

Audited Financial Statements of

School District No. 61 (Greater Victoria)

June 30, 2018

School District No. 61 (Greater Victoria)

June 30, 2018

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School District No. 61 (Greater Victoria)

MANAGEMENT REPORT

Version: 5405-4659-2677

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 61 (Greater Victoria) have been prepared by management in accordance with the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act of British Columbia, supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

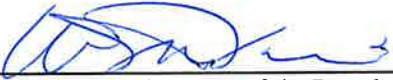

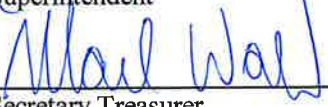
The preparation of financial statements necessarily involves the use of estimates based on management's judgment particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and reliable financial information is produced.

The Board of Education of School District No. 61 (Greater Victoria) (called the "Board") is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Board. The Board reviews internal financial statements on a quarterly basis and externally audited financial statements yearly.

The external auditors, KPMG LLP, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of School District No. 61 (Greater Victoria) and meet when required. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the School District's financial statements.

On behalf of School District No. 61 (Greater Victoria)

	9/24/2018
Signature of the Chairperson of the Board of Education	Date Signed
	9/24/2018
Signature of the Superintendent	Date Signed
	9/24/2018
Signature of the Secretary Treasurer	Date Signed



KPMG LLP
St. Andrew's Square II
800-730 View Street
Victoria BC V8W 3Y7
Canada
Telephone 250-480-3500
Fax 250-480-3539

INDEPENDENT AUDITORS' REPORT

To the Board of Education, and
To the Minister of Education, Province of British Columbia

We have audited the accompanying financial statements of School District No. 61 (Greater Victoria), which comprise the statement of financial position as at June 30, 2018, the statement of operations, changes in net financial assets (debt) and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these 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 our 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, we consider internal control relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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.



Opinion

In our opinion, the financial statements of School District No. 61 (Greater Victoria) as at and for the year ended June 30, 2018 are prepared, in all material respects, in accordance with the financial reporting provisions of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

Emphasis of Matter

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

KPMG LLP


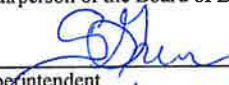
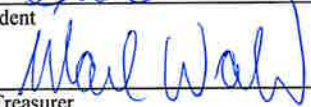
Chartered Professional Accountants

Victoria, Canada
September 24, 2018

School District No. 61 (Greater Victoria)

Statement of Financial Position

As at June 30, 2018

	2018 Actual	2017 Actual
	\$	\$
Financial Assets		
Cash and Cash Equivalents	65,262,701	64,491,341
Accounts Receivable		
Due from Province - Ministry of Education	122,078	106,886
Other (Note 3)	1,268,501	943,956
Portfolio Investments (Note 4)	499,487	499,430
Long-Term Accounts Receivable (Note 5)	-	458,827
Total Financial Assets	<u>67,152,767</u>	<u>66,500,440</u>
Liabilities		
Accounts Payable and Accrued Liabilities		
Other (Note 7)	23,799,850	21,471,468
Unearned Revenue (Note 8)	11,570,216	11,731,014
Deferred Revenue (Note 9)	4,333,871	4,608,979
Deferred Capital Revenue (Note 10)	192,042,758	190,852,147
Employee Future Benefits (Note 11)	2,632,598	2,517,305
Total Liabilities	<u>234,379,293</u>	<u>231,180,913</u>
Net Financial Assets (Debt)	<u>(167,226,526)</u>	<u>(164,680,473)</u>
Non-Financial Assets		
Tangible Capital Assets (Note 12)	233,343,274	233,597,213
Prepaid Expenses	581,847	577,766
Total Non-Financial Assets	<u>233,925,121</u>	<u>234,174,979</u>
Accumulated Surplus (Deficit) (Note 22)	<u>66,698,595</u>	<u>69,494,506</u>
Unrecognized Assets (Note 12)		
Contractual Obligations (Note 16)		
Contractual Rights (Note 17)		
Contingent Liabilities (Note 19)		
Approved by the Board		
	9/24/2018	
Signature of the Chairperson of the Board of Education	Date Signed	
	9/24/2018	
Signature of the Superintendent	Date Signed	
	9/24/2018	
Signature of the Secretary Treasurer	Date Signed	

School District No. 61 (Greater Victoria)

