



Schools' Finance Branch
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RIVER EAST TRANSCONA SCHOOL DIVISION
589 ROCH STREET
WINNIPEG, MANITOBA R2K 2P7

**AUDITED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

June 30, 2017

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of River East Transcona School Division

We have audited the following financial statements of River East Transcona School Division (the "Division") as at June 30, 2017, and for the year then ended:

Consolidated – Statement of Financial Position
Consolidated – Statement of Revenue, Expenses and Accumulated Surplus
Consolidated – Statement of Change in Net Debt
Consolidated – Statement of Cash Flow
Operating Fund – Schedule of Financial Position
Operating Fund – Schedule of Revenue, Expenses and Accumulated Surplus
Capital Fund – Schedule of Financial Position
Capital Fund – Schedule of Revenue, Expenses and Accumulated Surplus
Schedule of Tangible Capital Assets
Schedule of Capital Reserve Accounts
Special Purpose Fund – Schedule of Financial Position
Special Purpose Fund – Schedule of Revenue, Expenses and Accumulated Surplus
Notes to the Consolidated Financial Statements

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada, 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 entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not

for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Audit Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of the River East Transcona School Division as at June 30, 2017 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the above listed financial statements taken as a whole. The current year's supplementary information included in the other statements and reports is presented for purposes of additional analysis and is not a required part of basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in, our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Our opinion on these financial statements does not extend to any budget information contained therein.

A handwritten signature in blue ink that reads "Deloitte LLP". The signature is stylized and appears to be written in a cursive or semi-cursive script.

Chartered Professional Accountants

Winnipeg, Manitoba
October 24, 2017

AUDITOR'S REPORT ON ENROLMENT

TO THE BOARD OF TRUSTEES RIVER EAST TRANSCONA SCHOOL DIVISION

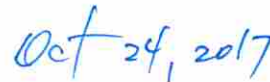
We have audited the attached EIS Enrolment File Verification Report - EIS Cert. - part 2 of 2 (prepared in accordance with Part I, Sections 1.1 and 1.2 of the Public Schools Enrolment and Categorical Grants Reporting for the 2016/17 School Year) of the River East Transcona School Division as at September 30, 2016. This enrolment information is the responsibility of the Division's management. Our responsibility is to express an opinion on this enrolment information based on our audit.

We conducted our audit in accordance with the standards for assurance engagements set out in the CICA Handbook - Assurance. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the enrolment information is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the enrolment information.

In our opinion, this report presents fairly, in all material respects, the enrolment of the River East Transcona School Division as at September 30, 2016 in accordance with the Public Schools Enrolment and Categorical Grants Reporting for the 2016/17 School Year referred to above.



Auditor



Date

I hereby certify that the preceding report has been presented to the members of the Board of River East Transcona School Division.



Chairperson of the Board



Date

MANAGEMENT REPORT

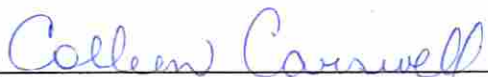
Management's Responsibility for the Financial Statements

The accompanying consolidated financial statements of River East Transcona School Division are the responsibility of the Division's management and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles established by the Public Sector Accounting Board of The Chartered Professional Accountants of Canada. A summary of the significant accounting policies are described in Note 2 to the consolidated financial statements.

The preparation of consolidated 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. Division management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management.

The Board of Trustees of the Division met with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

The consolidated financial statements have been audited by Deloitte LLP, independent external auditors appointed by the Board. The accompanying Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the Division's consolidated financial statements.



Chairperson
Colleen Carswell



Secretary-Treasurer
Vince Mariani

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at June 30

Notes		2017	2016
	Financial Assets		
	Cash and Bank	2,237,212	4,848,897
	Due from - Provincial Government	3,946,720	3,720,747
	- Federal Government	404,425	394,440
	- Municipal Government	36,941,370	35,323,360
	- Other School Divisions	101,689	95
	- First Nations	20,900	14,200
	Accounts Receivable	102,430	126,285
	Accrued Investment Income	-	-
	Portfolio Investments	-	-
		<u>43,754,746</u>	<u>44,428,024</u>
	Liabilities		
	Overdraft	-	-
	Accounts Payable	1,705,762	2,184,226
	Accrued Liabilities	23,334,272	22,834,726
3	Employee Future Benefits	1,777,806	1,899,980
	Accrued Interest Payable	962,992	937,914
	Due to - Provincial Government	420	17,010
	- Federal Government	16,085	16,217
	- Municipal Government	-	-
	- Other School Divisions	-	-
	- First Nations	-	-
4	Deferred Revenue	10,145,162	10,354,642
6	Borrowings from the Provincial Government	45,095,653	41,137,908
7	Other Borrowings	5,279,175	4,000,845
5	School Generated Funds Liability	<u>1,587,032</u>	<u>1,529,475</u>
		<u>89,904,359</u>	<u>84,912,943</u>
	Net Debt	<u>(46,149,613)</u>	<u>(40,484,919)</u>
	Non-Financial Assets		
8	Net Tangible Capital Assets (TCA Schedule)	77,355,155	71,862,036
	Inventories	-	-
	Prepaid Expenses	<u>290,485</u>	<u>295,780</u>
		<u>77,645,640</u>	<u>72,157,816</u>
9	Accumulated Surplus	<u>31,496,027</u>	<u>31,672,897</u>

See accompanying notes to the Financial Statements

CONSOLIDATED STATEMENT OF REVENUE, EXPENSES AND ACCUMULATED SURPLUS

For the Year Ended June 30

Notes		2017	2016
	Revenue		
	Provincial Government	128,513,979	126,470,998
	Federal Government	515,270	473,352
10	Municipal Government - Property Tax	61,571,604	58,412,740
	- Other	-	-
	Other School Divisions	765,253	807,812
	First Nations	116,600	112,500
	Private Organizations and Individuals	1,974,778	1,877,252
	Other Sources	425,916	361,484
	School Generated Funds	753,993	762,548
	Other Special Purpose Funds	-	-
		<u>194,637,393</u>	<u>189,278,686</u>
	Expenses		
	Regular Instruction	105,504,734	103,482,500
	Student Support Services	34,780,528	34,348,245
	Adult Learning Centres	1,430,684	1,007,529
	Community Education and Services	1,518,987	1,468,126
	Divisional Administration	5,286,698	5,402,428
	Instructional and Other Support Services	7,578,591	7,623,615
	Transportation of Pupils	4,713,708	4,091,112
	Operations and Maintenance	20,813,874	20,584,073
11	Fiscal - Interest	2,306,499	2,117,248
	- Other	3,168,776	3,066,170
	Amortization	6,438,125	6,124,962
	Other Capital Items	283,010	475,367
	School Generated Funds	735,605	804,518
	Other Special Purpose Funds	-	-
		<u>194,559,819</u>	<u>190,595,893</u>
	Current Year Surplus (Deficit) before Non-vested Sick Leave	<u>77,574</u>	<u>(1,317,207)</u>
	Less: Non-vested Sick Leave Expense (Recovery)	<u>254,444</u>	<u>135,104</u>
	Net Current Year Surplus (Deficit)	<u>(176,870)</u>	<u>(1,452,311)</u>
	Opening Accumulated Surplus	31,672,897	33,125,208
	Adjustments: Tangible Cap. Assets and Accum. Amort.	-	-
	Other than Tangible Cap. Assets	-	-
	Non-vested sick leave - prior years	-	-
	Opening Accumulated Surplus, as adjusted	<u>31,672,897</u>	<u>33,125,208</u>
	Closing Accumulated Surplus	<u>31,496,027</u>	<u>31,672,897</u>

See accompanying notes to the Financial Statements

CONSOLIDATED STATEMENT OF CHANGE IN NET DEBT

For the Year Ended June 30, 2017

	2017	2016
Net Current Year Surplus (Deficit)	<u>(176,870)</u>	<u>(1,452,311)</u>
Amortization of Tangible Capital Assets	6,438,125	6,124,962
Acquisition of Tangible Capital Assets	(11,931,245)	(12,981,819)
(Gain) / Loss on Disposal of Tangible Capital Assets	(6,804)	(2,880)
Proceeds on Disposal of Tangible Capital Assets	<u>6,805</u>	<u>2,880</u>
	<u>(5,493,119)</u>	<u>(6,856,857)</u>
Inventories (Increase)/Decrease	-	-
Prepaid Expenses (Increase)/Decrease	<u>5,295</u>	<u>30,697</u>
	<u>5,295</u>	<u>30,697</u>
(Increase)/Decrease in Net Debt	<u>(5,664,694)</u>	<u>(8,278,471)</u>
Net Debt at Beginning of Year	(40,484,919)	(32,206,448)
Adjustments Other than Tangible Cap. Assets	<u>-</u>	<u>-</u>
	<u>(40,484,919)</u>	<u>(32,206,448)</u>
Net Debt at End of Year	<u><u>(46,149,613)</u></u>	<u><u>(40,484,919)</u></u>

