

**RIVER EAST TRANSCONA SCHOOL DIVISION
589 ROCH STREET
WINNIPEG, MANITOBA R2K 2P7**

**AUDITED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

June 30, 2016

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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, 2016, 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, 2016 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 black ink that reads "Deloitte LLP". The signature is written in a cursive, flowing style.

Chartered Professional Accountants

Winnipeg, Manitoba
October 18, 2016

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 2015/16 School Year) of the River East Transcona School Division as at September 30, 2015. 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, 2015 in accordance with the Public Schools Enrolment and Categorical Grants Reporting for the 2015/16 School Year referred to above.



Auditor

October 18, 2016

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

October 18, 2016

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.

Colleen Carswell

Chairperson
Colleen Carswell

Vince Mariani

Secretary-Treasurer
Vince Mariani

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at June 30

Notes		2016	2015
	Financial Assets		
	Cash and Bank	4,848,897	5,577,786
	Due from - Provincial Government	3,720,747	4,378,025
	- Federal Government	394,440	371,202
	- Municipal Government	35,323,360	30,953,635
	- Other School Divisions	95	3,547
	- First Nations	14,200	7,000
	Accounts Receivable	126,285	121,752
	Accrued Investment Income	-	-
	Portfolio Investments	-	-
		<u>44,428,024</u>	<u>41,412,947</u>
	Liabilities		
	Overdraft	-	-
	Accounts Payable	2,184,226	1,701,431
	Accrued Liabilities	22,834,726	17,921,123
3	Employee Future Benefits	1,899,980	1,354,283
	Accrued Interest Payable	937,914	908,084
	Due to - Provincial Government	17,010	8,047
	- Federal Government	16,217	15,783
	- Municipal Government	-	-
	- Other School Divisions	-	-
	- First Nations	-	-
4	Deferred Revenue	10,354,642	10,215,142
6	Borrowings from the Provincial Government	41,137,908	36,714,647
7	Other Borrowings	4,000,845	3,293,842
5	School Generated Funds Liability	<u>1,529,475</u>	<u>1,487,013</u>
		<u>84,912,943</u>	<u>73,619,395</u>
	Net Debt	<u>(40,484,919)</u>	<u>(32,206,448)</u>
	Non-Financial Assets		
8	Net Tangible Capital Assets (TCA Schedule)	71,862,036	65,005,179
	Inventories	-	-
	Prepaid Expenses	<u>295,780</u>	<u>326,477</u>
		<u>72,157,816</u>	<u>65,331,656</u>
9	Accumulated Surplus	<u>31,672,897</u>	<u>33,125,208</u>

See accompanying notes to the Financial Statements

**CONSOLIDATED STATEMENT
OF REVENUE, EXPENSES
AND ACCUMULATED SURPLUS**

For the Year Ended June 30

Notes		2016	2015
	Revenue		
	Provincial Government	126,470,998	126,102,045
	Federal Government	473,352	466,671
10	Municipal Government - Property Tax	58,412,740	51,698,881
	- Other	-	-
	Other School Divisions	807,812	849,432
	First Nations	112,500	112,000
	Private Organizations and Individuals	1,877,252	2,005,561
	Other Sources	361,484	455,307
	School Generated Funds	762,548	761,885
	Other Special Purpose Funds	-	-
		<u>189,278,686</u>	<u>182,451,782</u>
	Expenses		
	Regular Instruction	103,482,500	99,935,656
	Student Support Services	34,348,245	33,121,988
	Adult Learning Centres	1,007,529	980,149
	Community Education and Services	1,468,126	1,455,300
	Divisional Administration	5,402,428	5,207,313
	Instructional and Other Support Services	7,623,615	7,313,026
	Transportation of Pupils	4,091,112	3,990,614
	Operations and Maintenance	20,584,073	20,325,067
11	Fiscal - Interest	2,117,248	2,077,405
	- Other	3,066,170	2,973,546
	Amortization	6,124,962	6,100,925
	Other Capital Items	475,367	1,229,776
	School Generated Funds	804,518	768,450
	Other Special Purpose Funds	-	-
		<u>190,595,893</u>	<u>185,479,215</u>
	Current Year Surplus (Deficit) before Non-vested Sick Leave	<u>(1,317,207)</u>	<u>(3,027,433)</u>
	Less: Non-vested Sick Leave Expense (Recovery)	<u>135,104</u>	<u>196,183</u>
	Net Current Year Surplus (Deficit)	<u>(1,452,311)</u>	<u>(3,223,616)</u>
	Opening Accumulated Surplus	33,125,208	36,348,824
	Adjustments: Tangible Cap. Assets and Accum. Amort.	-	-
	Other than Tangible Cap. Assets	-	-
	Non-vested sick leave - prior years	-	-
	Opening Accumulated Surplus, as adjusted	<u>33,125,208</u>	<u>36,348,824</u>
	Closing Accumulated Surplus	<u>31,672,897</u>	<u>33,125,208</u>

See accompanying notes to the Financial Statements

CONSOLIDATED STATEMENT OF CHANGE IN NET DEBT

For the Year Ended June 30, 2016

	2016	2015
Net Current Year Surplus (Deficit)	<u>(1,452,311)</u>	<u>(3,223,616)</u>
Amortization of Tangible Capital Assets	6,124,962	6,100,925
Acquisition of Tangible Capital Assets	(12,981,819)	(8,430,805)
(Gain) / Loss on Disposal of Tangible Capital Assets	(2,880)	(5,662)
Proceeds on Disposal of Tangible Capital Assets	<u>2,880</u>	<u>5,662</u>
	<u>(6,856,857)</u>	<u>(2,329,880)</u>
Inventories (Increase)/Decrease	-	-
Prepaid Expenses (Increase)/Decrease	<u>30,697</u>	<u>94,771</u>
	<u>30,697</u>	<u>94,771</u>
(Increase)/Decrease in Net Debt	<u>(8,278,471)</u>	<u>(5,458,725)</u>
Net Debt at Beginning of Year	(32,206,448)	(26,747,723)
Adjustments Other than Tangible Cap. Assets	<u>-</u>	<u>-</u>
	<u>(32,206,448)</u>	<u>(26,747,723)</u>
Net Debt at End of Year	<u><u>(40,484,919)</u></u>	<u><u>(32,206,448)</u></u>