Statement of Operations
Year Ended June 30, 2018

	2018 Budget (Note 18) \$	2018 Actual \$	2017 Actual \$
Revenues			
Provincial Grants			
Ministry of Education	192,589,973	196,460,651	181,264,735
Other		65,139	
Municipal Grants Spent on Sites			-
Tuition	13,282,552	15,107,552	14,787,726
Other Revenue	7,412,520	9,158,451	8,069,686
Rentals and Leases	1,697,745	1,950,307	1,885,131
Investment Income	762,491	1,156,849	871,826
Gain (Loss) on Disposal of Tangible Capital Assets			275,000
Amortization of Deferred Capital Revenue	6,974,392	6,920,788	6,687,944
Total Revenue	<u>222,719,673</u>	<u>230,819,737</u>	<u>213,842,048</u>
Expenses			
Instruction	189,081,700	192,815,715	172,683,404
District Administration	4,598,414	4,916,326	4,575,541
Operations and Maintenance	34,354,257	35,000,477	35,033,055
Transportation and Housing	1,014,683	883,130	1,018,348
Debt Services			3,762
Total Expense	<u>229,049,054</u>	<u>233,615,648</u>	<u>213,314,110</u>
Surplus (Deficit) for the year	<u>(6,329,381)</u>	<u>(2,795,911)</u>	527,938
Accumulated Surplus (Deficit) from Operations, beginning of year		69,494,506	68,966,568
Accumulated Surplus (Deficit) from Operations, end of year		<u>66,698,595</u>	<u>69,494,506</u>

School District No. 61 (Greater Victoria)

Statement of Changes in Net Financial Assets (Debt)

Year Ended June 30, 2018

	2018 Budget (Note 18) \$	2018 Actual \$	2017 Actual \$
Surplus (Deficit) for the year	(6,329,381)	(2,795,911)	527,938
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(4,314,457)	(10,206,896)	(11,464,040)
Amortization of Tangible Capital Assets	10,238,338	10,460,835	9,658,430
Total Effect of change in Tangible Capital Assets	5,923,881	253,939	(1,805,610)
Acquisition of Prepaid Expenses	-	(4,081)	(224,784)
Use of Prepaid Expenses	60,000	-	-
Total Effect of change in Other Non-Financial Assets	60,000	(4,081)	(224,784)
(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)	<u>(345,500)</u>	(2,546,053)	(1,502,456)
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Financial Assets (Debt)		(2,546,053)	(1,502,456)
Net Financial Assets (Debt), beginning of year		(164,680,473)	(163,178,017)
Net Financial Assets (Debt), end of year		<u>(167,226,526)</u>	(164,680,473)

School District No. 61 (Greater Victoria)

Statement of Cash Flows
Year Ended June 30, 2018

	2018 Actual	2017 Actual
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	(2,795,911)	527,938
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	119,090	(131,490)
Prepaid Expenses	(4,081)	(224,784)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	734,032	(991,204)
Unearned Revenue	(160,798)	1,496,452
Deferred Revenue	(275,108)	981,873
Employee Future Benefits	115,293	69,127
Other Liabilities	1,594,350	802,178
Loss (Gain) on Disposal of Tangible Capital Assets	-	(275,000)
Amortization of Tangible Capital Assets	10,460,835	9,658,430
Amortization of Deferred Capital Revenue	(6,920,788)	(6,687,944)
Total Operating Transactions	2,866,914	5,225,576
Capital Transactions		
Tangible Capital Assets Purchased	(3,671,377)	(6,098,086)
Tangible Capital Assets -WIP Purchased	(6,535,519)	(5,365,954)
District Portion of Proceeds on Disposal	-	275,000
Bylaw Expenditures	(1,103,065)	(1,597,187)
Total Capital Transactions	(11,309,961)	(12,786,227)
Financing Transactions		
Capital Revenue Received	9,214,464	7,301,055
Capital Lease Principal Repayment	-	(276,746)
Total Financing Transactions	9,214,464	7,024,309
Investing Transactions		
Investments in Portfolio Investments	(57)	(57)
Total Investing Transactions	(57)	(57)
Net Increase (Decrease) in Cash and Cash Equivalents	771,360	(536,399)
Cash and Cash Equivalents, beginning of year	64,491,341	65,027,740
Cash and Cash Equivalents, end of year	65,262,701	64,491,341
Cash and Cash Equivalents, end of year, is made up of:		
Cash	65,262,701	64,491,341
	65,262,701	64,491,341

School District No. 61 (Greater Victoria)

Notes to Financial Statements

Year Ended June 30, 2018

1. Authority and Purpose

The School District operates under the authority of the School Act of British Columbia as a corporation under the name of "The Board of Education of School District No. 61 (Greater Victoria)" and operates as "School District No. 61 (Greater Victoria)." A Board of Education ("Board") elected for a four-year term governs the School District. The School District provides educational programs to students enrolled in schools in the District, and is principally funded by the Province of British Columbia through the Ministry of Education. School District No. 61 (Greater Victoria) is exempt from federal and provincial corporate income taxes.

