,966,242	4,813,202	3.12%	7,877,745	7,762,483
Municipal bonds	3.04%	1,722,677	1,730,788	2.89%	2,156,737	2,202,344
Total Portfolio Investments		<u>\$ 24,581,934</u>	<u>\$ 24,033,817</u>		<u>\$ 43,578,450</u>	<u>\$ 43,422,987</u>

School District No. 36 (Surrey)

Notes to Financial Statements

Year Ended June 30, 2018

NOTE 6 ACCOUNTS PAYABLE – OTHER

	June 30, 2018	June 30, 2017
Trade payables	\$ 12,986,660	\$ 11,056,633
Lien Holdbacks	1,686,699	2,366,408
Other	180,635	104,357
	\$ 14,853,994	\$ 13,527,398

NOTE 7 UNEARNED REVENUE

Unearned revenue as at June 30th, 2018

	Balance, June 30, 2017	Increases to Unearned Revenue	Revenue recognized in the period	Balance, June 30, 2018
	\$	\$	\$	\$
Tuition Fees	13,501,812	15,971,240	(15,744,283)	13,728,769
Rental/Lease of Facilities	141,081	2,913,813	(2,958,963)	95,931
Total	13,642,893	18,885,053	(18,703,246)	13,824,700

Unearned revenue as at June 30th, 2017

	Balance, June 30, 2016	Increases to Unearned Revenue	Revenue recognized in the period	Balance, June 30, 2017
	\$	\$	\$	\$
Tuition Fees	13,245,079	15,576,453	(15,319,720)	13,501,812
Rental/Lease of Facilities	138,323	2,913,954	(2,911,196)	141,081
Total	13,383,402	18,490,407	(18,230,916)	13,642,893

NOTE 8 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 30th, 2018

	Balance, June 30, 2017	Contributions received	Revenue recognized in the period	Balance, June 30, 2018
	\$	\$	\$	\$
Provincial Grants - Ministry of Education	3,790,617	43,034,271	(45,309,021)	1,515,867
Provincial Grants - Other	30,875	504,602	(67,796)	467,681
Federal Grants	-	931,179	(867,718)	63,461
Other	7,238,371	22,228,664	(23,208,490)	6,258,545
Investment Income	-	9,143	(9,143)	-
Total	11,059,863	66,707,859	(69,462,168)	8,305,554

School District No. 36 (Surrey)

Notes to Financial Statements

Year Ended June 30, 2018

NOTE 8 DEFERRED REVENUE (Continued)

Deferred Revenue as at June 30th, 2017

	Balance, June 30, 2016	Contributions received	Revenue recognized in the period	Balance, June 30, 2017
	\$	\$	\$	\$
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)	-
Total	8,963,153	46,515,127	(44,418,417)	11,059,863

NOTE 9 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.

	2018 \$	2017 \$
Deferred Capital Revenue, (includes Work in progress), beginning of year, July 1st.	552,161,864	545,520,452
Increases:		
Provincial Grants - MOE	62,027,310	38,621,890
Provincial Grants - Other	262,882	89,094
Local Government Site Fees	2,658,165	3,096,129
Investment Income	96,516	150,685
Proceeds from Disposal	351,000	-
	<u>65,395,873</u>	<u>41,957,798</u>
Decreases:		
Transfers to revenue - site purchases	32,482,052	12,784,443
Transfer to Local Capital	486,504	
Amortization of Deferred Capital Revenue	33,682,996	22,531,943
	<u>66,651,552</u>	<u>35,316,386</u>
Net Change for the year	(1,255,679)	6,641,412
Deferred Capital Revenue (includes Work in progress), end of year, June 30th.	<u>550,906,185</u>	<u>552,161,864</u>

Work in progress amount as of June 30, 2018 was \$7,158,769 (June 30, 2017: \$27,176,075).

School District No. 36 (Surrey)

Notes to Financial Statements

Year Ended June 30, 2018

NOTE 10 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, 2018</u>	<u>June 30, 2017</u>
	\$	\$
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	15,024,453	17,039,343
Service Cost	819,285	817,484
Interest Cost	404,915	408,514
Benefit Payments	(1,968,008)	(1,842,332)
Actuarial (Gain) Loss	(258,694)	(1,398,556)
Accrued Benefit Obligation – March 31	<u>14,021,951</u>	<u>15,024,453</u>
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation - March 31	14,021,951	15,024,453
Market Value of Plan Assets - March 31	-	-
Funded Status - Surplus (Deficit)	(14,021,951)	(15,024,453)
Employer Contributions After Measurement Date	244,347	260,091
Benefits Expense After Measurement Date	(308,388)	(306,050)
Unamortized Net Actuarial (Gain) Loss	(904,404)	(652,058)
Accrued Benefit Asset (Liability) - June 30	<u>(14,990,396)</u>	<u>(15,722,470)</u>
Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability (Asset) - July 1	15,722,470	16,239,767
Net Expense for Fiscal Year	1,220,190	1,352,397
Employer Contributions	(1,952,264)	(1,869,694)
Accrued Benefit Liability (Asset) - June 30	<u>14,990,396</u>	<u>15,722,470</u>
Components of Net Benefit Expense		
Service Cost	827,579	817,934
Interest Cost	398,959	407,615
Amortization of Net Actuarial (Gain)/Loss	(6,348)	126,848
Net Benefit Expense (Income)	<u>1,220,190</u>	<u>1,352,397</u>