CONSOLIDATED STATEMENT OF CASH FLOW

For the Year Ended June 30, 2017

	2017	2016
Operating Transactions		
Net Current Year Surplus (Deficit)	(176,870)	(1,452,311)
Non-Cash Items Included in Current Year Surplus/(Deficit):		
Amortization of Tangible Capital Assets	6,438,125	6,124,962
(Gain)/Loss on Disposal of Tangible Capital Assets	(6,804)	(2,880)
Employee Future Benefits Increase/(Decrease)	(122,174)	545,697
Due from Other Organizations (Increase)/Decrease	(1,962,262)	(3,739,433)
Accounts Receivable & Accrued Income (Increase)/Decrease	23,855	(4,533)
Inventories and Prepaid Expenses - (Increase)/Decrease	5,295	30,697
Due to Other Organizations Increase/(Decrease)	(16,722)	9,397
Accounts Payable & Accrued Liabilities Increase/(Decrease)	46,160	5,426,228
Deferred Revenue Increase/(Decrease)	(209,480)	139,500
School Generated Funds Liability Increase/(Decrease)	57,557	42,462
Adjustments Other than Tangible Cap. Assets	-	-
	<u>4,076,680</u>	<u>7,119,786</u>
Cash Provided by (Applied to) Operating Transactions		
	<u>4,076,680</u>	<u>7,119,786</u>
Capital Transactions		
Acquisition of Tangible Capital Assets	(11,931,245)	(12,981,819)
Proceeds on Disposal of Tangible Capital Assets	6,805	2,880
	<u>(11,924,440)</u>	<u>(12,978,939)</u>
Cash Provided by (Applied to) Capital Transactions		
	<u>(11,924,440)</u>	<u>(12,978,939)</u>
Investing Transactions		
Portfolio Investments (Increase)/Decrease	-	-
	<u>-</u>	<u>-</u>
Cash Provided by (Applied to) Investing Transactions		
	<u>-</u>	<u>-</u>
Financing Transactions		
Borrowings from the Provincial Government Increase/(Decrease)	3,957,745	4,423,261
Other Borrowings Increase/(Decrease)	1,278,330	707,003
	<u>5,236,075</u>	<u>5,130,264</u>
Cash Provided by (Applied to) Financing Transactions		
	<u>5,236,075</u>	<u>5,130,264</u>
Cash and Bank / Overdraft (Increase)/Decrease	(2,611,685)	(728,889)
Cash and Bank (Overdraft) at Beginning of Year	4,848,897	5,577,786
Cash and Bank (Overdraft) at End of Year	<u><u>2,237,212</u></u>	<u><u>4,848,897</u></u>

ANALYSIS OF CONSOLIDATED ACCUMULATED SURPLUS

as at June 30, 2017

Operating Fund Accumulated Surplus (Deficit)	3,728,685
Equity in Tangible Capital Assets	24,330,621
Capital Reserve Accounts	3,127,835
School Generated Funds	308,886
Other Special Purpose Funds	<u>0</u>
Consolidated Accumulated Surplus	<u>31,496,027</u>

Operating Fund Accumulated Surplus Comprised of:

Designated Surplus *

[illegible]

Total Designated Surplus	2,146,875
Undesignated Surplus (Deficit)	3,156,366
Operating Fund Accumulated Surplus (Deficit) Gross of Non-vested sick leave	5,303,241
Less: Non-vested sick leave to date	1,574,556
Operating Fund Accumulated Surplus (Deficit) Net of Non-vested sick leave	3,728,685
Operating Fund Accumulated Surplus as a % of Operating Expenses **	2.9%

* Includes all Board-approved surplus designations by Board Motion or, in the case of school budget carryovers, by Board policy.

** Gross of Non-vested sick leave.

OPERATING FUND SCHEDULE OF FINANCIAL POSITION

as at June 30

	2017	2016
Financial Assets		
Cash and Bank	1,558,647	4,657,759
Due from		
- Provincial Government	2,983,728	2,782,833
- Federal Government	379,237	352,681
- Municipal Government	36,941,370	35,323,360
- Other School Divisions	101,689	95
- First Nations	20,900	14,200
- Other Funds	155,300	-
Accounts Receivable	102,430	126,285
Accrued Investment Income	-	-
Portfolio Investments	-	-
	<u>42,243,301</u>	<u>43,257,213</u>
Liabilities		
Overdraft	-	-
Accounts Payable	958,060	1,180,169
Accrued Liabilities	23,284,992	22,597,557
Employee Future Benefits	1,777,806	1,899,980
Accrued Interest Payable	-	-
Due to		
- Provincial Government	377	17,010
- Federal Government	16,085	16,217
- Municipal Government	-	-
- Other School Divisions	-	-
- First Nations	-	-
- Capital Fund	3,127,835	4,397,080
Deferred Revenue	9,639,946	9,764,174
Other Borrowings	-	-
	<u>38,805,101</u>	<u>39,872,187</u>
Net Financial Assets (Net Debt)	<u>3,438,200</u>	<u>3,385,026</u>
Non-Financial Assets		
Inventories	-	-
Prepaid Expenses	290,485	295,780
	<u>290,485</u>	<u>295,780</u>
Accumulated Surplus (Deficit)	<u>3,728,685</u>	<u>3,680,806</u>

**OPERATING FUND
SCHEDULE OF REVENUE, EXPENSES
AND ACCUMULATED SURPLUS**

For the Year Ended June 30

	2017 Actual	2017 Budget	2016 Actual
Revenue			
Provincial Government - Core	123,482,357	120,019,986	121,754,003
Federal Government	515,270	-	473,352
Municipal Government - Property Tax	61,571,604	61,664,883	58,412,740
- Other	-	-	-
Other School Divisions	765,253	215,000	807,812
First Nations	116,600	-	112,500
Private Organizations and Individuals	1,974,778	735,000	1,877,252
Other Sources	227,698	20,000	233,481
	<u>188,653,560</u>	<u>182,654,869</u>	<u>183,671,140</u>
Expenses			
Regular Instruction	105,504,734	104,154,430	103,482,500
Student Support Services	34,780,528	34,781,090	34,348,245
Adult Learning Centres	1,430,684	-	1,007,529
Community Education and Services	1,518,987	569,790	1,468,126
Divisional Administration	5,286,698	4,724,425	5,402,428
Instructional and Other Support Services	7,578,591	7,590,839	7,623,615
Transportation of Pupils	4,713,708	4,513,160	4,091,112
Operations and Maintenance	20,813,874	21,599,135	20,584,073
Fiscal	3,225,567	3,159,000	3,118,513
	<u>184,853,371</u>	<u>181,091,869</u>	<u>181,126,141</u>
Current Year Surplus (Deficit) before Non-vested Sick Leave	<u>3,800,189</u>	<u>1,563,000</u>	<u>2,544,999</u>
Less: Non-vested Sick Leave Expense (Recovery)	<u>254,444</u>		<u>135,104</u>
Current Year Surplus (Deficit) after Non-vested Sick Leave	<u>3,545,745</u>	<u>1,563,000</u>	<u>2,409,895</u>
Net Transfers from (to) Capital Fund	<u>(3,497,866)</u>	<u>(1,563,000)</u>	<u>(3,915,814)</u>
Transfers from Special Purpose Funds	<u>-</u>		<u>-</u>
Net Current Year Surplus (Deficit)	<u>47,879</u>	<u>0</u>	<u>(1,505,919)</u>
Opening Accumulated Surplus (Deficit)	3,680,806		5,186,725
Adjustments: Liability for Contaminated Sites	-		-
	-		-
Non-vested sick leave - prior years	-		-
Opening Accumulated Surplus (Deficit), as adjusted	<u>3,680,806</u>		<u>5,186,725</u>
Closing Accumulated Surplus (Deficit)	<u>3,728,685</u>		<u>3,680,806</u>

OPERATING FUND - REVENUE DETAIL PROVINCE OF MANITOBA

For the Year Ended June 30, 2017

Funding of Schools Program

Base Support		
Instructional Support	29,505,839	
Additional Instructional Support for Small Schools	-	
Sparsity	-	
Curricular Materials	918,708	
Information Technology	949,332	
Library Services	1,408,686	
Student Services	5,135,900	
Counselling and Guidance	1,270,879	
Professional Development	597,160	
Physical Education	354,888	
Occupancy	6,968,250	47,109,642
Categorical Support		
Transportation	1,805,570	
Board and Room	-	
Special Needs: Coordinator/Clinician	1,148,385	
Special Needs: Level 2	4,062,200	
Special Needs: Level 3	4,348,554	
Senior Years Technology Education	921,388	
English as an Additional Language	757,550	
Aboriginal Academic Achievement (including BSSAP)	864,000	
Aboriginal and International Languages	54,796	
French Language Education	732,464	
Small Schools	-	
Enrolment Change Support	472,484	
Northern Allowance	-	
Early Childhood Development Initiative	199,210	
Literacy and Numeracy	1,353,944	
Education for Sustainable Development	29,400	16,749,945
Equalization		23,004,550
Additional Equalization		3,036,165
Adjustment for Days Closed		-
Formula Guarantee		-
Other Program Support		
School Buildings Support: "D" Projects	468,840	
Technology Education Equipment Replacement	233,700	
Skills Strategy Equipment Enhancement	8,864	
Other Minor Capital Support	-	
Prior Year Support		
Finalization of Previous Year Support	-	
Curricular Materials	-	
School Buildings Support: "D" Projects	-	
Technology Education Equipment	-	711,404
		<u>90,611,706</u>

OPERATING FUND - REVENUE DETAIL PROVINCE OF MANITOBA (CONT'D)