2. Summary of Significant Accounting Policies

(a) Basis of Accounting

These financial statements have been prepared in accordance with Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia. This Section requires that the financial statements be prepared in accordance with Canadian public sector accounting standards except in regard to the accounting for government transfers as set out in Notes 2 (f) and 2 (n).

In November 2011, Treasury Board provided a directive through Restricted Contributions Regulation 198/2011 providing direction for the reporting of restricted contributions whether they are received or receivable by the School District before or after this regulation was in effect.

As noted in Notes 2 (f) and 2 (n), Section 23.1 of the Budget Transparency and Accountability Act and its related regulations require the School District to recognize government transfers for the acquisition of capital assets into revenue on the same basis as the related amortization expense. As these transfers do not contain stipulations that create a liability, Canadian public sector accounting standards would require these grants to be fully recognized into revenue.

(b) Cash and Cash Equivalents

Cash and cash equivalents include cash and highly liquid securities that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value. These cash equivalents generally have a maturity of three months or less at acquisition and are held for the purpose of meeting short-term cash commitments rather than for investing.

(c) Accounts Receivable

Accounts receivable are measured at amortized cost and are shown net of allowance for doubtful accounts.

(d) Portfolio Investments

The School District has investments in bonds that have a maturity of greater than 3 months at the time of acquisition. GICs, term deposits, bonds and other investments not quoted in an active market are reported at cost or amortized cost.

Detailed information regarding portfolio investments is disclosed in Note 4.

(e) Unearned Revenue

Unearned revenue includes tuition fees received for courses to be delivered in future periods and receipt of proceeds for services or products to be delivered in a future period. Revenue will be recognized in that future period when the services or products are delivered.

School District No. 61 (Greater Victoria)

Notes to Financial Statements

Year Ended June 30, 2018

2. Summary of Significant Accounting Policies (Continued)

(f) Deferred Revenue and Deferred Capital Revenue

Deferred revenue includes both government transfers and other contributions received with stipulations that meet the description of restricted contributions in the Restricted Contributions Regulation 198/2011 issued by Treasury Board. When restrictions are met, deferred revenue is recognized as revenue in the fiscal year in a manner consistent with the circumstances and evidence used to support the initial recognition of the contributions received as a liability as detailed in Note 2 (n).

Funding received for the acquisition of depreciable tangible capital assets is recorded as deferred capital revenue and amortized over the life of the asset acquired as revenue in the Statement of Operations. This accounting treatment is not consistent with the requirements of Canadian public sector accounting standards which require that government transfers be recognized as revenue when approved by the transferor and eligibility criteria have been met unless the transfer contains a stipulation that creates a liability in which case the transfer is recognized as revenue over the period that the liability is extinguished.

(g) Employee Future Benefits

The School District provides certain post-employment benefits including vested and non-vested benefits for qualified employees pursuant to certain contracts and union agreements.

The School District accrues its obligations and related costs including both vested and non-vested benefits under employee future benefit plans. Benefits include vested sick leave, accumulating non-vested sick leave, early retirement, retirement/severance, vacation, overtime and death benefits. The benefits cost is actuarially determined using the projected unit credit method pro-rated on service and using management's best estimate of expected salary escalation, termination and retirement rates, and mortality. The discount rate used to measure obligations is based on the cost of borrowing.

The cumulative unrecognized actuarial gains and losses are amortized over the expected average remaining service lifetime (EARSL) of active employees covered under the plan.

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

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

(h) Asset Retirement Obligations

Liabilities are recognized for statutory, contractual or legal obligations associated with the retirement of tangible capital assets when those obligations result from the acquisition, construction, development or normal operation of the assets. The obligations are measured initially at fair value, determined using present value methodology, and the resulting costs capitalized into the carrying amount of the related tangible capital asset. In subsequent periods, the liability is adjusted for accretion and any changes in the amount or timing of the underlying future cash flows. The capitalized asset retirement cost is amortized on the same basis as the related asset and accretion expense is included in the Statement of Operations.