School District No. 36 (Surrey)

Notes to Financial Statements

Year Ended June 30, 2018

NOTE 10 EMPLOYEE FUTURE BENEFITS *(Continued)*

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

	2018	2017
Discount Rate – April 1	2.75%	2.50%
Discount Rate – March 31	2.75%	2.75%
Long Term Salary Growth – April 1	2.50% + seniority	2.50% + seniority
Long Term Salary Growth – March 31	2.50% + seniority	2.50% + seniority
EARSL – March 31	10.5 years	10.5 years

NOTE 11 OTHER LIABILITIES

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

	June 30, 2018	June 30, 2017
	\$	\$
Salaries and Benefits Payable	50,472,398	46,526,989
Accrued Vacation Pay	7,278,888	7,115,862
	57,751,286	53,642,851

School District No. 36 (Surrey)

Notes to Financial Statements

Year Ended June 30, 2018

NOTE 12 EMPLOYEE PENSION PLANS

The School District and its employees contribute to the Teachers' Pension Plan and Municipal Pension Plan, jointly trustee pension plans. The 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, 2018 were \$62,165,072, (2017: \$58,431,136).

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, 2017, The Teachers' Pension Plan has about 46,000 active members from school districts, and approximately 38,000 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 2018 and 2017 fiscal years.

For 2018	Employer
Flat percent of salary	13.23%

For 2017	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)

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, 2017, The Municipal Pension Plan has about 197,000 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 2018 (2017: 9.96%).

School District No. 36 (Surrey)
Notes to Financial Statements
Year Ended June 30, 2018

NOTE 13 TANGIBLE CAPITAL ASSETS

June 30, 2018	Land	Building	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	2018 Total
	\$	\$	\$	\$	\$	\$	\$
Cost							
Beginning of year	288,898,686	1,108,691,359	34,384,071	6,480,960	3,065,973	11,162,841	1,452,683,890
Additions	32,866,581	43,405,447	10,014,078	2,227,537	428,911	4,707,040	93,649,594
Disposals							-
Deemed Disposals		-	(2,503,060)	(683,054)	(835,057)	(1,848,848)	(5,870,019)
Closing Balance	321,765,267	1,152,096,806	41,895,089	8,025,443	2,659,827	14,021,033	1,540,463,465
Accumulated Amortization							
Beginning Balance		455,057,878	16,523,761	3,091,513	1,602,581	5,332,727	481,608,460
Amortization		35,481,809	3,813,896	725,316	439,254	1,668,037	42,128,312
Disposals							-
Deemed Disposals			(2,503,060)	(683,054)	(835,057)	(1,848,848)	(5,870,019)
Closing Balance		490,539,687	17,834,597	3,133,775	1,206,778	5,151,916	517,866,753
Net Book Value	321,765,267	661,557,119	24,060,492	4,891,668	1,453,049	8,869,117	1,022,596,712

Cost at June 30th, 2018, includes work in progress on Buildings for \$13,701,095.

School District No. 36 (Surrey)
Notes to Financial Statements
Year Ended June 30, 2018

NOTE 13 TANGIBLE CAPITAL ASSETS *(Continued)*

June 30, 2017	Land	Building	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	2017 Total
	\$	\$	\$	\$	\$	\$	\$
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 30th, 2017, includes work in progress on Buildings for \$34,289,248.

School District No. 36 (Surrey)

Notes to Financial Statements

Year Ended June 30, 2018

NOTE 14 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 \$10,503,700 (2017: \$2,906,100) from the operating fund and \$313,490 (2017: \$345,456) from the special purpose fund, totalling \$10,817,190 (2017: \$3,251,556) to the capital fund, were made to purchase various capital assets;
- Transfers of \$15,448,000 (2017: \$4,209,451) 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 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 a total of \$5,643,649 (2017: \$27,545,681) 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:

Woodward Hill Elementary	CCDC Contract	\$	1,220,392
David Brankin Elementary	CCDC Contract		906,983
Site 177(Hazel/Grandview Secondary)	CCDC Contract		901,810
Holly Elementary	CCDC Contract		639,818
Salish Secondary	CCDC Contract		531,814
Mary Jane Shannon Elementary	CCDC Contract		469,213
Boiler Upgrades	CCDC Contract		440,944
Bear Creek Elementary	CCDC Contract		189,025
Site 207 (S. Grandview)	CCDC Contract		75,082
Site 184 (Clayton N. Area Elementary)	CCDC Contract		69,021
Portables	CCDC Contract		48,306
Sullivan Heights Secondary	CCDC Contract		44,081
Site 218 (Clayton Village NW Elementary)	CCDC Contract		20,879
Water Quality	CCDC Contract		20,000
Site 206 (Grandview South Elementary)	CCDC Contract		18,897
Site 180 (Douglas Areas Elementary)	CCDC Contract		15,443
Elgin Park Secondary	CCDC Contract		11,420
Earl Marriott Secondary	CCDC Contract		7,402
L.A. Matheson Secondary	CCDC Contract		4,306
Frank Hurt Seocndary	CCDC Contract		3,739
Latimer Road Elementary	CCDC Contract		2,616
William Watson Elementary	CCDC Contract		2,457
Total Construction Commitments		\$	5,643,649

School District No. 36 (Surrey)

Notes to Financial Statements

Year Ended June 30, 2018

NOTE 17 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:

2019	\$698,334
2020	\$534,126
2021	\$254,943
2022	\$254,943
2023	\$234,586

NOTE 18 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 19 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, 2018 the liability is not reasonably determinable.