CONSOLIDATED STATEMENT OF CASH FLOW

For the Year Ended June 30, 2016

	2016	2015
Operating Transactions		
Net Current Year Surplus (Deficit)	(1,452,311)	(3,223,616)
Non-Cash Items Included in Current Year Surplus/(Deficit):		
Amortization of Tangible Capital Assets	6,124,962	6,100,925
(Gain)/Loss on Disposal of Tangible Capital Assets	(2,880)	(5,662)
Employee Future Benefits Increase/(Decrease)	545,697	25,362
Due from Other Organizations (Increase)/Decrease	(3,739,433)	13,513,389
Accounts Receivable & Accrued Income (Increase)/Decrease	(4,533)	41,789
Inventories and Prepaid Expenses - (Increase)/Decrease	30,697	94,771
Due to Other Organizations Increase/(Decrease)	9,397	(5,231)
Accounts Payable & Accrued Liabilities Increase/(Decrease)	5,426,228	2,800,887
Deferred Revenue Increase/(Decrease)	139,500	8,663,506
School Generated Funds Liability Increase/(Decrease)	42,462	176,976
Adjustments Other than Tangible Cap. Assets	-	-
Cash Provided by (Applied to) Operating Transactions	7,119,786	28,183,096
Capital Transactions		
Acquisition of Tangible Capital Assets	(12,981,819)	(8,430,805)
Proceeds on Disposal of Tangible Capital Assets	2,880	5,662
Cash Provided by (Applied to) Capital Transactions	(12,978,939)	(8,425,143)
Investing Transactions		
Portfolio Investments (Increase)/Decrease	-	-
Cash Provided by (Applied to) Investing Transactions	-	-
Financing Transactions		
Borrowings from the Provincial Government Increase/(Decrease)	4,423,261	731,242
Other Borrowings Increase/(Decrease)	707,003	(345,937)
Cash Provided by (Applied to) Financing Transactions	5,130,264	385,305
Cash and Bank / Overdraft (Increase)/Decrease	(728,889)	20,143,258
Cash and Bank (Overdraft) at Beginning of Year	5,577,786	(14,565,472)
Cash and Bank (Overdraft) at End of Year	4,848,897	5,577,786

OPERATING FUND SCHEDULE OF FINANCIAL POSITION

as at June 30

	2016	2015
Financial Assets		
Cash and Bank	4,657,759	4,497,672
Due from		
- Provincial Government	2,782,833	3,469,941
- Federal Government	352,681	347,920
- Municipal Government	35,323,360	30,953,635
- Other School Divisions	95	3,547
- First Nations	14,200	7,000
- Other Funds	-	-
Accounts Receivable	126,285	121,752
Accrued Investment Income	-	-
Portfolio Investments	-	-
	<u>43,257,213</u>	<u>39,401,467</u>
Liabilities		
Overdraft	-	-
Accounts Payable	1,180,169	935,280
Accrued Liabilities	22,597,557	17,750,056
Employee Future Benefits	1,899,980	1,354,283
Accrued Interest Payable	-	-
Due to		
- Provincial Government	17,010	8,047
- Federal Government	16,217	15,783
- Municipal Government	-	-
- Other School Divisions	-	-
- First Nations	-	-
- Capital Fund	4,397,080	4,852,675
Deferred Revenue	9,764,174	9,625,095
Other Borrowings	-	-
	<u>39,872,187</u>	<u>34,541,219</u>
Net Financial Assets (Net Debt)	<u>3,385,026</u>	<u>4,860,248</u>
Non-Financial Assets		
Inventories	-	-
Prepaid Expenses	295,780	326,477
	<u>295,780</u>	<u>326,477</u>
Accumulated Surplus (Deficit)	<u>3,680,806</u>	<u>5,186,725</u>

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

For the Year Ended June 30

	2016 Actual	2016 Budget	2015 Actual
Revenue			
Provincial Government - Core	121,754,003	119,438,947	121,356,193
Federal Government	473,352	-	466,671
Municipal Government - Property Tax	58,412,740	58,435,327	51,698,881
- Other	-	-	-
Other School Divisions	807,812	215,000	849,432
First Nations	112,500	-	112,000
Private Organizations and Individuals	1,877,252	735,000	2,005,561
Other Sources	233,481	20,000	312,902
	<u>183,671,140</u>	<u>178,844,274</u>	<u>176,801,640</u>
Expenses			
Regular Instruction	103,482,500	101,089,935	99,935,656
Student Support Services	34,348,245	33,848,882	33,121,988
Adult Learning Centres	1,007,529	-	980,149
Community Education and Services	1,468,126	620,298	1,455,300
Divisional Administration	5,402,428	4,964,775	5,207,313
Instructional and Other Support Services	7,623,615	7,471,359	7,313,026
Transportation of Pupils	4,091,112	4,150,050	3,990,614
Operations and Maintenance	20,584,073	21,007,275	20,325,067
Fiscal	3,118,513	3,083,700	3,000,757
	<u>181,126,141</u>	<u>176,236,274</u>	<u>175,329,870</u>
Current Year Surplus (Deficit) before Non-vested Sick Leave	<u>2,544,999</u>	<u>2,608,000</u>	<u>1,471,770</u>
Less: Non-vested Sick Leave Expense (Recovery)	<u>135,104</u>		<u>196,183</u>
Current Year Surplus (Deficit) after Non-vested Sick Leave	<u>2,409,895</u>	<u>2,608,000</u>	<u>1,275,587</u>
Net Transfers from (to) Capital Fund	<u>(3,915,814)</u>	<u>(2,608,000)</u>	<u>(3,031,539)</u>
Transfers from Special Purpose Funds	<u>-</u>		<u>-</u>
Net Current Year Surplus (Deficit)	<u>(1,505,919)</u>	<u>0</u>	<u>(1,755,952)</u>
Opening Accumulated Surplus (Deficit)	5,186,725		6,942,677
Adjustments: Liability for Contaminated Sites	-		-
	-		-
Non-vested sick leave - prior years	-		-
Opening Accumulated Surplus (Deficit), as adjusted	<u>5,186,725</u>		<u>6,942,677</u>
Closing Accumulated Surplus (Deficit)	<u><u>3,680,806</u></u>		<u><u>5,186,725</u></u>

OPERATING FUND - REVENUE DETAIL PROVINCE OF MANITOBA

For the Year Ended June 30, 2016

Funding of Schools Program

Base Support		
Instructional Support	29,582,533	
Additional Instructional Support for Small Schools	-	
Sparsity	-	
Curricular Materials	921,096	
Information Technology	951,799	
Library Services	1,412,347	
Student Services	5,109,367	
Counselling and Guidance	1,274,183	
Professional Development	598,712	
Physical Education	356,625	
Occupancy	7,008,435	47,215,097
Categorical Support		
Transportation	1,738,097	
Board and Room	-	
Special Needs: Coordinator/Clinician	1,074,612	
Special Needs: Level 2	3,613,318	
Special Needs: Level 3	4,189,163	
Senior Years Technology Education	1,012,165	
English as an Additional Language	653,600	
Aboriginal Academic Achievement (including BSSAP)	816,000	
Aboriginal and International Languages	52,851	
French Language Education	715,905	
Small Schools	-	
Enrolment Change Support	144,569	
Northern Allowance	-	
Early Childhood Development Initiative	210,287	
Literacy and Numeracy	1,296,222	
Education for Sustainable Development	29,400	15,546,189
Equalization		21,853,787
Additional Equalization		3,036,165
Adjustment for Days Closed		-
Formula Guarantee		1,255,216
Other Program Support		
School Buildings Support: "D" Projects	469,560	
Technology Education Equipment Replacement	233,700	
Skills Strategy Equipment Enhancement	308,484	
Other Minor Capital Support	-	
Prior Year Support		
Finalization of Previous Year Support	-	
Curricular Materials	-	
School Buildings Support: "D" Projects	-	
Technology Education Equipment	-	1,011,744
		<u>89,918,198</u>