School District No. 61 (Greater Victoria)

Notes to Financial Statements

Year Ended June 30, 2018

2. Summary of Significant Accounting Policies (Continued)

(i) Liability for Contaminated Sites

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

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

The liability is recognized as management's estimate of the cost of post-remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site. At this time the School District has determined there are no liabilities for contaminated sites.

(j) Tangible Capital Assets

The following criteria apply:

- Tangible capital assets acquired or constructed are recorded at cost which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost also includes overhead directly attributable to construction, as well as interest costs that are directly attributable to the acquisition or construction of the asset.
- Donated tangible capital assets are recorded at their fair market value on the date of donation, except in circumstances where fair value cannot be reasonably determined, which are then recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.
- Work in Progress is recorded as an acquisition to the applicable asset class at substantial completion. Work in Progress is not amortized until the asset is utilized.
- Tangible capital assets are written down to residual value when conditions indicate they no longer contribute to the ability of the School District to provide services or when the value of future economic benefits associated with the sites and buildings are less than their net book value. The write-downs are accounted for as expenses in the Statement of Operations.
- Buildings that are demolished or destroyed are written-off.
- Works of art, historic assets and other intangible assets are not recorded as assets in these financial statements.
- The cost, less residual value, of tangible capital assets (excluding sites), is amortized on a straight-line basis over the estimated useful life of the asset. One-half of the amortization is recorded in the year of acquisition. It is management's responsibility to determine the appropriate useful lives for tangible capital assets. These useful lives are reviewed on a regular basis or if significant events initiate the need to revise. Estimated useful lives are as follows:

Buildings	40 years
Site Improvements	10 years
Furniture and Equipment	10 years
Vehicles	10 years
Computer Software	5 years
Computer Hardware	5 years

School District No. 61 (Greater Victoria)

Notes to Financial Statements

Year Ended June 30, 2018

2. Summary of Significant Accounting Policies (Continued)

(k) Capital Leases

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

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

(l) Prepaid Expenses

Payments for insurance, subscriptions, and maintenance contracts for use within the School District in a future period are included as a prepaid expense and stated at acquisition cost and are charged to expenses over the periods expected to benefit from it. Textbooks and other teaching supplies are expensed as purchased.

(m) Funds and Reserves

Certain amounts, as approved by the Board, are set aside in accumulated surplus for future operating and capital purposes. Transfers to and from funds and reserves are an adjustment to the respective fund when approved (see Note 14 – Interfund Transfers and Note 22 – Accumulated Surplus).

(n) Revenue Recognition

Revenues are recorded on an accrual basis in the period in which the transactions or events occurred that gave rise to the revenues. The amounts are considered to be collectible and can be reasonably estimated.

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

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

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

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

School District No. 61 (Greater Victoria)

Notes to Financial Statements

Year Ended June 30, 2018

2. Summary of Significant Accounting Policies (Continued)

(n) Revenue Recognition (continued)

The accounting treatment for restricted contributions that are government transfers is not consistent with the requirements of Canadian public sector accounting standards which require that government transfers be recognized as revenue when approved by the transferor and eligibility criteria have been met unless the transfer contains a stipulation that meets the criteria for liability recognition in which case the transfer is recognized as revenue over the period that the liability is extinguished.

Revenue related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned or service performed.

Investment income is reported in the period earned. When required by the funding party or related Act, investment income earned on deferred revenue is added to the deferred revenue balance.

(o) Expenditures

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

Allocation of Costs

- Operating expenses are reported by function, program and object. Whenever possible, expenses are determined by actual identification. Additional costs pertaining to specific instructional programs, such as special and aboriginal education, are allocated to these programs. All other costs are allocated to related programs.
- Actual salaries of personnel assigned to two or more functions or programs are allocated based on the time spent in each function and program. School-based clerical and principal and vice-principal salaries are allocated to school administration and may be partially allocated to other programs to recognize their other responsibilities.
- Employee benefits are allocated on a pro rata basis of overall salary expenses within each salary category.
- Supplies and services are allocated based on actual program identification.

(p) Financial Instruments

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

Financial instruments consist of cash and cash equivalents, accounts receivable, long-term accounts receivable, investments, accounts payable and accrued liabilities, and other current liabilities. The School District does not have any derivative financial instruments.

All financial assets and liabilities are recorded at cost or amortized cost and the associated transaction costs are added to the carrying value of these investments upon initial recognition. Transaction costs are incremental costs directly attributable to the acquisition or issue of a financial asset or a financial liability. The School District has not invested in any equity instruments that are actively quoted in the market and has not designated any financial instruments to be recorded at fair value. The School District has no instruments in the fair value category.