NOTE 20 EXPENSE BY OBJECT

	<u>2018</u>	<u>2017</u>
Salaries and Benefits	\$ 630,869,352	\$ 594,588,274
Services and Supplies	88,328,630	79,530,686
Amortization	42,128,312	32,640,713
Total	\$ 761,326,294	\$ 706,759,673

NOTE 21 INTERNALLY RESTRICTED – OPERATING FUND

The School District attributes a portion of the accumulated surplus to an internal operating fund and internally restricts for 2018: \$21,943,556 (2017: \$30,067,132). The detail of the internal restricted items are as follows:

2018-2019 Operating Budget	\$ 15,806,419
Special Educational Assistants	1,922,560
Learning Resources Surplus	1,474,669
Net School Operating Surplus	1,309,920
Business/Human Resources System Reviews	462,613
Aboriginal Education Targeted Funds	416,569
Business Development	300,291
Food Services	189,512
MyBC ESIS Upgrades	61,003
Total Internally Restricted Items	\$ 21,943,556

School District No. 36 (Surrey)

Notes to Financial Statements

Year Ended June 30, 2018

NOTE 22 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 14th, 2018 and reflect more current estimates on student FTE, revenues and expenditures.

	Original Budget \$	Amended Budget \$	Change \$
Statement 2			
Revenue			
Provincial Grants			
Ministry of Education	682,693,752	695,747,730	13,053,978
Other	350,000	883,175	533,175
Municipal Grants Spent on Sites	2,500,000	370,581	(2,129,419)
Federal Grants	3,313,926	3,394,926	81,000
Tuition	14,634,000	15,489,771	855,771
Other Revenues	18,365,253	19,246,486	881,233
Rental and Leases	2,697,650	2,756,650	59,000
Investment Income	2,206,000	2,408,676	202,676
Gain (Loss) on Disposal of Tangible Capital Assets	-	-	-
Amortization of Deferred Capital Revenue	22,961,000	41,390,000	18,429,000
Total Revenue	749,721,581	781,687,995	31,966,414
Expenses			
Instruction	631,072,692	643,574,746	12,502,054
District Administration	17,258,043	17,320,312	62,269
Operations and Maintenance	105,165,453	122,345,938	17,180,485
Transportation and Housing	5,729,776	6,094,859	365,083
Total Expense	759,225,964	789,335,855	30,109,891
Net Revenue	(9,504,383)	(7,647,860)	1,856,523
Budgeted Allocation of Surplus (Deficit)	16,410,898	36,102,107	19,691,209
Budgeted Surplus (Deficit) for the Year	6,906,515	28,454,247	21,547,732
Statement 4			
Surplus (Deficit) for the year	(9,504,383)	(7,647,860)	1,856,523
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(37,803,733)	(68,003,652)	(30,199,919)
Amortization of Tangible Capital Assets	32,700,000	49,275,000	16,575,000
Net carrying value of Tangible Capital Assets disposed of	-	-	-
Total Effects of change in Tangible Assets	(5,103,733)	(18,728,652)	(13,624,919)
(Increase) Decrease in Net Financial Assets (Debt)			
before Net Remeasurment Gains (Losses)	(14,608,116)	(26,376,512)	(11,768,396)

Statement 2

The significant changes between the original budget and amended were:

Revenues:

- Ministry Grants – Amended to reflect actual Operating grant adjustments of \$6.3 million, Special Purpose of \$6.7 million, including Classroom Enhancement funds of \$6.3 million amendment made by the Province to the District in January 2018, and anticipated capital revenue
- Municipal Grants Spent on Sites – Amended to reflect what was anticipated to be used for site purchases
- Tuition – Increase in International Enrolment and Surrey College programs
- Revised forecast of Deferred Capital Revenue

School District No. 36 (Surrey)

Notes to Financial Statements

Year Ended June 30, 2018

NOTE 22 BUDGET FIGURES *(Continued)*

Expenses:

- Instruction – Recognition of Board approved use of internally restricted funds from 2017 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 2017 and higher anticipated amortization of capital assets

Budgeted Allocation of Surplus – Actual 2017 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
- Increase in anticipated amortization of capital assets

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.

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, 2018

NOTE 23 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.