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

For the Year Ended June 30, 2016

Other Department of Education and Training

[illegible]**Other Provincial Government Departments (Not including GBE's)**

Employment Programs	-
Adult Learning Centres	1,038,944
Other: HealthyChild/Baby	201,943
Green Manitoba	81,967
Lighthouse Project	30,936
Building for Tomorrow Summer Camp	24,407
Miscellaneous	1,306
	1,379,503

Funding of Schools Program (previous page)	89,918,198
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TOTAL PROVINCIAL GOVERNMENT REVENUE	121,754,003
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OPERATING FUND - REVENUE DETAIL **NON-PROVINCIAL GOVERNMENT SOURCES**

For the Year Ended June 30, 2016

Federal Government			
Tuition Fees		-	
Transportation of Pupils		-	
French Language Monitor		-	
English as an Additional Language (Adults)		-	
Other:	Citizenship & Immigration	473,352	
			473,352
Municipal Government			
Special Requirement	83,149,216		
Less: Education Property Tax Credit	(23,267,073)		
Less: Tax Incentive Grant	(1,469,403)	58,412,740	
Other:		-	58,412,740
Other School Divisions			
Tuition Fees		-	
Transfer Fees		686,865	
Residual Fees		120,947	
Transportation of Pupils		-	
Other:		-	
			807,812
First Nations			
Tuition Fees		112,500	
Transportation of Pupils		-	
Other:		-	
			112,500
Private Organizations and Individuals (Includes GBE's)			
Regular Tuition		-	
International Tuition		839,014	
Continuing Education		287,956	
Other Tuition:	Adult Education/Summer School	38,636	
Food Service		248,407	
Government Business Enterprises (GBE's)		-	
Other:	Vocational Shops	60,698	
	Building Rental	197,415	
	Transportation User Fees	205,126	
			1,877,252
Other Sources			
Interest		76,258	
Donations		47,991	
Other:	School Initiated Projects	25,328	
	Elections Manitoba	10,340	
	Miscellaneous	73,564	
			233,481
TOTAL NON-PROVINCIAL GOVERNMENT REVENUE			61,917,137

OPERATING FUND - EXPENSE BY FUNCTION AND BY OBJECT

For the Year Ended June 30

<div><div></div><div></div></div>	FUNCTION	100	200	300	400	500	600	700	800	900		
	OBJECT	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	2016 TOTALS	2015 TOTALS
	Salaries	90,870,565	30,366,478	844,997	1,184,548	3,313,814	5,772,496	2,826,325	9,497,900		144,677,123	139,583,385
	Employees Benefits and Allowances	5,336,881	2,700,469	67,023	83,998	431,359	487,794	449,590	1,477,120		11,034,234	10,376,000
	Services	1,739,116	900,210	79,618	96,763	1,313,496	931,478	221,094	8,366,586		13,648,361	13,665,279
	Supplies, Materials and Minor Equipment	4,987,599	381,088	15,891	102,817	342,609	394,817	594,103	1,242,467		8,061,391	8,127,545
	Interest and Bank Charges									52,343	52,343	27,211
	Bad Debt Expense									-	0	0
	Transfers	548,339	-	-	-	1,150	37,030	-	-	(PAYROLL TAX) 3,066,170	3,652,689	3,550,450
	TOTALS	103,482,500	34,348,245	1,007,529	1,468,126	5,402,428	7,623,615	4,091,112	20,584,073	3,118,513	181,126,141	175,329,870

OPERATING FUND - EXPENSE DETAIL: FUNCTION 100

For the Year Ended June 30, 2016

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	7,457,892						7,457,892
330 Instructional - Teaching	24,885	46,744,112		5,348,674	23,316,195	2,915,645	78,349,511
350 Instructional - Other		495,783		16,330	320,743	56,218	889,074
360 Technical, Specialized and Service	75,392	76,060		331	1,137	193,808	346,728
370 Secretarial, Clerical and Other	3,181,180						3,181,180
390 Information Technology	646,180						646,180
Total Salaries	11,385,529	47,315,955	0	5,365,335	23,638,075	3,165,671	90,870,565
4XX EMPLOYEES BENEFITS AND ALLOWANCES	806,380	2,914,197		270,600	1,174,600	171,104	5,336,881
5-6XX SERVICES							
510 Professional, Technical and Specialized	755	196,660		3,850	42,159	4,564	247,988
520 Communications	241,867	18,009		360	1,870		262,106
540 Travel and Meetings	15,277	110,225		1,232	11,276		138,010
560 Tuition							0
570 Printing and Binding		3,133		1,162	5,300	13	9,608
580 Insurance and Bond Premiums		481				621	1,102
590 Maintenance and Repair Services	1,549	286,255		51,655	142,982	34,148	516,589
610 Rentals		6,716					6,716
630 Advertising		35,320					35,320
640 Dues and Fees				6,166	6,256	50	12,472
650 Professional and Staff Development							0
680 Information Technology Services	135,485	373,720					509,205
Total Services	394,933	1,030,519	0	64,425	209,843	39,396	1,739,116
7XX SUPPLIES, MATERIALS AND MINOR EQUIPMENT							
710 Supplies	3,055	986,970		60,184	420,803	489,309	1,960,321
740 Curricular and Media Materials		690,650		79,368	249,908	12,265	1,032,191
760 Minor Equipment		545,290		45,969	160,740	224,642	976,641
780 Information Technology Equipment	44,226	747,100		77,880	149,240		1,018,446
Total Supplies, Materials and Minor Equipment	47,281	2,970,010	0	263,401	980,691	726,216	4,987,599
96X-99 TRANSFERS							
960 School Divisions		453,700		73,695	4,200	16,744	548,339
980 Organizations and Individuals							0
Total Transfers	0	453,700	0	73,695	4,200	16,744	548,339
TOTALS	12,634,123	54,684,381	0	6,037,456	26,007,409	4,119,131	103,482,500