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

School District No. 61 (Greater Victoria)

Notes to Financial Statements

Year Ended June 30, 2018

2. Summary of Significant Accounting Policies (Continued)

(p) Financial Instruments (continued)

The fair values of these financial instruments approximate their carrying value, unless otherwise noted.

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

(q) Measurement Uncertainty

Preparation of financial statements in accordance with the basis of accounting described in Note 2 requires management to make estimates and assumptions that impact reported amounts of assets and liabilities at the date of the financial statements and revenues and expenses during the reporting periods. Significant areas requiring the use of management estimates relate to the potential impairment of assets, rates for amortization and estimated employee future benefits. Actual results could differ from those estimates.

(r) Comparative Figures

Certain comparative figures presented in the financial statements have been reclassified to conform with the financial statement presentation adopted in the current year.

(s) New Accounting Standards

(i) PS 2200, *Related Party Disclosures* defines a related party and establishes disclosures required for related party transactions. Disclosure of information about related party transactions and the relationship underlying them is required when the transactions have occurred at a value different from that which would have been arrived at if the parties were unrelated, and the transactions have, or could have, a material financial effect on the consolidated financial statements. PS 2200 applies to fiscal years beginning on or after June 30, 2017. See note 15.

(ii) PS 3420, *Inter-entity Transactions* establishes standards of how to account for and report transactions between public sector entities that comprise a government reporting entity from both a provider and a recipient perspective. The main features of the standard are as follows:

- Under a policy of cost allocation, revenues and expenses are recognized on a gross basis;
- Transactions are measured at the carrying amount, except in specific circumstances;
- A recipient may choose to recognize unallocated costs for the provision of goods and services and measure them at the carrying amount, fair value or other amount dictated by policy, accountability structure or budget practice; and
- The transfer of an asset or liability for nominal or no consideration is measured by the provider at the carrying amount and by the recipient at the carrying amount or fair value.

Requirements of this standard are considered in conjunction with requirements of PS 2200. PS 3420 applies to fiscal years beginning on or after June 30, 2017. Management has determined that there is no impact of adoption of PS 3420 on the financial statements of School District No. 61.

School District No. 61 (Greater Victoria)

Notes to Financial Statements

Year Ended June 30, 2018

2. Summary of Significant Accounting Policies (Continued)

(s) New Accounting Standards (continued)

(iii) PS 3210, *Assets* provides guidance for applying the definition of assets set out in PS 1000, *Financial Statement Concepts*, and establishes general disclosure standards for assets. Disclosure of information about the major categories of assets that are not recognized is required. When an asset is not recognized because a reasonable estimate of the amount involved cannot be made, a disclosure should be provided. PS 3210 applies to fiscal years beginning on or after June 30, 2017. Management has determined that there is no impact of adoption of PS 3210 on the financial statements of School District No. 61.

(iv) PS 3320, *Contingent Assets* defines and establishes disclosure standards for contingent assets. Contingent assets are possible assets arising from existing conditions or situations involving uncertainty. Disclosure of information about contingent assets is required when the occurrence of the confirming future event is likely. PS 3320 applies to fiscal years beginning on or after June 30, 2017. Management has determined that there is no impact of adoption of PS 3320 on the financial statements of School District No. 61.

(v) PS 3380, *Contractual Rights* defines and establishes disclosure standards for contractual rights. Contractual rights are rights to resources arising from contracts or agreements that will result in both an asset and revenue in the future. Contractual rights are distinct from contingent assets as there is no uncertainty related to the existence of the contractual right. Disclosure of information about contractual rights is required including a description of their nature and extent, and the timing. PS 3380 applies to fiscal years beginning on or after June 30, 2017. See note 17.

3. Accounts Receivable – Other Receivables

	June 30, 2018	June 30, 2017
Due from Agencies and Associations	\$ 269,413	\$ 179,805
Due from Government of Canada	149,943	162,077
Other Receivables	849,145	602,074
	<u>\$ 1,268,501</u>	<u>\$ 943,956</u>

4. Portfolio Investments

Portfolio investments is comprised of a 7.6% Province of Ontario Bond maturing June 2, 2027. The market value of the investments as of June 30, 2018 was \$0.7 million (2017: \$0.7 million).