For the Year Ended June 30, 2017

Other Department of Education and Training

Non-Resident	-	
Special Needs	-	
Institutional Programs	-	
Nursing Supports (URIS)	322,715	
Substitute Fees	-	
General Support Grant	3,107,992	
Education Property Tax Credit	23,646,245	
Tax Incentive Grant	1,468,354	
Smaller Classes Initiative (K - 3)	1,373,864	
Community Schools	135,727	
Healthy Schools Initiative	20,699	
Learning to Age 18 Coordinator	80,869	
Adult Learning Centres	1,484,747	
Other: Shared Services Agreement	171,678	
Special Funding Agreement-John G Stewart	475,000	
Provincial Exam Marking	29,742	
French Second Language Revitalization	62,660	
Career Development Initiative	132,056	
EDI Surveys	12,650	
German Language Education	3,000	
Miscellaneous	1,808	
		32,529,806

Other Provincial Government Departments (Not including GBE's)

Employment Programs	-	
Other: HealthyChild/Baby	187,351	
Green Manitoba	120,912	
Lighthouse Project	32,568	
Miscellaneous	14	
		340,845

Funding of Schools Program (previous page)	<u>90,611,706</u>
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TOTAL PROVINCIAL GOVERNMENT REVENUE	<u><u>123,482,357</u></u>
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OPERATING FUND - REVENUE DETAIL **NON-PROVINCIAL GOVERNMENT SOURCES**

For the Year Ended June 30, 2017

Federal Government			
Tuition Fees		-	
Transportation of Pupils		-	
French Language Monitor		-	
English as an Additional Language (Adults)		-	
Other:	Citizenship & Immigration	515,270	
			515,270
Municipal Government			
Special Requirement	86,686,203		
Less: Education Property Tax Credit	(23,646,245)		
Less: Tax Incentive Grant	(1,468,354)	61,571,604	
Other:		-	61,571,604
Other School Divisions			
Tuition Fees		-	
Transfer Fees		623,263	
Residual Fees		141,990	
Transportation of Pupils		-	
Other:		-	
			765,253
First Nations			
Tuition Fees		116,600	
Transportation of Pupils		-	
Other:		-	
			116,600
Private Organizations and Individuals (Includes GBE's)			
Regular Tuition		-	
International Tuition		950,499	
Continuing Education		281,730	
Other Tuition:	Adult Education/Summer School	44,551	
Food Service		229,554	
Government Business Enterprises (GBE's)		-	
Other:	Vocational Shops	60,924	
	Building Rental	211,585	
	Transportation User Fees	195,935	
			1,974,778
Other Sources			
Interest		75,694	
Donations		23,487	
Other:	School Initiated Projects	49,464	
	Miscellaneous	79,053	
			227,698
TOTAL NON-PROVINCIAL GOVERNMENT REVENUE			65,171,203

OPERATING FUND - EXPENSE BY FUNCTION AND BY OBJECT

For the Year Ended June 30

<div><div>FUNCTION</div><div>OBJECT</div></div>	100	200	300	400	500	600	700	800	900		
	Regular Instruction	Student Support Services	Adult Learning Centres	Education and Services	Divisional Administration	Instructional and Other Support Services	Transportation of Pupils	Operations and Maintenance	Fiscal	2017	2016
										TOTALS	TOTALS
Salaries	93,202,031	30,902,514	1,070,162	1,239,200	3,455,627	5,881,960	3,345,440	9,530,969		148,627,903	144,677,123
Employees Benefits and Allowances	5,206,592	2,708,082	75,979	45,758	427,405	473,907	486,361	1,417,800		10,841,884	11,034,234
Services	1,890,770	850,635	205,845	102,174	1,218,162	858,200	202,815	8,556,492		13,885,093	13,648,361
Supplies, Materials and Minor Equipment	4,639,445	319,297	78,698	131,855	185,504	329,024	679,092	1,308,613		7,671,528	8,061,391
Interest and Bank Charges									56,791	56,791	52,343
Bad Debt Expense									-	0	0
Transfers	565,896	-	-	-	-	35,500	-	-	(PAYROLL TAX) 3,168,776	3,770,172	3,652,689
TOTALS	105,504,734	34,780,528	1,430,684	1,518,987	5,286,698	7,578,591	4,713,708	20,813,874	3,225,567	184,853,371	181,126,141

OPERATING FUND - EXPENSE DETAIL: FUNCTION 100

For the Year Ended June 30, 2017

REGULAR INSTRUCTION	10 ADMINISTRATION	SINGLE TRACK SCHOOLS *			80 DUAL TRACK SCHOOLS **	90 SENIOR YEARS TECHNOLOGY EDUCATION	TOTALS
		20 ENGLISH LANGUAGE	50 FRANÇAIS	70 FRENCH IMMERSION			
CODE OBJECT \ PROGRAM							
3XX SALARIES							
320 Executive, Managerial and Supervisory	7,765,808						7,765,808
330 Instructional - Teaching	32,992	47,059,022		6,060,998	24,205,680	2,926,340	80,285,032
350 Instructional - Other		473,164		16,334	315,125	13,889	818,512
360 Technical, Specialized and Service	129,234	85,128				213,368	427,730
370 Secretarial, Clerical and Other	3,179,239						3,179,239
390 Information Technology	725,710						725,710
Total Salaries	11,832,983	47,617,314	0	6,077,332	24,520,805	3,153,597	93,202,031
4XX EMPLOYEES BENEFITS AND ALLOWANCES	810,495	2,761,622		293,192	1,182,874	158,409	5,206,592
5-6XX SERVICES							
510 Professional, Technical and Specialized	1,109	222,929		3,261	24,076	4,650	256,025
520 Communications	261,033	17,331		312	664		279,340
540 Travel and Meetings	18,191	109,072		3,625	15,220		146,108
560 Tuition							0
570 Printing and Binding		183		1,278	4,662	639	6,762
580 Insurance and Bond Premiums							0
590 Maintenance and Repair Services	2,191	305,528		43,679	134,259	27,267	512,924
610 Rentals		4,871					4,871
630 Advertising							0
640 Dues and Fees		32,763		13,476	6,871		53,110
650 Professional and Staff Development	217						217
680 Information Technology Services	183,454	445,975		855	1,129		631,413
Total Services	466,195	1,138,652	0	66,486	186,881	32,556	1,890,770
7XX SUPPLIES, MATERIALS AND MINOR EQUIPMENT							
710 Supplies	3,635	885,211		70,562	463,767	471,453	1,894,628
740 Curricular and Media Materials		686,067		83,133	289,938	9,050	1,068,188
760 Minor Equipment		429,973		38,522	175,499	129,719	773,713
780 Information Technology Equipment		638,309		32,244	231,229	1,134	902,916
Total Supplies, Materials and Minor Equipment	3,635	2,639,560	0	224,461	1,160,433	611,356	4,639,445
96X-99 TRANSFERS							
960 School Divisions		462,150		69,856	5,200	28,690	565,896
980 Organizations and Individuals							0
Total Transfers	0	462,150	0	69,856	5,200	28,690	565,896
TOTALS	13,113,308	54,619,298	0	6,731,327	27,056,193	3,984,608	105,504,734

* 90% or more of enrolment is in one of the following instructional programs: English Language, Français, French Immersion.

** includes multi-track schools.

OPERATING FUND - EXPENSE DETAIL: FUNCTION 200

For the Year Ended June 30, 2017

STUDENT SUPPORT SERVICES		10	30	40	50	60	70	
CODE	OBJECT \ PROGRAM	ADMINISTRATION /CO-ORDINATION	CLINICAL AND RELATED SERVICES	SPECIAL PLACEMENT	REGULAR PLACEMENT	RESOURCE SERVICES	COUNSELLING AND GUIDANCE	TOTALS
3XX	SALARIES							
320	Executive, Managerial and Supervisory	315,801	78,832					394,633
330	Instructional - Teaching	215,303	35,919	189,843	1,671,568	7,757,054	3,098,359	12,968,046
350	Instructional - Other		11,441	1,885,668	11,239,517	1,529,972		14,666,598
360	Technical, Specialized and Service							0
370	Secretarial, Clerical and Other	233,127						233,127
380	Clinician		2,597,584					2,597,584
390	Information Technology	42,526						42,526
	Total Salaries	806,757	2,723,776	2,075,511	12,911,085	9,287,026	3,098,359	30,902,514
4XX	EMPLOYEES BENEFITS AND ALLOWANCES	58,118	124,142	303,224	1,544,075	550,129	128,394	2,708,082
5-6XX	SERVICES							
510	Professional, Technical and Specialized		275,734	445,210	1,429	35,460		757,833
520	Communications	6,366	2,497		119	1,558		10,540
540	Travel and Meetings	2,195	38,068	70	515	5,015		45,863
560	Tuition							0
570	Printing and Binding	31	1,375		210	2,216	142	3,974
580	Insurance and Bond Premiums							0
590	Maintenance and Repair Services	2,069	5,894	887	661	12,452	424	22,387
610	Rentals		230	5,057				5,287
630	Advertising					292		292
640	Dues and Fees	2,713	1,396			350		4,459
650	Professional and Staff Development							0
680	Information Technology Services							0
	Total Services	13,374	325,194	451,224	2,934	57,343	566	850,635
7XX	SUPPLIES, MATERIALS AND MINOR EQUIPMENT							
710	Supplies	1,174	26,114	11,607	90,684	22,784	1,207	153,570
740	Curricular and Media Materials	48	11,600	4,416	35,371	8,910	358	60,703
760	Minor Equipment	2,115	783	336	23,250	22,429	223	49,136
780	Information Technology Equipment	523	477		54,888			55,888
	Total Supplies, Materials and Minor Equipment	3,860	38,974	16,359	204,193	54,123	1,788	319,297
96X-99	TRANSFERS							
960	School Divisions							0
980	Organizations and Individuals							0
	Total Transfers	0	0	0	0			0
	TOTALS	882,109	3,212,086	2,846,318	14,662,287	9,948,621	3,229,107	34,780,528