* 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, 2016

STUDENT SUPPORT SERVICES		10	30	40	50	60	70	
		ADMINISTRATION /CO-ORDINATION	CLINICAL AND RELATED SERVICES	SPECIAL PLACEMENT	REGULAR PLACEMENT	RESOURCE SERVICES	COUNSELLING AND GUIDANCE	TOTALS
CODE	OBJECT \ PROGRAM							
3XX	SALARIES							
320	Executive, Managerial and Supervisory	292,172	134,380					426,552
330	Instructional - Teaching	293,926	22,366	504,429	1,942,724	7,802,853	2,838,626	13,404,924
350	Instructional - Other			1,905,965	10,305,691	1,583,546		13,795,202
360	Technical, Specialized and Service							0
370	Secretarial, Clerical and Other	228,355						228,355
380	Clinician		2,469,240					2,469,240
390	Information Technology	42,205						42,205
	Total Salaries	856,658	2,625,986	2,410,394	12,248,415	9,386,399	2,838,626	30,366,478
4XX	EMPLOYEES BENEFITS AND ALLOWANCES	61,155	120,930	307,595	1,498,130	584,053	128,606	2,700,469
5-6XX	SERVICES							
510	Professional, Technical and Specialized	24	271,163	511,155	4,666	21,970		808,978
520	Communications	7,902	3,543		150	658		12,253
540	Travel and Meetings	403	29,705	55	420	20,005		50,588
560	Tuition							0
570	Printing and Binding		191		100	1,278	55	1,624
580	Insurance and Bond Premiums							0
590	Maintenance and Repair Services	3,028	3,675	1,575	210	6,226	567	15,281
610	Rentals	534		3,460				3,994
630	Advertising					278		278
640	Dues and Fees	2,856	2,338			2,020		7,214
650	Professional and Staff Development							0
680	Information Technology Services							0
	Total Services	14,747	310,615	516,245	5,546	52,435	622	900,210
7XX	SUPPLIES, MATERIALS AND MINOR EQUIPMENT							
710	Supplies	11,859	17,190	7,870	62,624	15,192	733	115,468
740	Curricular and Media Materials	1,216	17,246	1,395	28,752	20,318	407	69,334
760	Minor Equipment	1,530	3,490		29,015	27,074		61,109
780	Information Technology Equipment	4,685	1,740		127,587	1,165		135,177
	Total Supplies, Materials and Minor Equipment	19,290	39,666	9,265	247,978	63,749	1,140	381,088
96X-99	TRANSFERS							
960	School Divisions							0
980	Organizations and Individuals							0
	Total Transfers	0	0	0	0			0
	TOTALS	951,850	3,097,197	3,243,499	14,000,069	10,086,636	2,968,994	34,348,245

OPERATING FUND - EXPENSE DETAIL: FUNCTION 300

For the Year Ended June 30, 2016

ADULT LEARNING CENTRES		10	20	
CODE	OBJECT \ PROGRAM	ADMINISTRATION AND OTHER	INSTRUCTION	TOTALS
3XX	SALARIES			
320	Executive, Managerial and Supervisory	144,912		144,912
330	Instructional - Teaching		608,396	608,396
350	Instructional - Other			0
360	Technical, Specialized and Service			0
370	Secretarial, Clerical and Other	91,689		91,689
390	Information Technology			0
	Total Salaries	236,601	608,396	844,997
4XX	EMPLOYEES BENEFITS AND ALLOWANCES	31,913	35,110	67,023
5-6XX	SERVICES			
510	Professional, Technical and Specialized		709	709
520	Communications		4,507	4,507
530	Utility Services			0
540	Travel and Meetings		819	819
560	Tuition			0
570	Printing and Binding			0
580	Insurance and Bond Premiums			0
590	Maintenance and Repair Services		6,333	6,333
610	Rentals		64,576	64,576
620	Property Taxes			0
630	Advertising		1,780	1,780
640	Dues and Fees			0
650	Professional and Staff Development			0
680	Information Technology Services		894	894
	Total Services	0	79,618	79,618
7XX	SUPPLIES, MATERIALS AND MINOR EQUIPMENT			
710	Supplies		9,606	9,606
740	Curricular and Media Materials		5,510	5,510
760	Minor Equipment		775	775
780	Information Technology Equipment			0
	Total Supplies, Materials and Minor Equipment	0	15,891	15,891
96X-99	TRANSFERS			
960	School Divisions			0
980	Organizations and Individuals			0
999	Recharge			0
	Total Transfers	0	0	0
	TOTALS	268,514	739,015	1,007,529

OPERATING FUND - EXPENSE DETAIL: FUNCTION 400

For the Year Ended June 30, 2016

COMMUNITY EDUCATION AND SERVICES		10	20	30	40	
		CONTINUING	ENGLISH AS AN	COMMUNITY	PRE-KINDERGARTEN	TOTALS
CODE	OBJECT \ PROGRAM	EDUCATION	ADDITIONAL LANGUAGE	SERVICES AND	EDUCATION	
			FOR ADULTS	RECREATION		
3XX	SALARIES					
320	Executive, Managerial and Supervisory	82,683			90,942	173,625
330	Instructional - Teaching	66,366	103,362		4,587	174,315
350	Instructional - Other			272,900	82,105	355,005
360	Technical, Specialized and Service		67,007	262,095	60,270	389,372
370	Secretarial, Clerical and Other	60,514		30,500		91,014
380	Clinician				1,217	1,217
390	Information Technology					0
	Total Salaries	209,563	170,369	565,495	239,121	1,184,548
4XX	EMPLOYEES BENEFITS AND ALLOWANCES	22,625	10,468	37,624	13,281	83,998
5-6XX	SERVICES					
510	Professional, Technical and Specialized	44,475		3,515	100	48,090
520	Communications	1,884		1,025	2,194	5,103
540	Travel and Meetings	264		15,829	2,217	18,310
570	Printing and Binding	8,453		122	1,860	10,435
580	Insurance and Bond Premiums					0
590	Maintenance and Repair Services	3,020	284	42	1,594	4,940
610	Rentals	246				246
630	Advertising	7,664				7,664
640	Dues and Fees		528	100	150	778
650	Professional and Staff Development		60		1,137	1,197
680	Information Technology Services					0
	Total Services	66,006	872	20,633	9,252	96,763
7XX	SUPPLIES, MATERIALS AND MINOR EQUIPMENT					
710	Supplies	3,790	4,260	36,645	29,694	74,389
740	Curricular and Media Materials	1,070		5,627	522	7,219
760	Minor Equipment	7,599		7,475	5,165	20,239
780	Information Technology Equipment			970		970
	Total Supplies, Materials and Minor Equipment	12,459	4,260	50,717	35,381	102,817
96X-99	TRANSFERS					
980	Organizations and Individuals					0
999	Recharge					0
	Total Transfers	0	0	0	0	0
	TOTALS	310,653	185,969	674,469	297,035	1,468,126