5. Long-Term Accounts Receivable

The School District entered into an agreement for the lease of Hampton Elementary School for a 99-year term commencing March 1, 2006. The lease involved land and building and was accounted for separately. The building was accounted for as a sales-type lease, whereby finance income was recognized in a manner that produces a constant rate of return on the investment in the lease. The implicit discount rate in the lease was 4%. The land was accounted for as an operating lease. Rental income on the lease of \$193,986 (2017: \$70,901) is included in deferred capital revenue of the Capital fund. The remaining lease was paid in full in October 2017.

6. Bank Indebtedness

The School District has an unutilized line of credit facility agreement with the CIBC, dated March 12, 2009, in the amount of \$1,500,000.

School District No. 61 (Greater Victoria)

Notes to Financial Statements

Year Ended June 30, 2018

7. Accounts Payable and Accrued Liabilities – Other

	June 30, 2018	June 30, 2017
Trade Payables	\$ 2,782,016	\$ 1,857,039
Salaries and Benefits Payable	12,774,265	11,421,330
Accrued Vacation Pay	1,556,974	1,570,522
Holdback Payables	99,144	31,293
International Student Program Fee Payable	5,938,586	5,928,785
Other	648,865	662,499
	\$ 23,799,850	\$ 21,471,468

International Student Program Fees Payable in the amount of \$5,938,586 (2017: \$5,928,785) is comprised of homestay fees of \$4,552,098 (2017: \$4,669,556) and medical fees of \$1,386,488 (2017: \$1,259,229). These amounts are collected and paid by the School District on behalf of the International Student Program. The same amount included in cash and cash equivalents is restricted and not available for general use.

8. Unearned Revenue

	June 30, 2018	June 30, 2017
Unearned Revenue, Beginning of Year	\$ 11,731,014	\$ 10,234,562
Changes for the Year:		
Increase:		
Tuition fees	14,901,365	15,945,351
Rentals and Leases	1,912,817	1,870,873
Other	10,300	230,600
Summer school	59,437	51,865
	<u>16,883,919</u>	<u>18,098,689</u>
Decrease:		
Tuition fees	15,042,774	14,703,438
Rentals and Leases	1,944,463	1,881,103
Other	600	-
Summer school	56,880	17,696
	<u>17,044,717</u>	<u>16,602,237</u>
Net Changes for the Year	(160,798)	1,496,452
Unearned Revenue, End of Year	\$ 11,570,216	\$ 11,731,014

School District No. 61 (Greater Victoria)

Notes to Financial Statements

Year Ended June 30, 2018

9. Deferred Revenue

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

	June 30, 2018	June 30, 2017
Deferred Revenue, Beginning of Year	\$ 4,608,979	\$ 3,627,106
Changes for the Year:		
Increase:		
Provincial Grants - Ministry of Education	23,103,650	11,402,802
Other	6,789,800	6,893,616
Investment Income	101,350	79,833
	<u>29,994,800</u>	<u>18,376,251</u>
Decrease:		
Allocation to Revenue	30,238,936	17,394,378
Recovered	30,972	-
	<u>30,269,908</u>	<u>17,394,378</u>
Net Changes for the Year	(275,108)	981,873
Deferred Revenue, End of Year	\$ 4,333,871	\$ 4,608,979

10. Deferred Capital Revenue

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

Deferred Capital Revenue:

	June 30, 2018	June 30, 2017
Deferred Capital Revenue, Beginning of Year	\$ 183,900,796	\$ 181,208,233
Changes for the Year:		
Increase:		
Transferred from Deferred Capital Revenue – Capital Additions	428,274	-
Transferred from Deferred Capital Revenue – Work in Progress	3,557,869	9,380,507
	<u>3,986,143</u>	<u>9,380,507</u>
Decrease:		
Amortization of Deferred Capital Revenue	6,920,788	6,687,944
	<u>6,920,788</u>	<u>6,687,944</u>
Net Changes for the Year	(2,934,645)	2,692,563
Deferred Capital Revenue, End of Year	\$ 180,966,151	\$ 183,900,796

School District No. 61 (Greater Victoria)

Notes to Financial Statements

Year Ended June 30, 2018

10. Deferred Capital Revenue (Continued)**Deferred Capital Revenue – Work in Progress:**

	June 30, 2018	June 30, 2017
Work in Progress, Beginning of Year	\$ 1,450,828	\$ 5,465,381
Changes for the Year:		
Increase:		
Transferred from Unspent Deferred Capital Revenue	6,472,368	5,365,954
	<u>6,472,368</u>	<u>5,365,954</u>
Decrease:		
Transferred to Deferred Capital Revenue	3,557,869	9,380,507
	<u>3,557,869</u>	<u>9,380,507</u>
Net Changes for the Year	2,914,499	(4,014,553)
Work in Progress, End of Year	\$ 4,365,327	\$ 1,450,828