OPERATING FUND - EXPENSE DETAIL: FUNCTION 300

For the Year Ended June 30, 2017

ADULT LEARNING CENTRES		10	20	
CODE	OBJECT \ PROGRAM	ADMINISTRATION AND OTHER	INSTRUCTION	TOTALS
3XX	SALARIES			
320	Executive, Managerial and Supervisory	137,559		137,559
330	Instructional - Teaching		800,913	800,913
350	Instructional - Other		19,783	19,783
360	Technical, Specialized and Service			0
370	Secretarial, Clerical and Other	111,907		111,907
390	Information Technology			0
	Total Salaries	249,466	820,696	1,070,162
4XX	EMPLOYEES BENEFITS AND ALLOWANCES	35,318	40,661	75,979
5-6XX	SERVICES			
510	Professional, Technical and Specialized		1,645	1,645
520	Communications		7,004	7,004
530	Utility Services			0
540	Travel and Meetings		1,945	1,945
560	Tuition			0
570	Printing and Binding		349	349
580	Insurance and Bond Premiums			0
590	Maintenance and Repair Services		10,652	10,652
610	Rentals		179,752	179,752
620	Property Taxes			0
630	Advertising			0
640	Dues and Fees			0
650	Professional and Staff Development			0
680	Information Technology Services		4,498	4,498
	Total Services	0	205,845	205,845
7XX	SUPPLIES, MATERIALS AND MINOR EQUIPMENT			
710	Supplies		15,561	15,561
740	Curricular and Media Materials		6,097	6,097
760	Minor Equipment		20,113	20,113
780	Information Technology Equipment		36,927	36,927
	Total Supplies, Materials and Minor Equipment	0	78,698	78,698
96X-99	TRANSFERS			
960	School Divisions			0
980	Organizations and Individuals			0
999	Recharge			0
	Total Transfers	0	0	0
	TOTALS	284,784	1,145,900	1,430,684

OPERATING FUND - EXPENSE DETAIL: FUNCTION 400

For the Year Ended June 30, 2017

COMMUNITY EDUCATION AND SERVICES		10	20	30	40	
CODE	OBJECT \ PROGRAM	CONTINUING EDUCATION	ENGLISH AS AN ADDITIONAL LANGUAGE FOR ADULTS	COMMUNITY SERVICES AND RECREATION	PRE-KINDERGARTEN EDUCATION	TOTALS
3XX	SALARIES					
320	Executive, Managerial and Supervisory	90,430	84,456		87,744	262,630
330	Instructional - Teaching	63,710			3,751	67,461
350	Instructional - Other			267,896	115,867	383,763
360	Technical, Specialized and Service		72,937	273,872	53,957	400,766
370	Secretarial, Clerical and Other	56,949		31,970		88,919
380	Clinician				1,353	1,353
390	Information Technology			34,308		34,308
	Total Salaries	211,089	157,393	608,046	262,672	1,239,200
4XX	EMPLOYEES BENEFITS AND ALLOWANCES	21,942	9,295		14,521	45,758
5-6XX	SERVICES					
510	Professional, Technical and Specialized	47,227		9,799	170	57,196
520	Communications	685		2,517	2,131	5,333
540	Travel and Meetings			9,870	4,622	14,492
570	Printing and Binding	7,362		710	1,880	9,952
580	Insurance and Bond Premiums					0
590	Maintenance and Repair Services	6		385	1,370	1,761
610	Rentals					0
630	Advertising	11,191				11,191
640	Dues and Fees				93	93
650	Professional and Staff Development		724	720	712	2,156
680	Information Technology Services					0
	Total Services	66,471	724	24,001	10,978	102,174
7XX	SUPPLIES, MATERIALS AND MINOR EQUIPMENT					
710	Supplies	5,734	3,902	75,335	29,114	114,085
740	Curricular and Media Materials	746	590	7,123	402	8,861
760	Minor Equipment	5,013	1,000	1,293	1,603	8,909
780	Information Technology Equipment					0
	Total Supplies, Materials and Minor Equipment	11,493	5,492	83,751	31,119	131,855
96X-99	TRANSFERS					
980	Organizations and Individuals					0
999	Recharge					0
	Total Transfers	0	0	0	0	0
	TOTALS	310,995	172,904	715,798	319,290	1,518,987

OPERATING FUND - EXPENSE DETAIL: FUNCTION 500

For the Year Ended June 30, 2017

DIVISIONAL ADMINISTRATION	10	20	30	50	
CODE OBJECT \ PROGRAM	BOARD OF TRUSTEES	INSTRUCTIONAL MANAGEMENT & ADMINISTRATION	BUSINESS AND ADMINISTRATIVE SERVICES	MANAGEMENT INFORMATION SERVICES	TOTALS
3XX SALARIES					
310 Trustees Remuneration	211,144				211,144
320 Executive, Managerial and Supervisory		524,481	736,212	123,571	1,384,264
360 Technical, Specialized and Service		335,259	118,714		453,973
370 Secretarial, Clerical and Other		305,568	821,258	25,804	1,152,630
390 Information Technology				253,616	253,616
Total Salaries	211,144	1,165,308	1,676,184	402,991	3,455,627
4XX EMPLOYEES BENEFITS AND ALLOWANCES	4,744	113,110	269,288	40,263	427,405
5-6XX SERVICES					
510 Professional, Technical and Specialized		141,384	121,669	111,411	374,464
520 Communications	6,820	9,457	32,008	8,750	57,035
540 Travel and Meetings	50,098	26,352	8,675	49	85,174
570 Printing and Binding		1,704	275		1,979
580 Insurance and Bond Premiums			124,911		124,911
590 Maintenance and Repair Services		483	30,030	690	31,203
610 Rentals					0
630 Advertising	1,276	31,713	229		33,218
640 Dues and Fees	146,173	15,812	14,966	325	177,276
650 Professional and Staff Development	7,573	15,588	25,321		48,482
680 Information Technology Services	5,443	275	108,495	170,207	284,420
Total Services	217,383	242,768	466,579	291,432	1,218,162
7XX SUPPLIES, MATERIALS AND MINOR EQUIPMENT					
710 Supplies	946	9,240	123,224	1,666	135,076
740 Curricular and Media Materials		1,740			1,740
760 Minor Equipment		824	4,949	1,385	7,158
780 Information Technology Equipment	484	133	2,543	38,370	41,530
Total Supplies, Materials and Minor Equipment	1,430	11,937	130,716	41,421	185,504
96X-99 TRANSFERS					
960 School Divisions					0
980 Organizations and Individuals					0
999 Recharge					0
Total Transfers	0	0	0		0
TOTALS	434,701	1,533,123	2,542,767	776,107	5,286,698

OPERATING FUND - EXPENSE DETAIL: FUNCTION 600

For the Year Ended June 30, 2017

INSTRUCTIONAL AND OTHER SUPPORT SERVICES		05 CURRICULUM CONSULTING & DEVELOPMENT ADMINISTRATION	10 CURRICULUM CONSULTING & DEVELOPMENT	20 LIBRARY / MEDIA CENTRE	30 PROFESSIONAL AND STAFF DEVELOPMENT	80 OTHER	TOTALS
CODE	OBJECT \ PROGRAM						
3XX	SALARIES						
320	Executive, Managerial and Supervisory	248,089					248,089
330	Instructional - Teaching		570,226	1,748,119	1,212,836	99,619	3,630,800
350	Instructional - Other			1,320,256	629		1,320,885
360	Technical, Specialized and Service			418,336		146,308	564,644
370	Secretarial, Clerical and Other	117,149			393		117,542
390	Information Technology						0
	Total Salaries	365,238	570,226	3,486,711	1,213,858	245,927	5,881,960
4XX	EMPLOYEES BENEFITS AND ALLOWANCES	23,124	22,656	348,266	59,171	20,690	473,907
5-6XX	SERVICES						
510	Professional, Technical and Specialized		518	260	23,656	173,881	198,315
520	Communications		1,785	450	1,256	500	3,991
540	Travel and Meetings		16,411	5,609		1,124	23,144
560	Tuition					3,950	3,950
570	Printing and Binding		27	53	100		180
580	Insurance and Bond Premiums					11,592	11,592
590	Maintenance and Repair Services		3,150	12			3,162
610	Rentals				231		231
630	Advertising						0
640	Dues and Fees		1,564	323	1,266		3,153
650	Professional and Staff Development		431	1,057	557,010		558,498
680	Information Technology Services			51,984			51,984
	Total Services	0	23,886	59,748	583,519	191,047	858,200
7XX	SUPPLIES, MATERIALS AND MINOR EQUIPMENT						
710	Supplies		17,088	60,923	1,417		79,428
740	Curricular and Media Materials		8,173	145,667	18,576		172,416
760	Minor Equipment		11,300	1,045	10,451		22,796
780	Information Technology Equipment		27,959	26,425			54,384
	Total Supplies, Materials and Minor Equipment	0	64,520	234,060	30,444	0	329,024
96X-99	TRANSFERS						
960	School Divisions						0
980	Organizations and Individuals					35,500	35,500
	Total Transfers					35,500	35,500
	TOTALS	388,362	681,288	4,128,785	1,886,992	493,164	7,578,591