School District No. 36 (Surrey)

Schedule 1 (Unaudited)

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

	Operating Fund	Special Purpose Fund	Capital Fund	2018 Actual	2017 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	36,102,107		472,141,030	508,243,137	482,638,055
Changes for the year					
Surplus (Deficit) for the year	17,237,134	313,490	25,406,282	42,956,906	25,605,082
Interfund Transfers					
Tangible Capital Assets Purchased	(10,503,700)	(313,490)	10,817,190	-	
Local Capital	(15,448,000)		15,448,000	-	
Net Changes for the year	(8,714,566)	-	51,671,472	42,956,906	25,605,082
Accumulated Surplus (Deficit), end of year - Statement 2	27,387,541	-	523,812,502	551,200,043	508,243,137

School District No. 36 (Surrey)

Schedule of Operating Operations

Year Ended June 30, 2018

Schedule 2 (Unaudited)

	2018 Budget (Note 22)	2018 Actual	2017 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	640,321,572	641,303,760	626,162,206
Other	352,300	347,450	377,950
Federal Grants	2,531,682	2,645,358	2,623,240
Tuition	15,489,771	15,744,283	15,319,720
Other Revenue	2,211,486	2,703,237	2,810,577
Rentals and Leases	2,756,650	2,958,963	2,911,196
Investment Income	1,700,000	1,583,387	1,650,108
Total Revenue	665,363,461	667,286,438	651,854,997
Expenses			
Instruction	575,519,501	562,120,549	545,406,671
District Administration	17,320,312	14,624,867	13,239,211
Operations and Maintenance	70,706,230	67,393,652	65,640,267
Transportation and Housing	6,094,859	5,910,236	5,759,850
Total Expense	669,640,902	650,049,304	630,045,999
Operating Surplus (Deficit) for the year	(4,277,441)	17,237,134	21,808,998
Budgeted Appropriation (Retirement) of Surplus (Deficit)	36,102,107		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(13,253,652)	(10,503,700)	(2,906,100)
Local Capital	(3,448,000)	(15,448,000)	(4,209,451)
Total Net Transfers	(16,701,652)	(25,951,700)	(7,115,551)
Total Operating Surplus (Deficit), for the year	15,123,014	(8,714,566)	14,693,447
Operating Surplus (Deficit), beginning of year		36,102,107	21,408,660
Operating Surplus (Deficit), end of year		27,387,541	36,102,107
Operating Surplus (Deficit), end of year			
Internally Restricted (Note 21)		21,943,556	30,067,132
Unrestricted		5,443,985	6,034,975
Total Operating Surplus (Deficit), end of year		27,387,541	36,102,107

School District No. 36 (Surrey)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2018

	2018 Budget (Note 22)	2018 Actual	2017 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education			
Operating Grant, Ministry of Education	627,742,355	628,277,099	610,343,431
DISC/LEA Recovery	(73,760)	(87,199)	(73,760)
Other Ministry of Education Grants			
Pay Equity	6,861,222	6,861,224	6,861,224
Funding for Graduated Adults	1,230,080	1,613,416	1,275,053
Transportation Supplement	72,999	72,999	72,999
Economic Stability Dividend	446,200	433,032	377,390
Return of Administrative Savings	3,128,483	3,128,478	3,128,483
Carbon Tax Grant	432,146	493,321	432,146
Student Learning Grant			3,569,213
Benefit Funding	438,292	438,292	
Other Miscellaneous	43,555	73,098	252,869
Cont Ed Enrolment Compliance Audit Recovery			(76,842)
Total Provincial Grants - Ministry of Education	640,321,572	641,303,760	626,162,206
Provincial Grants - Other	352,300	347,450	377,950
Federal Grants	2,531,682	2,645,358	2,623,240
Tuition			
Summer School Fees			216,147
Continuing Education	863,000	961,175	755,195
International and Out of Province Students	14,626,771	14,783,108	14,348,378
Total Tuition	15,489,771	15,744,283	15,319,720
Other Revenues			
LEA/Direct Funding from First Nations	73,760	87,199	73,760
Miscellaneous			
Teaching Kitchen	807,450	807,006	815,396
Energy Management	185,040	183,900	115,081
Worksafe BC	403,010	478,820	434,341
Other Miscellaneous	742,226	1,146,312	1,371,999
Total Other Revenue	2,211,486	2,703,237	2,810,577
Rentals and Leases	2,756,650	2,958,963	2,911,196
Investment Income	1,700,000	1,583,387	1,650,108
Total Operating Revenue	665,363,461	667,286,438	651,854,997

School District No. 36 (Surrey)

Schedule of Operating Expense by Object

Year Ended June 30, 2018

Schedule 2B (Unaudited)

	2018 Budget (Note 22)	2018 Actual	2017 Actual
	\$	\$	\$
Salaries			
Teachers	318,403,114	311,211,196	306,777,690
Principals and Vice Principals	29,547,187	29,275,120	28,248,947
Educational Assistants	59,337,039	58,996,238	53,915,605
Support Staff	52,332,852	52,478,027	49,787,757
Other Professionals	9,443,546	9,104,307	8,731,481
Substitutes	18,576,285	18,057,514	17,215,498
Total Salaries	487,640,023	479,122,402	464,676,978
Employee Benefits	109,815,916	110,199,445	107,487,817
Total Salaries and Benefits	597,455,939	589,321,847	572,164,795
Services and Supplies			
Services	22,028,578	17,688,470	17,261,034
Student Transportation	5,491,589	4,997,277	4,972,837
Professional Development and Travel	3,188,175	2,518,672	2,084,327
Rentals and Leases	796,818	774,419	736,478
Dues and Fees	1,488,332	1,639,210	1,527,458
Insurance	1,580,208	1,430,223	1,427,544
Supplies	26,866,427	21,586,737	19,791,162
Utilities	10,744,836	10,092,449	10,080,364
Total Services and Supplies	72,184,963	60,727,457	57,881,204
Total Operating Expense	669,640,902	650,049,304	630,045,999