Unspent Deferred Capital Revenue:

	June 30, 2018	June 30, 2017
Unspent Deferred Capital Revenue, Beginning of Year	\$ 5,500,523	\$ 5,162,609
Changes for the Year:		
Increase:		
Provincial Grants - Ministry of Education	8,657,612	5,721,373
Provincial Grants - Other	238,329	405,409
Other	292,084	344,772
Investment Income	26,439	4,501
MEd Restricted Portion of Proceeds on Disposal	-	825,000
	<u>9,214,464</u>	<u>7,301,055</u>
Decrease:		
Transferred to Deferred Capital Revenue – Capital Additions	428,274	-
Transferred to Deferred Capital Revenue – Work in Progress	6,472,368	5,365,954
Bylaw Expenditures	1,103,065	1,597,187
	<u>8,003,707</u>	<u>6,963,141</u>
Net Changes for the Year	1,210,757	337,914
Unspent Deferred Capital Revenue, End of Year	\$ 6,711,280	\$ 5,500,523
Total Deferred Capital Revenue, End of Year	\$ 192,042,758	\$ 190,852,147

School District No. 61 (Greater Victoria)

Notes to Financial Statements
Year Ended June 30, 2018

11. Employee Future Benefits

The School District provides certain benefits upon retirement including vested sick leave, accumulating non-vested sick leave, lump sum retirement payments, vacation, overtime and death benefits for qualified employees pursuant to certain contracts and union agreements. Funding is provided when the benefits are paid and accordingly, there are no plan assets. Although no plan assets are uniquely identified, the School District has provided for the payment of these benefits.

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

	June 30, 2018	June 30, 2017
Discount Rate - April 1	2.75%	2.50%
Discount Rate - March 31	2.75%	2.75%
Long-Term Salary Growth - April 1	2.50%+seniority	2.50%+seniority
Long-Term Salary Growth - March 31	2.50%+seniority	2.50%+seniority
Expected Average Remaining Service Lifetime - March 31	9.7	9.7

	June 30, 2018	June 30, 2017
Reconciliation of Accrued Benefit Obligation:		
Accrued Benefit Obligation - April 1	\$ 2,658,252	\$ 2,788,523
Service Cost	228,149	228,622
Interest Cost	75,036	70,630
Benefit Payments	(225,942)	(303,652)
Actuarial Loss	(76,753)	(125,871)
Accrued Benefit Obligation - March 31	\$ 2,658,742	\$ 2,658,252

Reconciliation of Funded Status at End of Fiscal Year:		
Accrued Benefit Obligation - March 31	\$ 2,658,742	\$ 2,658,252
Market Value of Plan Assets - March 31	-	-
Funded Status - Deficit	(2,658,742)	(2,658,252)
Employer Contributions After Measurement Date	13,209	22,064
Benefit Expense After Measurement Date	(80,735)	(75,796)
Unamortized Net Actuarial Loss	93,671	194,679
Accrued Benefit Liability - June 30	\$ (2,632,598)	\$ (2,517,305)

Reconciliation of Change in Accrued Benefit Liability:		
Accrued Benefit Liability - July 1	\$ 2,517,305	\$ 2,448,178
Net Expense for Fiscal Year	332,380	337,468
Employer Contributions	(217,087)	(268,341)
Accrued Benefit Liability - June 30	\$ 2,632,598	\$ 2,517,305

Components of Net Benefit Expense:		
Service Cost	\$ 232,898	\$ 228,503
Interest Cost	75,226	71,732
Amortization of Net Actuarial Loss	24,256	37,233
Net Benefit Expense	\$ 332,380	\$ 337,468

School District No. 61 (Greater Victoria)

Notes to Financial Statements
Year Ended June 30, 2018

12. Tangible Capital Assets

June 30, 2018

Cost:	Balance at June 30, 2017	Additions	Disposals / Reclassification	Transfers (WIP)	Balance at June 30, 2018
Sites	\$ 10,833,717	\$ -	\$ -	\$ -	\$ 10,833,717
Site Improvements	1,700,000	-	-	-	1,700,000
Buildings	344,109,129	-	-	2,632,976	346,742,105
Buildings – WIP	1,449,881	5,607,875	-	(2,632,976)	4,424,780
Furniture & Equipment	6,731,018	2,061,487	(494,375)	902,247	9,200,377
Furniture & Equipment – WIP	524	905,422	-	(902,247)	3,699
Vehicles	623,993	293,763	(81,456)	-	836,300
Computer Software	320,713	64,194	(17,414)	-	367,493
Computer Hardware	8,165,755	1,251,933	(759,038)	22,646	8,681,296
Computer Hardware – WIP	424	22,222	-	(22,646)	-
Total	\$ 373,935,154	\$ 10,206,896	\$ (1,352,283)	\$ -	\$ 382,789,767