OPERATING FUND - EXPENSE DETAIL: FUNCTION 700

For the Year Ended June 30, 2017

TRANSPORTATION OF PUPILS	10	20	70	80	90	
CODE OBJECT \ PROGRAM	ADMINISTRATION	REGULAR	ALLOWANCES IN LIEU OF TRANSPORTATION	BOARDING OF STUDENTS/ DORMITORIES	FIELD TRIPS AND OTHER	TOTALS
3XX SALARIES						
320 Executive, Managerial and Supervisory	274,872					274,872
350 Instructional - Other						0
360 Technical, Specialized and Service		2,891,700			37,125	2,928,825
370 Secretarial, Clerical and Other	99,640				42,103	141,743
390 Information Technology						0
Total Salaries	374,512	2,891,700		0	79,228	3,345,440
4XX EMPLOYEES BENEFITS AND ALLOWANCES	53,749	422,928			9,684	486,361
5-6XX SERVICES						
510 Professional, Technical and Specialized	40	7,216				7,256
520 Communications	5,862	9,044				14,906
540 Travel and Meetings	7,512	379				7,891
550 Transportation of Pupils		13,310	15,582		15,589	44,481
570 Printing and Binding	13	55				68
580 Insurance and Bond Premiums		52,235				52,235
590 Maintenance and Repair Services	1,201	68,099				69,300
610 Rentals						0
630 Advertising	1,670					1,670
640 Dues and Fees	1,245					1,245
650 Professional and Staff Development	436	840				1,276
680 Information Technology Services	1,590	897				2,487
Total Services	19,569	152,075	15,582	0	15,589	202,815
7XX SUPPLIES, MATERIALS AND MINOR EQUIPMENT						
710 Supplies	2,308	637,353			27,002	666,663
740 Curricular and Media Materials		540				540
760 Minor Equipment	1,393	10,340				11,733
780 Information Technology Equipment	156					156
Total Supplies, Materials and Minor Equipment	3,857	648,233		0	27,002	679,092
96X-99 TRANSFERS						
960 School Divisions						0
980 Organizations and Individuals						0
999 Recharge						0
Total Transfers	0	0	0	0	0	0
TOTALS	451,687	4,114,936	15,582	0	131,503	4,713,708

OPERATING FUND - EXPENSE DETAIL: FUNCTION 800

For the Year Ended June 30, 2017

OPERATIONS AND MAINTENANCE	10	20	50	70	80	
	ADMINISTRATION	SCHOOL BUILDINGS MAINTENANCE	SCHOOL BUILDINGS REPAIRS AND REPLACEMENTS	OTHER BUILDINGS	GROUND	TOTALS
CODE OBJECT \ PROGRAM						
3XX SALARIES						
320 Executive, Managerial and Supervisory	572,142					572,142
360 Technical, Specialized and Service		8,733,858		91,799		8,825,657
370 Secretarial, Clerical and Other	133,170					133,170
390 Information Technology						0
Total Salaries	705,312	8,733,858	0	91,799	0	9,530,969
4XX EMPLOYEES BENEFITS AND ALLOWANCES	100,169	1,304,160		13,471		1,417,800
5-6XX SERVICES						
510 Professional, Technical and Specialized	239	139,696		1,275	67,035	208,245
520 Communications	8,207	74,535		4,632		87,374
530 Utility Services		3,208,874		121,383		3,330,257
540 Travel and Meetings	28,407					28,407
570 Printing and Binding	37					37
580 Insurance and Bond Premiums		435,476				435,476
590 Maintenance and Repair Services	752	2,575,960	655,780	173,485	722,705	4,128,682
610 Rentals		3,353				3,353
620 Property Taxes		158,911		132,078		290,989
630 Advertising	123					123
640 Dues and Fees	1,524	495				2,019
650 Professional and Staff Development	3,997	685				4,682
680 Information Technology Services		36,848				36,848
Total Services	43,286	6,634,833	655,780	432,853	789,740	8,556,492
7XX SUPPLIES, MATERIALS AND MINOR EQUIPMENT						
710 Supplies	12,446	1,158,491		18,720		1,189,657
740 Curricular and Media Materials						0
760 Minor Equipment		62,705		25,880		88,585
780 Information Technology Equipment	12,519	17,852				30,371
Total Supplies, Materials and Minor Equipment	24,965	1,239,048	0	44,600	0	1,308,613
96X-99 TRANSFERS						
999 Recharge						0
TOTALS	873,732	17,911,899	655,780	582,723	789,740	20,813,874

OPERATING FUND - DETAIL OF TRANSFERS TO (FROM) CAPITAL FUND

For the Year Ended June 30, 2017

Transfers To Capital Fund

[illegible]

CAPITAL FUND SCHEDULE OF FINANCIAL POSITION

as at June 30

	2017	2016
Financial Assets		
Cash and Bank	-	
Due from		
- Provincial Government	962,992	937,914
- Federal Government	25,188	41,759
- Municipal Government	-	-
- First Nations	-	-
- Other Funds	3,127,835	4,397,080
Accounts Receivable	-	-
Accrued Investment Income	-	-
Portfolio Investments	-	-
	4,116,015	5,376,753
Liabilities		
Overdraft	1,217,353	1,628,835
Accounts Payable	747,702	1,004,057
Accrued Liabilities	49,280	237,169
Accrued Interest Payable	962,992	937,914
Due to		
- Provincial Government	43	-
- Federal Government	-	-
- Municipal Government	-	-
- First Nations	-	-
- Operating Fund	155,300	-
Deferred Revenue	505,216	590,468
Borrowings from the Provincial Government	45,095,653	41,137,908
Other Borrowings	5,279,175	4,000,845
	54,012,714	49,537,196
Net Debt	(49,896,699)	(44,160,443)
Non-Financial Assets		
Net Tangible Capital Assets	77,355,155	71,862,036
Accumulated Surplus / Equity *	27,458,456	27,701,593
* Comprised of:		
Reserve Accounts	3,127,835	4,397,080
Equity in Tangible Capital Assets	24,330,621	23,304,513
	27,458,456	27,701,593

CAPITAL FUND SCHEDULE OF REVENUE, EXPENSES AND ACCUMULATED SURPLUS

For the Year Ended June 30

	2017	2016
Revenue		
Provincial Government		
Grants	-	372
Debt Servicing - Principal	3,033,554	2,807,139
- Interest	1,998,068	1,909,484
Federal Government	-	-
Municipal Government	-	-
Other Sources:		
Investment Income	-	-
Donations	123,217	84,579
MB Hydro grant	68,197	40,544
Gain / (Loss) on Disposal of Capital Assets	6,804	2,880
Gain on receipt of Modular classroom	-	-
	-	-
	-	-
	5,229,840	4,844,998
Expenses		
Amortization	6,438,125	6,124,962
Interest on Borrowings from the Provincial Government	2,074,946	1,938,791
Other Interest	174,762	126,114
Other Capital Items	283,010	475,367
	8,970,843	8,665,234
Current Year Surplus / (Deficit)	(3,741,003)	(3,820,236)
Net Transfers from (to) Operating Fund	3,497,866	3,915,814
Transfers from Special Purpose Fund	-	-
Net Current Year Surplus (Deficit)	(243,137)	95,578
Opening Accumulated Surplus / Equity	27,701,593	27,606,015
Adjustments:	-	-
	-	-
Opening Accumulated Surplus / Equity as adjusted	27,701,593	27,606,015
Closing Accumulated Surplus / Equity	27,458,456	27,701,593

SCHEDULE OF TANGIBLE CAPITAL ASSETS
at June 30, 2017

	Buildings and Leasehold Improvements		School Buses	Other Vehicles	Furniture / Fixtures & Equipment	Computer Hardware & Software *	Land	Land Improvements	Assets Under Construction	2017 TOTALS	2016 TOTALS
	School	Non-School									
Tangible Capital Asset Cost											
Opening Cost, as previously reported	128,860,748	6,537,137	6,951,865	386,478	3,559,009	16,654,283	1,878,287	3,016,292	7,026,525	174,870,624	162,666,876
Adjustments	-	-	-	-	-	-	-	-	-	-	-
Opening Cost adjusted	128,860,748	6,537,137	6,951,865	386,478	3,559,009	16,654,283	1,878,287	3,016,292	7,026,525	174,870,624	162,666,876
Add: Additions during the year	12,396,750		739,270	119,390	287,233	3,129,451			(4,740,849)	11,931,245	12,981,819
Less: Disposals and write downs			73,207	13,979	891,990					979,176	778,071
Closing Cost	141,257,498	6,537,137	7,617,928	491,889	2,954,252	19,783,734	1,878,287	3,016,292	2,285,676	185,822,693	174,870,624
Accumulated Amortization											
Opening, as previously reported	79,173,953	3,868,073	4,721,335	319,978	2,395,244	10,194,801		2,335,204		103,008,588	97,661,697
Adjustments	-	-	-	-	-	-		-		-	-
Opening adjusted	79,173,953	3,868,073	4,721,335	319,978	2,395,244	10,194,801		2,335,204		103,008,588	97,661,697
Add: Current period Amortization	3,113,968	217,811	482,992	43,998	336,342	2,042,722		200,292		6,438,125	6,124,962
Less: Accumulated Amortization on Disposals and Writedowns			73,207	13,979	891,989			-		979,175	778,071
Closing Accumulated Amortization	82,287,921	4,085,884	5,131,120	349,997	1,839,597	12,237,523		2,535,496		108,467,538	103,008,588
Net Tangible Capital Asset	58,969,577	2,451,253	2,486,808	141,892	1,114,655	7,546,211	1,878,287	480,796	2,285,676	77,355,155	71,862,036
Proceeds from Disposal of Capital Assets	-	-	6,805	-						6,805	2,880

* Includes network infrastructure.