OPERATING FUND - EXPENSE DETAIL: FUNCTION 500

For the Year Ended June 30, 2016

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		192,031				192,031
320 Executive, Managerial and Supervisory			498,354	717,595	122,331	1,338,280
360 Technical, Specialized and Service			355,891	117,538		473,429
370 Secretarial, Clerical and Other			260,335	730,564	23,692	1,014,591
390 Information Technology					295,483	295,483
Total Salaries		192,031	1,114,580	1,565,697	441,506	3,313,814
4XX EMPLOYEES BENEFITS AND ALLOWANCES		4,241	106,343	271,390	49,385	431,359
5-6XX SERVICES						
510 Professional, Technical and Specialized		68,957	167,525	151,053	172,932	560,467
520 Communications		21,429	10,540	32,881	1,850	66,700
540 Travel and Meetings		40,691	25,905	7,255	173	74,024
570 Printing and Binding		157	1,223	1,078		2,458
580 Insurance and Bond Premiums				99,017		99,017
590 Maintenance and Repair Services			1,273	3,442	16,940	21,655
610 Rentals						0
630 Advertising		1,265	39,096	1,464		41,825
640 Dues and Fees		134,666	16,769	18,772	319	170,526
650 Professional and Staff Development		23,137	14,542	24,271		61,950
680 Information Technology Services		5,423	309	25,287	183,855	214,874
Total Services		295,725	277,182	364,520	376,069	1,313,496
7XX SUPPLIES, MATERIALS AND MINOR EQUIPMENT						
710 Supplies		216	9,307	115,684	10,431	135,638
740 Curricular and Media Materials			9,811	2,080	2,206	14,097
760 Minor Equipment			2,752	7,095	166,318	176,165
780 Information Technology Equipment		12	14,944	1,753		16,709
Total Supplies, Materials and Minor Equipment		228	36,814	126,612	178,955	342,609
96X-99 TRANSFERS						
960 School Divisions						0
980 Organizations and Individuals			1,150			1,150
999 Recharge						0
Total Transfers		0	1,150	0		1,150
TOTALS		492,225	1,536,069	2,328,219	1,045,915	5,402,428

OPERATING FUND - EXPENSE DETAIL: FUNCTION 600

For the Year Ended June 30, 2016

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	232,928					232,928
330	Instructional - Teaching		518,744	1,744,814	1,214,027	96,195	3,573,780
350	Instructional - Other			1,296,987	141		1,297,128
360	Technical, Specialized and Service			414,980		142,804	557,784
370	Secretarial, Clerical and Other	110,671			205		110,876
390	Information Technology						0
	Total Salaries	343,599	518,744	3,456,781	1,214,373	238,999	5,772,496
4XX	EMPLOYEES BENEFITS AND ALLOWANCES	27,882	21,160	355,564	62,396	20,792	487,794
5-6XX	SERVICES						
510	Professional, Technical and Specialized		636		41,557	173,768	215,961
520	Communications		1,910				1,910
540	Travel and Meetings		18,991	6,966		1,330	27,287
560	Tuition					4,500	4,500
570	Printing and Binding		2,405	53			2,458
580	Insurance and Bond Premiums					12,135	12,135
590	Maintenance and Repair Services		3,693	109			3,802
610	Rentals				427		427
630	Advertising						0
640	Dues and Fees		1,546	761	2,178		4,485
650	Professional and Staff Development		230	451	599,329		600,010
680	Information Technology Services			58,503			58,503
	Total Services	0	29,411	66,843	643,491	191,733	931,478
7XX	SUPPLIES, MATERIALS AND MINOR EQUIPMENT						
710	Supplies		18,442	51,404	2,673		72,519
740	Curricular and Media Materials		9,941	158,387	22,876		191,204
760	Minor Equipment		3,915	2,136	71		6,122
780	Information Technology Equipment		74,555	48,572	1,845		124,972
	Total Supplies, Materials and Minor Equipment	0	106,853	260,499	27,465	0	394,817
96X-99	TRANSFERS						
960	School Divisions						0
980	Organizations and Individuals					37,030	37,030
	Total Transfers					37,030	37,030
	TOTALS	371,481	676,168	4,139,687	1,947,725	488,554	7,623,615

OPERATING FUND - EXPENSE DETAIL: FUNCTION 700

For the Year Ended June 30, 2016

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	214,588					214,588
350	Instructional - Other						0
360	Technical, Specialized and Service		2,443,057			41,240	2,484,297
370	Secretarial, Clerical and Other	85,866				41,574	127,440
390	Information Technology						0
	Total Salaries	300,454	2,443,057		0	82,814	2,826,325
4XX	EMPLOYEES BENEFITS AND ALLOWANCES	45,110	394,397			10,083	449,590
5-6XX	SERVICES						
510	Professional, Technical and Specialized	2,330	3,703				6,033
520	Communications	6,122	7,164				13,286
540	Travel and Meetings	9,385	511				9,896
550	Transportation of Pupils		8,888	8,022		13,854	30,764
570	Printing and Binding						0
580	Insurance and Bond Premiums		55,616				55,616
590	Maintenance and Repair Services	1,367	93,924				95,291
610	Rentals						0
630	Advertising	1,113					1,113
640	Dues and Fees	915					915
650	Professional and Staff Development	4,701	1,549				6,250
680	Information Technology Services	1,205	725				1,930
	Total Services	27,138	172,080	8,022	0	13,854	221,094
7XX	SUPPLIES, MATERIALS AND MINOR EQUIPMENT						
710	Supplies	2,135	541,293			29,992	573,420
740	Curricular and Media Materials		504				504
760	Minor Equipment	441	6,145				6,586
780	Information Technology Equipment	13,593					13,593
	Total Supplies, Materials and Minor Equipment	16,169	547,942		0	29,992	594,103
96X-99	TRANSFERS						
960	School Divisions						0
980	Organizations and Individuals						0
999	Recharge						0
	Total Transfers	0	0	0	0	0	0
	TOTALS	388,871	3,557,476	8,022	0	136,743	4,091,112