School District No. 36 (Surrey)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2018

	Teachers Salaries	Principals and Vice Principals Salaries	Educational Assistants Salaries	Support Staff Salaries	Other Professionals Salaries	Substitutes Salaries	Total Salaries
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	238,278,883	6,893,797	5,993	5,586,301	762,097	9,570,511	261,097,582
1.03 Career Programs	3,071,367	117,620		1,320,104		142,708	4,651,799
1.07 Library Services	6,582,412			631,423	68,681	256,359	7,538,875
1.08 Counselling	7,554,842					297,035	7,851,877
1.10 Special Education	35,882,482		55,814,866	462,131		3,937,408	96,096,887
1.30 English Language Learning	11,961,620		447,212			471,689	12,880,521
1.31 Aboriginal Education	751,772	113,116	1,477,202	90,244	154,392	182,824	2,769,550
1.41 School Administration	5,661	20,696,447		12,442,876		935,703	34,080,687
1.60 Summer School	1,801,168	183,321	39,274	143,623			2,167,386
1.61 Continuing Education	310,178	29,406		18,228			357,812
1.62 International and Out of Province Students	4,284,634	405,065	57,752	1,000,763	309,533	203,775	6,261,522
1.64 Other	240,608		1,144,863	96,339	161,266		1,643,076
Total Function 1	310,725,627	28,438,772	58,987,162	21,792,032	1,455,969	15,998,012	437,397,574
4 District Administration							
4.11 Educational Administration	382,991	321,285		151,202	1,815,816		2,671,294
4.40 School District Governance				191,441	364,776		556,217
4.41 Business Administration	35,719	515,063		3,010,295	2,783,703	10,945	6,355,725
Total Function 4	418,710	836,348	-	3,352,938	4,964,295	10,945	9,583,236
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	64,831		9,076	1,165,498	1,299,567	6,122	2,545,094
5.50 Maintenance Operations	2,028			23,458,441	1,131,939	1,998,614	26,591,022
5.52 Maintenance of Grounds				2,195,459	96,040	29,998	2,321,497
5.56 Utilities							-
Total Function 5	66,859	-	9,076	26,819,398	2,527,546	2,034,734	31,457,613
7 Transportation and Housing							
7.41 Transportation and Housing Administration				107,178	156,497		263,675
7.70 Student Transportation				406,481		13,823	420,304
Total Function 7	-	-	-	513,659	156,497	13,823	683,979
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	311,211,196	29,275,120	58,996,238	52,478,027	9,104,307	18,057,514	479,122,402

School District No. 36 (Surrey)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2018

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2018 Actual	2018 Budget (Note 22)	2017 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	261,097,582	60,092,964	321,190,546	10,963,264	332,153,810	339,908,828	324,229,044
1.03 Career Programs	4,651,799	1,098,526	5,750,325	1,195,491	6,945,816	7,108,572	6,800,920
1.07 Library Services	7,538,875	1,744,056	9,282,931	5,188,729	14,471,660	16,146,012	13,965,753
1.08 Counselling	7,851,877	1,839,354	9,691,231		9,691,231	9,907,263	10,255,353
1.10 Special Education	96,096,887	23,076,053	119,172,940	1,205,426	120,378,366	122,785,301	113,772,246
1.30 English Language Learning	12,880,521	3,015,373	15,895,894	10,308	15,906,202	15,964,490	15,944,883
1.31 Aboriginal Education	2,769,550	662,964	3,432,514	316,185	3,748,699	4,151,826	3,746,358
1.41 School Administration	34,080,687	7,404,490	41,485,177	1,482,463	42,967,640	43,109,211	41,102,168
1.60 Summer School	2,167,386	399,473	2,566,859	185,504	2,752,363	2,832,923	2,544,602
1.61 Continuing Education	357,812	29,841	387,653	183,545	571,198	691,052	582,989
1.62 International and Out of Province Students	6,261,522	1,418,820	7,680,342	2,486,400	10,166,742	10,551,726	10,079,492
1.64 Other	1,643,076	358,425	2,001,501	365,321	2,366,822	2,362,297	2,382,863
Total Function 1	437,397,574	101,140,339	538,537,913	23,582,636	562,120,549	575,519,501	545,406,671
4 District Administration							
4.11 Educational Administration	2,671,294	498,996	3,170,290	1,593,281	4,763,571	6,463,977	3,441,117
4.40 School District Governance	556,217	67,974	624,191	263,996	888,187	978,477	783,459
4.41 Business Administration	6,355,725	1,293,150	7,648,875	1,324,234	8,973,109	9,877,858	9,014,635
Total Function 4	9,583,236	1,860,120	11,443,356	3,181,511	14,624,867	17,320,312	13,239,211
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	2,545,094	454,934	3,000,028	4,615,941	7,615,969	6,983,439	6,164,066
5.50 Maintenance Operations	26,591,022	6,079,391	32,670,413	11,167,680	43,838,093	45,500,625	41,996,097
5.52 Maintenance of Grounds	2,321,497	520,909	2,842,406	1,121,938	3,964,344	4,476,622	4,223,954
5.56 Utilities	-	-	-	11,975,246	11,975,246	13,745,544	13,256,150
Total Function 5	31,457,613	7,055,234	38,512,847	28,880,805	67,393,652	70,706,230	65,640,267
7 Transportation and Housing							
7.41 Transportation and Housing Administration	263,675	51,336	315,011	676	315,687	312,440	277,731
7.70 Student Transportation	420,304	92,416	512,720	5,081,829	5,594,549	5,782,419	5,482,119
Total Function 7	683,979	143,752	827,731	5,082,505	5,910,236	6,094,859	5,759,850
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	479,122,402	110,199,445	589,321,847	60,727,457	650,049,304	669,640,902	630,045,999