SCHEDULE OF CAPITAL RESERVE ACCOUNTS
For the Year Ended June 30, 2017

Fund Name >	Buses	Locker Replacement	Science Labs	MMC Re-Configuration	Workplace Health & Safety Enhancements	Sub-Totals
Opening Balance, July 1, 2016	19,929	390,017	535,807	750,000	201,327	1,897,080
Additions: (Provide a description of each transaction)						
						-
						-
						-
						-
						-
						-
						-
						-
Total Additions	-	-	-	-	-	-
Withdrawals: (Provide a description of each transaction)						
Purchases	19,929	228,387			118,836	367,152
Renovations			529,553	372,540		902,093
						-
						-
						-
						-
						-
						-
Total Withdrawals	19,929	228,387	529,553	372,540	118,836	1,269,245
Closing Balance, June 30, 2017	-	161,630	6,254	377,460	82,491	627,835

I certify that the information above is true and correct and that the withdrawals have been made for the purposes approved by the Public Schools Finance Board.

October 24, 2017

Date

Vince Mariani

Secretary-Treasurer

SCHEDULE OF CAPITAL RESERVE ACCOUNTS
For the Year Ended June 30, 2017

Fund Name >	MMC Addition	Transportation Building				Totals (includes totals from previous page)
Opening Balance, July 1, 2016	-	2,500,000	-	-	-	4,397,080
Additions: (Provide a description of each transaction)						
Set up Reserve	1,250,000					1,250,000
						-
						-
						-
						-
						-
						-
						-
Total Additions	1,250,000	-	-	-	-	1,250,000
Withdrawals: (Provide a description of each transaction)						
Transfer reserve to MMC Additions		1,250,000				1,617,152
						902,093
						-
						-
						-
						-
						-
						-
Total Withdrawals	-	1,250,000	-	-	-	2,519,245
Closing Balance, June 30, 2017	1,250,000	1,250,000	-	-	-	3,127,835

I certify that the information above is true and correct and that the withdrawals have been made for the purposes approved by the Public Schools Finance Board.

October 24, 2017
Date

Vince Mariani
Secretary-Treasurer

SPECIAL PURPOSE FUND SCHEDULE OF FINANCIAL POSITION

as at June 30

	2017	2016
Financial Assets		
Cash and Bank	1,895,918	1,819,973
GST Receivable	-	-
Accrued Investment Income	-	-
Portfolio Investments	-	-
	1,895,918	1,819,973
Liabilities		
School Generated Funds Liability	1,587,032	1,529,475
Accounts Payable	-	-
Accrued Liabilities	-	-
Due to Other Funds	-	-
Deferred Revenue	-	-
	1,587,032	1,529,475
Accumulated Surplus *	308,886	290,498
* Comprised of:		
School Generated Funds Accumulated Surplus	308,886	290,498
Other Funds Accumulated Surplus	-	-
Accumulated Surplus *	308,886	290,498

SPECIAL PURPOSE FUND SCHEDULE OF REVENUE, EXPENSES AND ACCUMULATED SURPLUS

For the Year Ended June 30

	2017	2016
Revenue		
School Generated Funds	753,993	762,548
Other Funds	-	-
	-	-
	753,993	762,548
Expenses		
School Generated Funds	735,605	804,518
Other Funds	-	-
	-	-
	735,605	804,518
Current Year Surplus (Deficit)	18,388	(41,970)
Transfers (to) Operating Fund	-	-
Transfers (to) Capital Fund	-	-
Net Current Year Surplus (Deficit)	18,388	(41,970)
Opening Accumulated Surplus	290,498	332,468
Adjustments: School Generated Funds	-	-
Other Funds	-	-
Opening Accumulated Surplus as adjusted	290,498	332,468
Closing Accumulated Surplus	308,886	290,498

STUDENT ENROLMENTS (FRAME) AND TRANSPORTATION STATISTICS (UNAUDITED)

ENROLMENTS BY PROGRAM		F.T.E. Enrolment September 30, 2016
REGULAR INSTRUCTION		
English Language - Single Track		9,175.0
Francais - Single Track		-
French Immersion - Single Track		1,223.0
Dual Track		
- English Language	2,519.5	
- Francais	-	
- French Immersion	1,663.5	
- Other Bilingual	378.0	4,561.0
Senior Years Technology Education		649.0
TOTAL NUMBER OF FULL TIME EQUIVALENT K - 12 STUDENTS		15,608.0

TRANSPORTATION OF PUPILS	
TRANSPORTED STUDENTS (September 30)	3,638
TOTAL KILOMETERS - LOG BOOK (For the period ended June 30)	1,314,137
TOTAL KILOMETERS - BUS ROUTES (For the period ended June 30)	1,023,286
LOADED KILOMETERS (For the period ended June 30)	505,467

FULL TIME EQUIVALENT PERSONNEL (UNAUDITED)

For the 2016/17 Fiscal Year

CODE	OBJECT \ FUNCTION	FUNCTION 100	FUNCTION 200	FUNCTION 300	FUNCTION 400	FUNCTION 500	FUNCTION 600	FUNCTION 700	FUNCTION 800	TOTALS
320	Executive, Managerial, & Supervisory	64.54	3.25	1.50	1.75	11.50	1.50	4.00	7.00	95.04
330	Instructional - Teaching	898.83	151.58	5.00	2.50		29.64			1,087.55
350	Instructional - Other	30.04	403.62				34.00			467.66
360	Technical, Specialized And Service	9.80			1.00	8.00	9.15	86.72	171.00	285.67
370	Secretarial, Clerical And Other	83.57	6.00	2.42		23.00	3.50	3.00	3.00	124.49
380	Clinician		28.37							28.37
390	Information Technology	11.00	1.00			3.00				15.00
TOTALS (excluding Trustees)		1,097.78	593.82	8.92	5.25	45.50	77.79	93.72	181.00	2,103.78

510 Contracted Clinicians (include private clinicians where possible)		
--	--	--

310 TRUSTEES		9.00
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CALCULATION OF ADMINISTRATION COSTS AS A PERCENTAGE OF TOTAL EXPENSES

Administration Costs

Divisional Administration, Function 500	5,286,698
Less: Liability Insurance	125,833
Administration portion of self-funded expenses (see below)	359,194 *
Trustee election costs	-
	<u>4,801,671 (A)</u>

Expense Base

Total Operating Expenses	184,853,371
Plus: Transfers to Capital	3,653,166
Less: Adult Learning Centres, Function 300	1,430,684
	<u>187,075,853 (B)</u>

Percentage (A) / (B)

2.57%

Maximum Allowable Percentage

3.50%

Calculation of **Maximum Allowable Percentage**:
 If F.T.E. Enrolment is 5,000 or over = 3.50%
 If F.T.E. Enrolment is 1,000 or less = 4.25%
 If F.T.E. Enrolment is between 1,000 and 5,000, calculated as:
 3.5% + (5,000 – division enrolment X 0.0001875%) to a maximum of 4.25%
 5.0% limit for Northern divisions

Self-Funded Expenses (fully offset by incremental revenues):

International Student Programs

Expenses (1)	
Instructional	441,693
Administration (deducted above)	359,194 *
Other: _____	-
_____	-
	<u>800,887</u>
Associated Revenue ⁽²⁾	<u>950,499</u>

Self-Administered Pension Plans

Expenses (1)	
Administration (deducted above)	- *
Other: _____	-
_____	-
	<u>0</u>
Associated Revenue ⁽²⁾	<u>-</u>

(1) Incremental costs of the program.

(2) Tuition fees from international students or the pension plan administration fee.

RIVER EAST TRANSCONA SCHOOL DIVISION

Notes to Consolidated Financial Statements

June 30, 2017

1. NATURE OF ORGANIZATION AND ECONOMIC DEPENDENCE

The River East Transcona School Division (Division) is a public body that provides education services to residents within its geographic location. The division is funded mainly by grants from the Province of Manitoba (Province), and a special levy on the property assessment included in the Division's boundaries. The Division is exempt from income tax and is a registered charity under the Income Tax Act.

The Division is economically dependent on the Province for the majority of its revenue and capital financing requirements. Without this funding, the Division would not be able to continue its operations.

2. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles established by PSAB of the Canadian Chartered Professional Accountants of Canada.

a) *Reporting Entity and Consolidation*

The consolidated financial statements reflect the assets, liabilities, revenues and expenses of the operating fund, capital fund, and special purpose fund of the Division. The Division reporting entity includes school generated funds controlled by the Division.

All inter-fund accounts and transactions are eliminated upon consolidation.

b) *Trust Funds*

The Division administers various trust funds. Trust funds and their related operations are not included in the consolidated financial statements as they are not owned or controlled by the Division. A schedule of trust funds is attached as part of the notes to the consolidated financial statements.

Trust funds, under PSAB are properties assigned to a trustee (school division) under a trust agreement or statute; the trustee merely administers the terms and conditions embodied in the agreement, and it has no unilateral authority to change the conditions set out in the trust indenture.

c) *Basis of Accounting*

Revenues and expenses are reported on the accrual basis of accounting except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable. The accrual basis of accounting recognizes revenues as they are earned and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay. Expenses also include the amortization of tangible capital assets.