OPERATING FUND - EXPENSE DETAIL: FUNCTION 800

For the Year Ended June 30, 2016

OPERATIONS AND MAINTENANCE		10	20	50	70	80	
CODE	OBJECT \ PROGRAM	ADMINISTRATION	SCHOOL BUILDINGS MAINTENANCE	SCHOOL BUILDINGS REPAIRS AND REPLACEMENTS	OTHER BUILDINGS	GROUND	TOTALS
3XX	SALARIES						
320	Executive, Managerial and Supervisory	554,829					554,829
360	Technical, Specialized and Service		8,711,143		95,757		8,806,900
370	Secretarial, Clerical and Other	135,468	703				136,171
390	Information Technology						0
	Total Salaries	690,297	8,711,846	0	95,757	0	9,497,900
4XX	EMPLOYEES BENEFITS AND ALLOWANCES	94,845	1,368,497		13,778		1,477,120
5-6XX	SERVICES						
510	Professional, Technical and Specialized	264	196,882		1,070	64,712	262,928
520	Communications	6,800	65,898		2,455		75,153
530	Utility Services		3,227,924		118,557		3,346,481
540	Travel and Meetings	28,766					28,766
570	Printing and Binding	694					694
580	Insurance and Bond Premiums		384,775				384,775
590	Maintenance and Repair Services	951	2,400,042	847,822	46,345	581,857	3,877,017
610	Rentals		15,448				15,448
620	Property Taxes		166,592		133,950		300,542
630	Advertising	362	457				819
640	Dues and Fees	1,372	798				2,170
650	Professional and Staff Development	1,820	147				1,967
680	Information Technology Services		69,826				69,826
	Total Services	41,029	6,528,789	847,822	302,377	646,569	8,366,586
7XX	SUPPLIES, MATERIALS AND MINOR EQUIPMENT						
710	Supplies	7,132	1,136,258	502	39,395		1,183,287
740	Curricular and Media Materials	1,645					1,645
760	Minor Equipment		54,625			277	54,902
780	Information Technology Equipment	2,633					2,633
	Total Supplies, Materials and Minor Equipment	11,410	1,190,883	502	39,395	277	1,242,467
96X-99	TRANSFERS						
999	Recharge						0
	TOTALS	837,581	17,800,015	848,324	451,307	646,846	20,584,073

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

For the Year Ended June 30, 2016

Transfers To Capital Fund

[illegible]

CAPITAL FUND SCHEDULE OF FINANCIAL POSITION

as at June 30

	2016	2015
Financial Assets		
Cash and Bank		-
Due from		
- Provincial Government	937,914	908,084
- Federal Government	41,759	23,282
- Municipal Government	-	-
- First Nations	-	-
- Other Funds	4,397,080	4,852,675
Accounts Receivable	-	-
Accrued Investment Income	-	-
Portfolio Investments	-	-
	<u>5,376,753</u>	<u>5,784,041</u>
Liabilities		
Overdraft	1,628,835	739,367
Accounts Payable	1,004,057	766,151
Accrued Liabilities	237,169	171,067
Accrued Interest Payable	937,914	908,084
Due to		
- Provincial Government	-	-
- Federal Government	-	-
- Municipal Government	-	-
- First Nations	-	-
- Operating Fund	-	-
Deferred Revenue	590,468	590,047
Borrowings from the Provincial Government	41,137,908	36,714,647
Other Borrowings	4,000,845	3,293,842
	<u>49,537,196</u>	<u>43,183,205</u>
Net Debt	<u>(44,160,443)</u>	<u>(37,399,164)</u>
Non-Financial Assets		
Net Tangible Capital Assets	<u>71,862,036</u>	<u>65,005,179</u>
Accumulated Surplus / Equity *	<u>27,701,593</u>	<u>27,606,015</u>
* Comprised of:		
Reserve Accounts	4,397,080	4,852,675
Equity in Tangible Capital Assets	<u>23,304,513</u>	<u>22,753,340</u>
	<u>27,701,593</u>	<u>27,606,015</u>

CAPITAL FUND SCHEDULE OF REVENUE, EXPENSES AND ACCUMULATED SURPLUS

For the Year Ended June 30

	2016	2015
Revenue		
Provincial Government		
Grants	372	313
Debt Servicing - Principal	2,807,139	2,848,459
- Interest	1,909,484	1,897,080
Federal Government	-	-
Municipal Government	-	-
Other Sources:		
Investment Income	-	-
Donations	84,579	128,743
MB Hydro grant	40,544	8,000
Gain / (Loss) on Disposal of Capital Assets	2,880	5,662
Gain on receipt of Modular classroom	-	-
	-	-
	-	-
	4,844,998	4,888,257
Expenses		
Amortization	6,124,962	6,100,925
Interest on Borrowings from the Provincial Government	1,938,791	1,987,227
Other Interest	126,114	62,967
Other Capital Items	475,367	1,229,776
	8,665,234	9,380,895
Current Year Surplus / (Deficit)	(3,820,236)	(4,492,638)
Net Transfers from (to) Operating Fund	3,915,814	3,031,539
Transfers from Special Purpose Fund	-	-
Net Current Year Surplus (Deficit)	95,578	(1,461,099)
Opening Accumulated Surplus / Equity	27,606,015	29,067,114
Adjustments:	-	-
	-	-
Opening Accumulated Surplus / Equity as adjusted	27,606,015	29,067,114
Closing Accumulated Surplus / Equity	27,701,593	27,606,015

SCHEDULE OF TANGIBLE CAPITAL ASSETS
at June 30, 2016

	Buildings and Leasehold Improvements		School Buses	Other Vehicles	Furniture / Fixtures & Equipment	Computer Hardware & Software *	Land	Land Improvements	Assets Under Construction	2016 TOTALS	2015 TOTALS
	School	Non-School									
Tangible Capital Asset Cost											
Opening Cost, as previously reported	118,088,256	6,537,137	6,966,297	400,457	3,506,762	14,418,232	1,878,287	3,016,292	7,855,156	162,666,876	155,195,640
Adjustments	-	-	-	-	-	-	-	-	-	-	-
Opening Cost adjusted	118,088,256	6,537,137	6,966,297	400,457	3,506,762	14,418,232	1,878,287	3,016,292	7,855,156	162,666,876	155,195,640
Add:											
Additions during the year	10,772,492	-	357,090	-	444,817	2,236,051	-	-	(828,631)	12,981,819	8,430,805
Less:											
Disposals and write downs	-	-	371,522	13,979	392,570	-	-	-	-	778,071	959,569
Closing Cost	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
Accumulated Amortization											
Opening, as previously reported	76,353,186	3,648,980	4,614,927	293,229	2,440,814	8,276,986		2,033,575		97,661,697	92,520,341
Adjustments	-	-	-	-	-	-		-		-	-
Opening adjusted	76,353,186	3,648,980	4,614,927	293,229	2,440,814	8,276,986		2,033,575		97,661,697	92,520,341
Add:											
Current period Amortization	2,820,767	219,093	477,930	40,728	347,000	1,917,815		301,629		6,124,962	6,100,925
Less:											
Accumulated Amortization on Disposals and Writedowns	-	-	371,522	13,979	392,570	-		-		778,071	959,569
Closing Accumulated Amortization	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
Net Tangible Capital Asset	49,686,795	2,669,064	2,230,530	66,500	1,163,765	6,459,482	1,878,287	681,088	7,026,525	71,862,036	65,005,179
Proceeds from Disposal of Capital Assets	-	-	2,880	-	-	-				2,880	5,662

* Includes network infrastructure.