School District No. 36 (Surrey)

Schedule of Special Purpose Operations

Year Ended June 30, 2018

Schedule 3 (Unaudited)

	2018 Budget (Note 22)	2018 Actual	2017 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	52,332,158	45,309,021	26,977,048
Other	530,875	67,796	1,625
Federal Grants	863,244	867,718	969,492
Other Revenue	17,035,000	23,208,490	16,463,946
Investment Income	8,676	9,143	6,306
Total Revenue	70,769,953	69,462,168	44,418,417
Expenses			
Instruction	68,055,245	66,088,133	40,854,044
District Administration		695,885	655,611
Operations and Maintenance	2,364,708	2,364,660	2,563,306
Total Expense	70,419,953	69,148,678	44,072,961
Special Purpose Surplus (Deficit) for the year	350,000	313,490	345,456
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(350,000)	(313,490)	(345,456)
Total Net Transfers	(350,000)	(313,490)	(345,456)
Total Special Purpose Surplus (Deficit) for the year	-	-	-
Special Purpose Surplus (Deficit), beginning of year			
Special Purpose Surplus (Deficit), end of year		-	-

School District No. 36 (Surrey)

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

	Annual Facility Grant	Learning Improvement Fund	Scholarships and Bursaries	Service Delivery Transformation	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year		91,098	441,130	772,534	4,783,162	42,119	93,996		106,192
Add: Restricted Grants									
Provincial Grants - Ministry of Education	2,362,033	2,497,857		375,000		736,000	249,900	547,842	3,894,618
Provincial Grants - Other									
Federal Grants									
Other			412,551		19,161,986	14,071		7,043	180,599
Investment Income	2,627		6,516						
	2,364,660	2,497,857	419,067	375,000	19,161,986	750,071	249,900	554,885	4,075,217
Less: Allocated to Revenue	2,364,660	2,588,955	303,456	695,885	20,583,435	792,190	197,273	544,336	3,832,458
Deferred Revenue, end of year	-	-	556,741	451,649	3,361,713	-	146,623	10,549	348,951
Revenues									
Provincial Grants - Ministry of Education	2,362,033	2,588,955		695,885		778,119	197,273	537,293	3,651,859
Provincial Grants - Other									
Federal Grants									
Other Revenue			296,940		20,583,435	14,071		7,043	180,599
Investment Income	2,627		6,516						
	2,364,660	2,588,955	303,456	695,885	20,583,435	792,190	197,273	544,336	3,832,458
Expenses									
Salaries									
Teachers							45,687	178,035	
Principals and Vice Principals									
Educational Assistants		2,042,723					5,367		
Support Staff	175,723			93,158		500,918	7,217	6,243	1,833,535
Other Professionals				145,286		73,017			217,938
Substitutes		168,190				27,677			30,992
	175,723	2,210,913	-	238,444	-	601,612	58,271	184,278	2,082,465
Employee Benefits	46,266	378,042		52,233		164,871	2,731	28,593	471,444
Services and Supplies	2,142,671		303,456	405,208	20,583,435	25,707	136,271	331,465	1,278,549
	2,364,660	2,588,955	303,456	695,885	20,583,435	792,190	197,273	544,336	3,832,458
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, 2018

	Coding and Curriculum Implementation	Priority Measures	Classroom Enhancement Fund - Overhead	Classroom Enhancement Fund - Staffing	Adolescent Psychiatric Unit	Adolescent Day Treatment	Am'ut	Daughters & Sisters P.L.E.A.	Waypoint
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	310,213	2,134,905			2,505	10,396		8,018	
Add: Restricted Grants									
Provincial Grants - Ministry of Education			2,883,095	28,727,141	141,724	313,143	70,149	95,267	135,502
Provincial Grants - Other									4,602
Federal Grants									
Other									
Investment Income									
	-	-	2,883,095	28,727,141	141,724	313,143	70,149	95,267	140,104
Less: Allocated to Revenue	24,075	2,134,905	2,883,095	28,727,141	132,879	310,540	28,148	86,143	131,630
Deferred Revenue, end of year	286,138	-	-	-	11,350	12,999	42,001	17,142	8,474
Revenues									
Provincial Grants - Ministry of Education	24,075	2,134,905	2,883,095	28,727,141	132,879	310,540	28,148	86,143	127,028
Provincial Grants - Other									4,602
Federal Grants									
Other Revenue									
Investment Income									
	24,075	2,134,905	2,883,095	28,727,141	132,879	310,540	28,148	86,143	131,630
Expenses									
Salaries									
Teachers	7,821	1,759,986	155,586	23,240,971	80,152	172,104		56,189	103,096
Principals and Vice Principals			49,869						
Educational Assistants			763,320		16,661	53,210			3,973
Support Staff			113,981						
Other Professionals			103,752						
Substitutes			923,339		1,606	96			
	7,821	1,759,986	2,109,847	23,240,971	98,419	225,410	-	56,189	107,069
Employee Benefits		374,919	389,129	5,486,170	19,462	55,188		14,671	6,483
Services and Supplies	16,254		384,119		14,998	29,942	28,148	15,283	18,078
	24,075	2,134,905	2,883,095	28,727,141	132,879	310,540	28,148	86,143	131,630
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, 2018