RIVER EAST TRANSCONA SCHOOL DIVISION

Notes to Consolidated Financial Statements

June 30, 2017

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

d) *Fund Accounting*

The fund method of accounting is employed by the Division to record financial transactions in separate funds as defined by FRAME in accordance with the purpose for which the funds have been created.

The Operating Fund is maintained to record all the day to day operating revenues and expenses. The Capital Fund is used to account for the acquisition, amortization, disposal and financing of capital assets. The Special Purpose Fund is used to account for school generated funds and charitable foundations controlled by the Division.

e) *School Generated Funds*

School generated funds are monies raised by the school, or under the auspices of the school, through extracurricular activities for the sole use of the school that the principal of each school, subject to the rules of the school board, may raise, hold, administer and expend for the purposes of the school.

Only revenue and expenses of school generated funds controlled by the Division are included in the Consolidated Statement of Revenue, Expenses and Accumulated Surplus. To be deemed as controlled, a school must have the unilateral authority to make the decisions as to when, how and on what the funds are to be spent.

Period end cash balances of all school generated funds are included in the Consolidated Statement of Financial Position. The uncontrolled portion of this amount is reflected in the School Generated Funds Liability account. Examples of uncontrolled school generated funds are parent council funds, other parent group funds, student council funds and travel club funds. Revenues and expenses of uncontrolled school generated funds are not included in the consolidated financial statements.

f) *Tangible Capital Assets*

Tangible capital assets are non-financial assets that are used by the Division to provide services to the public and have an economic life beyond one fiscal year. Tangible capital assets include land, buildings, buses, other vehicles, furniture and equipment, computers, capital leases, leasehold improvements, and assets under construction.

With the exception of land, donated capital assets and capital leases, all tangible capital assets are recorded at historical cost, which includes purchase price, installation costs and other costs incurred to put the asset into service.

Buildings are recorded at historical cost when known. For buildings acquired prior to June 30, 2005 where the actual cost was not known, the replacement value for insurance purposes as at June 30, 2005 was regressed to the date of acquisition using a regression index based on Southam and CanaData construction cost indices.

RIVER EAST TRANSCONA SCHOOL DIVISION

Notes to Consolidated Financial Statements

June 30, 2017

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

f) *Tangible Capital Assets (continued)*

Capital leases are recorded at the present value of the minimum lease payments excluding executory costs (e.g. insurance, maintenance costs, etc.). The discount rate used to determine the present value of the lease payments is the lower of the Division's rate for incremental borrowing or the interest rate implicit in the lease.

Donated tangible capital assets are recorded at fair market value at the date of donation. Deferred revenue is recorded in an equivalent amount, for all donated assets except land. The deferred revenue will be recognized as revenue over the useful life of the related asset, on the same basis that the asset is amortized.

All land acquired prior to June 30, 2006 has been valued by the Crown Lands and Property Agency at their estimated fair market value at the time of acquisition.

All tangible capital assets, except for land and assets under construction, are amortized on a straight-line basis over their estimated useful lives as follows:

<u>Asset Description</u>	<u>Estimated Useful Life</u> (Years)
Land Improvements	10
Building - Brick, Mortar and Steel	40
Buildings - Wood Frame	25
School Buses	10
Vehicles	5
Equipment	5
Network Infrastructure	10
Computer Hardware, Servers & Peripherals	4
Computer Software	4
Furniture & Fixtures	10
Leasehold Improvements	Over term of lease

Land is not amortized. Capital leases with lease terms that have a bargain purchase option or allow ownership to pass to the Division are amortized on a straight line basis over the useful life of the asset class. All other capital leases are amortized over the lesser of the lease term and the useful life of the asset class.

Assets under construction are not amortized until the date of substantial completion. Interest on funds used to finance school buildings under construction is capitalized for the periods preceding the date of substantial completion.

g) *Employee Future Benefits*

The Province of Manitoba pays the employer portion of the Teachers' Retirement Allowances Fund (TRAF), the pension plan for all certified teachers of the Division. The Division does not contribute to TRAF, and no costs relating to this plan are included in the Division's financial statements.

RIVER EAST TRANSCONA SCHOOL DIVISION

Notes to Consolidated Financial Statements

June 30, 2017

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

g) Employee Future Benefits (continued)

Under the Pension Plan for Non-Teaching Employees of Public School Boards in Manitoba, the Division's contribution equals the employee's contributions to the plan. No responsibility is assumed by the Division to make any further contributions.

For non-vesting accumulated sick days, the benefit costs are recognized, if deemed material, based on a projection of expected future utilization of sick time, discounted using net present value techniques.

An employee future benefit liability is accrued for maternity and parental leave top up payments, a self-insured benefit obligation that is event driven. The benefit costs are recognized and recorded only in the period the event occurred.

h) Capital Reserve

Certain amounts, as approved by the Board of Trustees and the Public Schools Finance Board (PSFB), have been set aside in reserve accounts for future capital purposes. These Capital Reserve accounts are internally restricted funds that form part of the Accumulated Surplus presented in the Consolidated Statement of Financial Position.

i) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from the estimates. Changes in estimates are recorded in the accounting period in which these changes are determined.

j) Financial Instruments

The Division's financial instruments include cash, accounts receivable, due to/from governments, other schools and First Nations, accounts payable, accrued liabilities and long-term debt. All financial instruments are initially recognized at fair value when the Division becomes a party to the contractual provisions of the financial instrument. Subsequently, all financial instruments are measured at amortized cost. The effective interest method is used to recognize interest income or expense. Transaction costs related to all financial instruments are expensed as incurred.

RIVER EAST TRANSCONA SCHOOL DIVISION

Notes to Consolidated Financial Statements

June 30, 2017

3. EMPLOYEE FUTURE BENEFITS

An employee future benefit liability of \$203,250 (2016 - \$579,868) has been accrued as at June 30, 2017 relating to maternity and parental leave top up payments. The employee future benefit expense is a part of the Employee Benefits and Allowances expense account.

Non-vested accumulated sick leave benefits are measured using net present value techniques of the expected future utilization of excess of sick benefits used over earned per year, to maximum entitlement. The impact of the estimated non-vested sick leave benefit is 1,574,556 (2016 - \$1,320,112).

During the year ended June 30, 2017, the employer contributions to the Pension Plan for Non-Teaching Employees of Public School Boards in Manitoba amounted to \$2,350,211 (2016 - \$2,249,361). This amount has been expensed in the Division's financial statements for the year ended June 30, 2017.

4. DEFERRED REVENUE

The deferral method of accounting is used for revenues received that, pursuant to legislation, regulation or agreement, may only be used for specific purposes. These amounts are recognized as revenue in the fiscal year the related expenses are incurred or services performed. The following is a breakdown of the account balance:

	Balance at June 30, 2016	Additions in the period	Revenue recognized in the period	Balance at June 30, 2017
Province of MB – EPTC*	\$ 8,591,978	\$ 8,192,582	\$ 8,591,978	\$ 8,192,582
Province of MB – Other	177,140	419,153	376,917	219,376
Tuition Fees	810,264	1,032,806	810,264	1,032,806
Donated Capital Asset	590,468	37,965	123,217	505,216
Miscellaneous	184,792	426,999	416,609	195,182
	\$10,354,642	\$10,109,505	\$10,318,985	\$ 10,145,162

*EPTC = Education Property Tax Credit

5. SCHOOL GENERATED FUNDS LIABILITY

School Generated Funds Liability includes the non-controlled portion of school generated funds consolidated in the cash and bank balances in the amount of \$1,587,032 (2016 - \$1,529,475).

RIVER EAST TRANSCONA SCHOOL DIVISION

Notes to Consolidated Financial Statements

June 30, 2017

6. BORROWINGS FROM PROVINCIAL GOVERNMENT

The debenture debt of the Division is in the form of twenty-year debentures payable, or promissory note, principal and interest, in equal yearly installments and maturing at various dates from 2017 to 2037. Payment of principal and interest is funded entirely by grants from the Province of Manitoba. The debentures carry interest rates that range from 3.0% to 8.375%. Debenture interest expense payable as at June 30, 2017 is accrued and recorded in Accrued Interest Payable, and a grant in an amount equal to the interest accrued on provincially funded debentures is recorded in Due from the Provincial Government. The debenture principal and interest repayments in the next five years are:

	Principal	Interest	Total
2018	\$ 3,353,186	\$ 2,045,945	\$ 5,399,131
2019	3,423,131	1,868,625	5,291,756
2020	3,161,833	1,688,169	4,850,002
2021	3,047,838	1,524,055	4,571,893
2022	2,899,813	1,370,187	4,270,000
	<u>\$ 15,885,801</u>	<u>\$ 8,496,981</u>	<u>\$ 24,382,782</u>

7. OTHER BORROWINGS

Other borrowings are debts other than overdrafts and includes obligations related to capital leases and debentures for self-funded capital projects.

Capital lease loans have interest rates ranging from 2.11% to 3.89% per annum and have lease terms that expire between 2018 to 2022. These loans are secured by the assets to which the leases relate.