SCHEDULE OF CAPITAL RESERVE ACCOUNTS
For the Year Ended June 30, 2016

Fund Name >	Buses	Locker Replacement	Science Labs	MMC Re-Configuration	Workplace Health & Safety Enhancements	Sub-Totals
Opening Balance, July 1, 2015	93,313	630,570	811,540	-	244,452	1,779,875
Additions: (Provide a description of each transaction)						
Set up Reserve				750,000		750,000
						-
						-
						-
						-
						-
						-
Total Additions	-	-	-	750,000	-	750,000
Withdrawals: (Provide a description of each transaction)						
Bus Purchases	73,384					73,384
Purchase/Installation		240,553				240,553
Renovations			275,733			275,733
Renovations					43,125	43,125
						-
						-
						-
						-
Total Withdrawals	73,384	240,553	275,733	-	43,125	632,795
Closing Balance, June 30, 2016	19,929	390,017	535,807	750,000	201,327	1,897,080

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 18, 2016

Date

Vince Mariani

Secretary-Treasurer

SCHEDULE OF CAPITAL RESERVE ACCOUNTS

For the Year Ended June 30, 2016

Fund Name >		Transportation Building	Classroom LCD Projectors	REC Grade 9 Re- Configurations		Totals (includes totals from previous page)
Opening Balance, July 1, 2015	-	2,500,000	193,433	379,367	-	4,852,675
Additions: (Provide a description of each transaction)						
						750,000
						-
						-
						-
						-
						-
						-
Total Additions	-	-	-	-	-	750,000
Withdrawals: (Provide a description of each transaction)						
Purchases			193,433			266,817
Renovations				379,367		619,920
						275,733
						43,125
						-
						-
						-
						-
Total Withdrawals	-	-	193,433	379,367	-	1,205,595
Closing Balance, June 30, 2016	-	2,500,000	-	-	-	4,397,080

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 18, 2016

Date

Vince Mariani

Secretary-Treasurer

SPECIAL PURPOSE FUND SCHEDULE OF FINANCIAL POSITION

as at June 30

	2016	2015
Financial Assets		
Cash and Bank	1,819,973	1,819,481
GST Receivable	-	-
Accrued Investment Income	-	-
Portfolio Investments	-	-
	1,819,973	1,819,481
Liabilities		
School Generated Funds Liability	1,529,475	1,487,013
Accounts Payable	-	-
Accrued Liabilities	-	-
Due to Other Funds	-	-
Deferred Revenue	-	-
	1,529,475	1,487,013
Accumulated Surplus *	290,498	332,468
* Comprised of:		
School Generated Funds Accumulated Surplus	290,498	332,468
Other Funds Accumulated Surplus	-	-
Accumulated Surplus *	290,498	332,468

SPECIAL PURPOSE FUND SCHEDULE OF REVENUE, EXPENSES AND ACCUMULATED SURPLUS

For the Year Ended June 30

	2016	2015
Revenue		
School Generated Funds	762,548	761,885
Other Funds	-	-
	-	-
	762,548	761,885
Expenses		
School Generated Funds	804,518	768,450
Other Funds	-	-
	-	-
	804,518	768,450
Current Year Surplus (Deficit)	(41,970)	(6,565)
Transfers (to) Operating Fund	-	-
Transfers (to) Capital Fund	-	-
Net Current Year Surplus (Deficit)	(41,970)	(6,565)
Opening Accumulated Surplus	332,468	339,033
Adjustments: School Generated Funds	-	-
Other Funds	-	-
Opening Accumulated Surplus as adjusted	332,468	339,033
Closing Accumulated Surplus	290,498	332,468

STUDENT ENROLMENTS (FRAME) AND TRANSPORTATION STATISTICS (UNAUDITED)

ENROLMENTS BY PROGRAM		F.T.E. Enrolment September 30, 2015
REGULAR INSTRUCTION		
English Language - Single Track		9,224.0
Francais - Single Track		-
French Immersion - Single Track		1,179.0
Dual Track		
- English Language	2,424.5	
- Francais	-	
- French Immersion	1,626.5	
- Other Bilingual	352.5	4,403.5
Senior Years Technology Education		622.0
TOTAL NUMBER OF FULL TIME EQUIVALENT K - 12 STUDENTS		<u>15,428.5</u>

TRANSPORTATION OF PUPILS	
TRANSPORTED STUDENTS (September 30)	3,552
TOTAL KILOMETERS - LOG BOOK (For the period ended June 30)	1,249,271
TOTAL KILOMETERS - BUS ROUTES (For the period ended June 30)	1,026,567
LOADED KILOMETERS (For the period ended June 30)	475,552

FULL TIME EQUIVALENT PERSONNEL (UNAUDITED)

For the 2015/16 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	65.71	3.25	1.25	2.35	11.50	1.50	3.00	7.00	95.56
330 Instructional - Teaching	904.30	148.66	5.50			29.64			1,088.10
350 Instructional - Other	30.25	395.33				33.50			459.08
360 Technical, Specialized And Service	8.30			1.00	8.00	9.14	82.97	195.00	304.41
370 Secretarial, Clerical And Other	81.30	6.00	2.22	1.00	24.57	3.00	3.00	3.00	124.09
380 Clinician		28.37							28.37
390 Information Technology	11.00	1.00			4.00				16.00
TOTALS (excluding Trustees)	1,100.86	582.61	8.97	4.35	48.07	76.78	88.97	205.00	2,115.61
510 Contracted Clinicians (include private clinicians where possible)									
310 TRUSTEES									9.00

CALCULATION OF ADMINISTRATION COSTS AS A PERCENTAGE OF TOTAL EXPENSES

Administration Costs

Divisional Administration, Function 500	5,402,428
Less: Liability Insurance	95,110
Administration portion of self-funded expenses (see below)	368,291 *
Trustee election costs	66,010
	<u>4,873,017 (A)</u>

Expense Base

Total Operating Expenses	181,126,141
Plus: Transfers to Capital	3,915,814
Less: Adult Learning Centres, Function 300	1,007,529
	<u>184,034,426 (B)</u>

Percentage (A) / (B)

2.6%

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	358,506
Administration (deducted above)	368,291 *
Other: _____	-
	<u>726,797</u>
Associated Revenue ⁽²⁾	<u>839,018</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, 2016

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, 2016

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, 2016

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, 2016

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, 2016

3. EMPLOYEE FUTURE BENEFITS

An employee future benefit liability of \$579,868 (2015 - \$169,275) has been accrued as at June 30, 2016 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 1,320,112 (2015 - \$1,185,008).

During the year ended June 30, 2016, the employer contributions to the Pension Plan for Non-Teaching Employees of Public School Boards in Manitoba amounted to \$2,249,361 (2015 - \$1,855,439). This amount has been expensed in the Division's financial statements for the year ended June 30, 2016.