	Donations	Surrey WRAP	Community Schools Other	Gang Prevention	Literacy Innovation	Coyote Creek BEP	PAC Contributions	Aboriginal Ed Windspeaker	TOTAL
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	971,435		892,399		211,908	30,875	156,978		11,059,863
Add: Restricted Grants									
Provincial Grants - Ministry of Education	5,000								43,034,271
Provincial Grants - Other		500,000							504,602
Federal Grants				843,679				87,500	931,179
Other	1,149,117	11,000	1,048,040				244,257		22,228,664
Investment Income									9,143
	1,154,117	511,000	1,048,040	843,679	-	-	244,257	87,500	66,707,859
Less: Allocated to Revenue	998,916	74,194	846,515	841,866	38,650	-	274,971	25,852	69,462,168
Deferred Revenue, end of year	1,126,636	436,806	1,093,924	1,813	173,258	30,875	126,264	61,648	8,305,554
Revenues									
Provincial Grants - Ministry of Education	5,000				38,650				45,309,021
Provincial Grants - Other		63,194							67,796
Federal Grants				841,866				25,852	867,718
Other Revenue	993,916	11,000	846,515				274,971		23,208,490
Investment Income									9,143
	998,916	74,194	846,515	841,866	38,650	-	274,971	25,852	69,462,168
Expenses									
Salaries									
Teachers	11,388		3,003	80,669	3,042				25,897,729
Principals and Vice Principals									49,869
Educational Assistants			6,285						2,891,539
Support Staff	1,712	51,476	164,692	241,097					3,189,752
Other Professionals				193,095					733,088
Substitutes									1,151,900
	13,100	51,476	173,980	514,861	3,042	-	-	-	33,913,877
Employee Benefits	563	9,459	36,396	97,008					7,633,628
Services and Supplies	797,029	13,259	636,139	229,997	35,608		149,705	25,852	27,601,173
	810,692	74,194	846,515	841,866	38,650	-	149,705	25,852	69,148,678
Net Revenue (Expense) before Interfund Transfers	188,224	-	-	-	-	-	125,266	-	313,490
Interfund Transfers									
Tangible Capital Assets Purchased	(188,224)						(125,266)		(313,490)
	(188,224)	-	-	-	-	-	(125,266)	-	(313,490)
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 36 (Surrey)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2018

	2018 Budget (Note 22)	2018 Actual			2017 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Provincial Grants					
Ministry of Education	3,094,000	31,241,158		31,241,158	7,513,231
Municipal Grants Spent on Sites	370,581	1,727,398		1,727,398	5,271,212
Other Revenue			182,528	182,528	93,436
Investment Income	700,000		583,514	583,514	681,519
Gain (Loss) on Disposal of Tangible Capital Assets		117,000		117,000	
Amortization of Deferred Capital Revenue	41,390,000	33,682,996		33,682,996	22,531,943
Total Revenue	45,554,581	66,768,552	766,042	67,534,594	36,091,341
Expenses					
Amortization of Tangible Capital Assets					
Operations and Maintenance	49,275,000	42,128,312		42,128,312	32,640,713
Total Expense	49,275,000	42,128,312	-	42,128,312	32,640,713
Capital Surplus (Deficit) for the year	(3,720,419)	24,640,240	766,042	25,406,282	3,450,628
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	13,603,652	10,817,190		10,817,190	3,251,556
Local Capital	3,448,000		15,448,000	15,448,000	4,209,451
Total Net Transfers	17,051,652	10,817,190	15,448,000	26,265,190	7,461,007
Other Adjustments to Fund Balances					
District Portion of Proceeds on Disposal		(117,000)	117,000	-	
Tangible Capital Assets Purchased from Local Capital		3,080,584	(3,080,584)	-	
Tangible Capital Assets WIP Purchased from Local Capital		4,340,996	(4,340,996)	-	
Local Capital Site Costs Reclassified to Bylaw Capital		(486,504)	486,504	-	
Total Other Adjustments to Fund Balances		6,818,076	(6,818,076)	-	
Total Capital Surplus (Deficit) for the year	13,331,233	42,275,506	9,395,966	51,671,472	10,911,635
Capital Surplus (Deficit), beginning of year		437,879,592	34,261,438	472,141,030	461,229,395
Capital Surplus (Deficit), end of year		480,155,098	43,657,404	523,812,502	472,141,030

School District No. 36 (Surrey)

Schedule 4A (Unaudited)