Principal and interest repayments related to obligations under capital leases are as follows:

	Principal	Interest	Total
2018	\$ 1,278,059	\$ 129,875	\$ 1,407,934
2019	1,237,442	90,917	1,328,359
2020	1,096,618	53,095	1,149,713
2021	522,667	20,311	542,978
2022	123,085	5,275	128,360
	<u>\$ 4,257,871</u>	<u>\$ 299,473</u>	<u>\$ 4,557,344</u>

RIVER EAST TRANSCONA SCHOOL DIVISION

Notes to Consolidated Financial Statements

June 30, 2017

7. OTHER BORROWINGS (continued)

The debentures for self-funded capital projects are in the form of twenty year debt payable, principal and interest in equal yearly installments and maturing in 2022. These self-funded debentures carry interest rates of 6.875%. The principal and interest repayments for the debentures in the next five years are:

	Principal	Interest	Total
2018	\$ 167,598	\$ 66,097	\$ 233,695
2019	179,120	54,575	233,695
2020	191,435	42,260	233,695
2021	204,596	29,099	233,695
2022	218,662	15,033	233,695
	<u>\$ 961,411</u>	<u>\$ 207,064</u>	<u>\$ 1,168,475</u>

8. NET TANGIBLE CAPITAL ASSETS

The Schedule of Tangible Capital Assets (TCA), page 23 of the audited financial statements, provides a breakdown of cost, accumulated amortization and net book value by asset class. The amount of interest capitalized in the period included in Assets under Construction was \$49,085 (2016 - \$21,697). Included in net tangible capital assets are assets relating to obligations under capital lease for the gross amount, accumulated amortization and net book value at June 30, 2017 are \$13,675,094, \$8,587,776 and \$5,087,318 respectively.

9. ACCUMULATED SURPLUS

The consolidated accumulated surplus is comprised of the following:

	<u>2017</u>	<u>2016</u>
Operating Fund		
Designated Surplus	\$ 2,146,875	\$ 2,062,906
Undesignated Surplus	3,156,366	2,938,012
Non-Vested Sick Leave	(1,574,556)	(1,320,112)
	<u>\$ 3,728,685</u>	<u>\$ 3,680,806</u>
Capital Fund		
Reserve Accounts	\$ 3,127,835	\$ 4,397,080
Equity in Tangible Capital Assets	24,330,621	23,304,513
	<u>\$ 27,458,456</u>	<u>\$ 27,701,593</u>
Special Purpose Fund		
School Generated Funds	\$ 308,886	\$ 290,498
	<u>\$ 31,496,027</u>	<u>\$ 31,672,897</u>

Designated Surplus under the Operating Fund represents internally restricted amounts appropriated by the board or, in the case of school budget carryovers, by board policy. See page 5 of the audited financial statements for a detailed breakdown of the Designated Surplus.

RIVER EAST TRANSCONA SCHOOL DIVISION

Notes to Consolidated Financial Statements

June 30, 2017

9. ACCUMULATED SURPLUS (continued)

	<u>2017</u>	<u>2016</u>
Board approved appropriation by motion	\$ 945,498	\$ 951,168
School budget carryovers by board policy	<u>1,201,377</u>	<u>1,111,738</u>
Designated surplus	<u>\$ 2,146,875</u>	<u>\$ 2,062,906</u>

Reserve Accounts under the Capital Fund represents internally restricted reserves for specific purposes approved by the Board of Trustees and PSFB. A Schedule of Capital Reserve Accounts is provided on pages 24 and 24A of the audited financial statements.

School Generated Funds and Other Special Purpose Funds are externally restricted monies for school use.

10. MUNICIPAL GOVERNMENT – PROPERTY TAX AND RELATED DUE FROM MUNICIPAL GOVERNMENT

Education property tax or Special Levy is raised as the Division's contribution to the cost of providing public education for the student's resident in the division. The Municipal Government-Property Tax shown on the consolidated revenue and expense is raised over the two calendar (tax) years; 40% from 2016 tax year and 60% from 2017 tax year. Below are the related revenue and receivable amounts:

	<u>2017</u>	<u>2016</u>
Revenue-Municipal Government-Property Tax	<u>\$ 61,571,804</u>	<u>\$ 58,412,740</u>
Receivable-Due from Municipal Government-Property Tax	<u>\$ 36,941,370</u>	<u>\$ 35,323,360</u>

RIVER EAST TRANSCONA SCHOOL DIVISION

Notes to Consolidated Financial Statements

June 30, 2017

11. INTEREST RECEIVED AND PAID

The Division received interest during the year of \$75,694 (2016 - \$76,258).

Interest expense is included in Fiscal and is comprised of the following:

	<u>2017</u>	<u>2016</u>
Operating Fund		
Fiscal-Short Term Loan, Interest and Bank Charges	\$ 56,791	\$ 52,343
Capital Fund		
Debenture Debt Interest	\$ 2,074,946	\$ 1,938,791
Interest on Obligation under Capital Lease	173,720	124,804
Other Interest	1,042	1,310
	<u>\$ 2,249,708</u>	<u>\$ 2,064,905</u>
Total Fiscal – Interest	<u>\$ 2,306,499</u>	<u>\$ 2,117,248</u>

The accrued portion of debenture debt interest expense at June 30, 2017 of \$962,992 (2016- \$937,914) included under the Capital Fund-Debenture debt interest, is offset by an accrual of the debt servicing grant from the Province of Manitoba.

12. EXPENSES BY OBJECT

Expenses in the consolidated statement of revenue, expenses and accumulated surplus are reported by function as defined by FRAME. Below is the detail of expenses by object:

	<u>Actual 2017</u>	<u>Budget 2017</u>	<u>Actual 2016</u>
Salaries	\$ 148,627,903	\$ 145,631,971	\$ 144,677,123
Employees benefits & allowances	10,841,884	10,775,000	11,034,234
Services	13,885,093	14,074,800	13,648,361
Supplies, materials, minor equipment	7,671,528	7,402,798	8,061,391
Interest	2,306,499	34,000	2,117,248
School Divisions	565,896		548,339
Other operating expenses	35,500	48,300	38,180
Payroll tax	3,168,776	3,125,000	3,066,170
Amortization	6,438,125		6,124,962
Other capital items	283,010		475,367
School generated funds	735,605		804,518
	<u>\$ 194,559,819</u>	<u>\$ 181,091,869</u>	<u>\$ 190,595,893</u>

RIVER EAST TRANSCONA SCHOOL DIVISION

Notes to Consolidated Financial Statements

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13. SPECIAL LEVY RAISED FOR LA DIVISION SCOLAIRE FRANCO-MANITOBAINE

In accordance with Section 190.1 of The Public Schools Act the Division is required to collect a special levy on behalf la Division scolaire franco-manitobaine. As at June 30, 2017, the amount of this special levy was \$1,199,172 (2016 - \$1,146,629). These amounts are not included in the Division's consolidated financial statements.

14. TRUST FUND

The Division administers the following trust funds, which are not reflected in the financial statements:

	<u>2017</u>	<u>2016</u>
<u>Scholarship Funds</u>		
Balance, beginning of year	\$ 285,054	\$ 284,782
Cash contributions received during the year	9,650	26,311
Interest income	2,023	2,080
Scholarships awarded	(28,427)	(28,119)
Balance, end of year	<u>\$ 268,300</u>	<u>\$ 285,054</u>
<u>Assets</u>		
Cash and investments	\$ 283,858	\$ 293,140
Accounts Payable	(15,558)	(8,086)
Balance end of year	<u>\$ 268,300</u>	<u>\$ 285,054</u>

15. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

The Division is exposed to credit, liquidity and interest rate risks in respect of its use of financial instruments.

Credit Risk

Credit risk is the risk that one party to a financial instrument fails to discharge an obligation and causes financial loss to the counter party. The financial instruments that potentially subject the Division to credit risk consist principally of accounts receivable. The carrying amount of financial assets represents the maximum credit exposure. The Division's maximum possible exposure to credit risk is as follows:

	<u>2017</u>	<u>2016</u>
Cash	\$ 2,237,212	\$ 4,848,897
Due from – Provincial Government	3,946,720	3,720,747
– Federal Government	404,425	394,440
– Municipal Government	36,941,370	35,323,360
– Other School Divisions	101,689	95
– First Nations	20,900	14,200
Accounts Receivable	102,430	126,285

The Division's accounts receivable consist largely of the grants and revenues to be received from local, provincial, and federal governments. The Division is not exposed to significant credit risk as payments in full are typically collected when due.

RIVER EAST TRANSCONA SCHOOL DIVISION

Notes to Consolidated Financial Statements

June 30, 2017

15. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (continued)

Liquidity risk

Liquidity risk relates to the Division's ability to access sufficient funds to meet its financial commitments. The following table details the Fund's remaining contractual maturities for its financial liabilities.

	Due < 1 year	Due > 1 year, < 2 years	Due > 2 years, < 3 years	Due > 3 years, < 4 years	Due > 4 years, < 5 years	Due > 5 years
Accounts Payable	\$ 1,705,762	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued Liabilities	23,334,272	-	-	-	-	-
Due to Governments	16,502	-	-	-	-	-
Debenture Debt	3,353,186	3,423,131	3,161,833	3,047,838	2,899,813	29,209,853
Other Borrowings	1,445,657	1,416,562	1,288,053	1,288,053	341,747	59,892

The Division's primary liquidity risk relates to its liability for debenture debt. The Division does not have material liabilities that can be called unexpectedly at the demand of a lender, and has no material commitments for capital expenditures, or need for same, in the normal course of business. As payment of principal and interest is funded entirely by grants from the Province of Manitoba, the Division is not exposed to significant liquidity risk.

Interest Rate Risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The interest rate exposure relates to debenture debt.