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, 2015	Additions in the period	Revenue recognized in the period	Balance at June 30, 2016
Province of MB – EPTC*	\$ 8,708,171	\$ 8,591,979	\$ 8,708,172	\$ 8,591,978
Province of MB – Other	143,864	373,130	339,854	177,140
Tuition Fees	660,955	810,264	660,955	810,264
Donated Capital Asset	590,047	85,000	84,579	590,468
Miscellaneous	112,105	273,368	200,681	184,792
	\$10,215,142	\$10,133,741	\$ 9,994,241	\$10,354,642

*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 \$1,529,475 (2015 - \$1,487,013).

RIVER EAST TRANSCONA SCHOOL DIVISION

Notes to Consolidated Financial Statements

June 30, 2016

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 2016 to 2036. 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 8.875%. Debenture interest expense payable as at June 30, 2016 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
2017	\$ 3,033,541	\$ 1,973,028	\$ 5,006,569
2018	3,104,131	1,806,185	4,910,316
2019	3,165,545	1,637,397	4,802,942
2020	2,895,421	1,465,767	4,361,188
2021	2,772,298	1,310,781	4,083,079
	<u>\$ 14,970,936</u>	<u>\$ 8,193,158</u>	<u>\$ 23,164,094</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 2017 to 2021. 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
2017	\$ 1,101,524	\$ 89,316	\$ 1,190,840
2018	673,997	55,771	729,768
2019	615,684	34,510	650,194
2020	456,644	14,904	471,548
2021	34,770	870	35,640
	<u>\$ 2,882,619</u>	<u>\$ 195,371</u>	<u>\$ 3,077,990</u>

RIVER EAST TRANSCONA SCHOOL DIVISION

Notes to Consolidated Financial Statements

June 30, 2016

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
2017	\$ 156,816	\$ 76,879	\$ 233,695
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
	<u>\$ 899,565</u>	<u>\$ 268,910</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 \$21,697 (2015 - \$5,865). 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, 2016 are \$10,545,643, \$7,131,066 and \$3,414,577 respectively.

9. ACCUMULATED SURPLUS

The consolidated accumulated surplus is comprised of the following:

	<u>2016</u>	<u>2015</u>
Operating Fund		
Designated Surplus	\$ 2,062,906	\$ 2,334,449
Undesignated Surplus	2,938,012	4,037,284
Non-Vested Sick Leave	(1,320,112)	(1,185,008)
	<u>\$ 3,680,806</u>	<u>\$ 5,186,725</u>
Capital Fund		
Reserve Accounts	\$ 4,397,080	\$ 4,852,675
Equity in Tangible Capital Assets	23,304,513	22,753,340
	<u>\$ 27,701,593</u>	<u>\$ 27,606,015</u>
Special Purpose Fund		
School Generated Funds	\$ 290,498	\$ 332,468
	<u>\$ 31,672,897</u>	<u>\$ 33,125,208</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, 2016

9. ACCUMULATED SURPLUS (continued)

	<u>2016</u>	<u>2015</u>
Board approved appropriation by motion	\$ 951,168	\$ 1,193,248
School budget carryovers by board policy	1,111,738	1,141,201
Designated surplus	<u>\$ 2,062,906</u>	<u>\$ 2,334,449</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 2015 tax year and 60% from 2016 tax year. Below are the related revenue and receivable amounts:

	<u>2016</u>	<u>2015</u>
Revenue-Municipal Government-Property Tax	<u>\$ 58,412,740</u>	<u>\$ 51,698,881</u>
Receivable-Due from Municipal Government-Property Tax	<u>\$ 35,323,360</u>	<u>\$ 30,953,635</u>

RIVER EAST TRANSCONA SCHOOL DIVISION

Notes to Consolidated Financial Statements

June 30, 2016

11. INTEREST RECEIVED AND PAID

The Division received interest during the year of \$76,258 (2015 - \$147,164).

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

	<u>2016</u>	<u>2015</u>
Operating Fund		
Fiscal-Short Term Loan, Interest and Bank Charges	<u>\$ 52,343</u>	<u>\$ 27,211</u>
Capital Fund		
Debenture Debt Interest	<u>\$ 1,938,791</u>	<u>\$ 1,987,227</u>
Interest on Obligation under Capital Lease	<u>124,804</u>	<u>61,933</u>
Other Interest	<u>1,310</u>	<u>1,034</u>
	<u>\$ 2,064,905</u>	<u>\$ 2,050,194</u>
Total Fiscal – Interest	<u>\$ 2,117,248</u>	<u>\$ 2,077,405</u>

The accrued portion of debenture debt interest expense at June 30, 2016 of \$937,914 (2015- \$908,084) 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 2016</u>	<u>Budget 2016</u>	<u>Actual 2015</u>
Salaries	\$ 144,677,123	141,923,886	\$ 139,583,385
Employees benefits & allowances	11,034,234	10,525,000	10,376,000
Services	13,648,361	13,612,047	13,665,279
Supplies, materials, minor equipment	8,061,391	7,044,341	8,127,545
Interest	2,117,248	33,700	2,077,405
School Divisions	548,339	-	527,296
Other operating expenses	38,180	47,300	49,608
Payroll tax	3,066,170	3,050,000	2,973,546
Amortization	6,124,962	-	6,100,925
Other capital items	475,367	-	1,229,776
School generated funds	804,518	-	768,450
	<u>\$ 190,595,893</u>	<u>176,236,274</u>	<u>\$ 185,479,215</u>

RIVER EAST TRANSCONA SCHOOL DIVISION

Notes to Consolidated Financial Statements

June 30, 2016

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, 2016, the amount of this special levy was \$1,146,629 (2015 - \$1,114,510). 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>2016</u>	<u>2015</u>
<u>Scholarship Funds</u>		
Balance, beginning of year	\$ 284,782	\$ 289,929
Cash contributions received during the year	26,311	16,004
Interest income	2,080	2,817
Scholarships awarded	(28,119)	(23,968)
Balance, end of year	<u>\$ 285,054</u>	<u>\$ 284,782</u>
<u>Assets</u>		
Cash and investments	\$ 293,140	\$ 284,782
Accounts Payable	(8,086)	-
Balance end of year	<u>\$ 285,054</u>	<u>\$ 284,782</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>2016</u>	<u>2015</u>
Cash	\$ 4,848,897	\$ 5,577,786
Due from – Provincial Government	3,720,747	4,378,025
– Federal Government	394,440	371,202
– Municipal Government	35,323,360	30,953,635
– Other School Divisions	95	3,547
– First Nations	14,200	7,000
Accounts Receivable	126,285	121,752

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

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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	\$ 2,184,226	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued Liabilities	22,834,726	-	-	-	-	-
Due to Governments	33,227	-	-	-	-	-
Debenture Debt	3,033,541	3,104,131	3,165,545	2,895,421	2,772,298	26,166,972
Other Borrowings	1,258,340	841,595	794,804	648,079	239,366	218,661

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.