Tangible Capital Assets

Year Ended June 30, 2018

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	288,898,686	1,074,402,111	34,384,071	6,480,960	3,065,973	11,162,841	1,418,394,642
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw	30,629,187	31,254,825	3,743,336	300		937,856	66,565,504
Deferred Capital Revenue - Other	1,852,865		272,358				2,125,223
Operating Fund			4,351,234	2,012,942	395,406	3,744,118	10,503,700
Special Purpose Funds			313,490				313,490
Local Capital	384,529	1,089,529	1,333,660	214,295	33,505	25,066	3,080,584
Transferred from Work in Progress		31,649,246					31,649,246
	32,866,581	63,993,600	10,014,078	2,227,537	428,911	4,707,040	114,237,747
Decrease:							
Deemed Disposals			2,503,060	683,054	835,057	1,848,848	5,870,019
	-	-	2,503,060	683,054	835,057	1,848,848	5,870,019
Cost, end of year	321,765,267	1,138,395,711	41,895,089	8,025,443	2,659,827	14,021,033	1,526,762,370
Work in Progress, end of year		13,701,095					13,701,095
Cost and Work in Progress, end of year	321,765,267	1,152,096,806	41,895,089	8,025,443	2,659,827	14,021,033	1,540,463,465
Accumulated Amortization, beginning of year		455,057,878	16,523,761	3,091,513	1,602,581	5,332,727	481,608,460
Changes for the Year							
Increase: Amortization for the Year		35,481,809	3,813,896	725,316	439,254	1,668,037	42,128,312
Decrease:							
Deemed Disposals			2,503,060	683,054	835,057	1,848,848	5,870,019
		-	2,503,060	683,054	835,057	1,848,848	5,870,019
Accumulated Amortization, end of year		490,539,687	17,834,597	3,133,775	1,206,778	5,151,916	517,866,753
Tangible Capital Assets - Net	321,765,267	661,557,119	24,060,492	4,891,668	1,453,049	8,869,117	1,022,596,712

School District No. 36 (Surrey)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2018

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
Work in Progress, beginning of year	34,289,248				34,289,248
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	6,075,606				6,075,606
Deferred Capital Revenue - Other	644,491				644,491
Local Capital	4,340,996				4,340,996
	11,061,093	-	-	-	11,061,093
Decrease:					
Transferred to Tangible Capital Assets	31,649,246				31,649,246
	31,649,246	-	-	-	31,649,246
Net Changes for the Year	(20,588,153)	-	-	-	(20,588,153)
Work in Progress, end of year	13,701,095	-	-	-	13,701,095

School District No. 36 (Surrey)

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	487,330,898	18,688,866		506,019,764
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	35,936,317	272,358		36,208,675
Transferred from Work in Progress	21,792,242	4,945,161		26,737,403
	<u>57,728,559</u>	<u>5,217,519</u>	<u>-</u>	<u>62,946,078</u>
Decrease:				
Amortization of Deferred Capital Revenue	32,751,724	931,272		33,682,996
	<u>32,751,724</u>	<u>931,272</u>	<u>-</u>	<u>33,682,996</u>
Net Changes for the Year	<u>24,976,835</u>	<u>4,286,247</u>	<u>-</u>	<u>29,263,082</u>
Deferred Capital Revenue, end of year	<u>512,307,733</u>	<u>22,975,113</u>	<u>-</u>	<u>535,282,846</u>
Work in Progress, beginning of year	22,230,914	4,945,161		27,176,075
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	6,075,606	644,491		6,720,097
	<u>6,075,606</u>	<u>644,491</u>	<u>-</u>	<u>6,720,097</u>
Decrease				
Transferred to Deferred Capital Revenue	21,792,242	4,945,161		26,737,403
	<u>21,792,242</u>	<u>4,945,161</u>	<u>-</u>	<u>26,737,403</u>
Net Changes for the Year	<u>(15,716,636)</u>	<u>(4,300,670)</u>	<u>-</u>	<u>(20,017,306)</u>
Work in Progress, end of year	<u>6,514,278</u>	<u>644,491</u>	<u>-</u>	<u>7,158,769</u>
Total Deferred Capital Revenue, end of year	<u>518,822,011</u>	<u>23,619,604</u>	<u>-</u>	<u>542,441,615</u>

School District No. 36 (Surrey)

Schedule 4D (Unaudited)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2018

	Bylaw Capital	MEd Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	14,066,299	4,719,049	3,091	177,586		18,966,025
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	62,027,310					62,027,310
Provincial Grants - Other			262,882			262,882
Investment Income		84,789		11,727		96,516
MEd Restricted Portion of Proceeds on Disposal		351,000				351,000
Transfer project surplus to MEd Restricted (from) Bylaw	(2,940,153)	2,940,153				-
Local Government Site Fees				2,658,165		2,658,165
	59,087,157	3,375,942	262,882	2,669,892	-	65,395,873
Decrease:						
Transferred to DCR - Capital Additions	35,936,317	16,972	255,386			36,208,675
Transferred to DCR - Work in Progress	6,075,606	644,491				6,720,097
Transferred to Revenue - Site Purchases	30,629,187	125,467		1,727,398		32,482,052
Local Capital Site Costs transferred to Bylaw Capital	486,504					486,504
	73,127,614	786,930	255,386	1,727,398	-	75,897,328
Net Changes for the Year	(14,040,457)	2,589,012	7,496	942,494	-	(10,501,455)
Balance, end of year	25,842	7,308,061	10,587	1,120,080	-	8,464,570