Accumulated Amortization:	Balance at June 30, 2017	Additions	Disposals / Reclassification	Transfers (WIP)	Balance at June 30, 2018
Sites	\$ -	\$ -	\$ -	\$ -	\$ -
Site Improvements	85,000	170,000	-	-	255,000
Buildings	134,852,005	7,561,288	-	-	142,413,293
Furniture & Equipment	2,800,301	821,289	(494,375)	-	3,127,215
Vehicles	288,706	77,087	(81,456)	-	284,337
Computer Software	95,470	70,562	(17,414)	-	148,618
Computer Hardware	2,216,459	1,760,609	(759,038)	-	3,218,030
Total	\$ 140,337,941	\$ 10,460,835	\$ (1,352,283)	\$ -	\$ 149,446,493

June 30, 2017

Cost:	Balance at June 30, 2016	Additions	Disposals / Reclassification	Transfers (WIP)	Balance at June 30, 2017
Sites	\$ 10,833,717	\$ -	\$ -	\$ -	\$ 10,833,717
Site Improvements – WIP	1,450,000	250,000	-	(1,700,000)	-
Site Improvements	-	-	-	1,700,000	1,700,000
Buildings	336,251,946	385,870	-	7,471,313	344,109,129
Buildings – WIP	4,015,382	4,905,812	-	(7,471,313)	1,449,881
Furniture & Equipment	6,489,956	768,888	(705,673)	177,847	6,731,018
Furniture & Equipment – WIP	-	178,371	-	(177,847)	524
Vehicles	704,128	47,416	(127,551)	-	623,993
Computer Software	290,883	47,244	(17,414)	-	320,713
Computer Hardware	3,351,569	4,848,668	(65,829)	31,347	8,165,755
Computer Hardware – WIP	-	31,771	-	(31,347)	424
Hardware under capital lease	557,821	-	(557,821)	-	-
Total	\$ 363,945,402	\$ 11,464,040	\$ (1,474,288)	\$ -	\$ 373,935,154

School District No. 61 (Greater Victoria)

Notes to Financial Statements
 Year Ended June 30, 2018

12. Tangible Capital Assets (Continued)

June 30, 2017 (Continued)

Accumulated Amortization:	Balance at June 30, 2016	Additions	Disposals / Reclassification	Transfers (WIP)	Balance at June 30, 2017
Sites	\$ -	\$ -	\$ -	\$ -	\$ -
Site Improvements	-	85,000	-	-	85,000
Buildings	127,380,470	7,471,535	-	-	134,852,005
Furniture & Equipment	2,809,642	696,332	(705,673)	-	2,800,301
Vehicles	343,474	72,783	(127,551)	-	288,706
Computer Software	49,983	62,901	(17,414)	-	95,470
Computer Hardware	1,303,538	1,228,042	(315,121)	-	2,216,459
Hardware under capital lease	266,692	41,837	(308,529)	-	-
Total	\$ 132,153,799	\$ 9,658,430	\$ (1,474,288)	\$ -	\$ 140,337,941

Net Book Value:

	Net Book Value June 30, 2018	Net Book Value June 30, 2017
Sites	\$ 10,833,717	\$ 10,833,717
Site Improvements	1,445,000	1,615,000
Buildings	204,328,812	209,257,124
Buildings – WIP	4,424,780	1,449,881
Furniture & Equipment	6,073,162	3,930,717
Furniture & Equipment – WIP	3,699	524
Vehicles	551,963	335,287
Computer Software	218,875	225,243
Computer Hardware	5,463,266	5,949,296
Computer Hardware – WIP	-	424
	\$ 233,343,274	\$ 233,597,213

Buildings – Work in Progress having a value of \$4,424,780 (2017: \$1,449,881) Furniture & Equipment – Work in Progress having a value of \$3,699 (2017: \$524) and Computer Hardware – Work in Progress \$0 (2017: \$424) have not been amortized. Amortization of these assets commence when the asset is put into service.

The School District manages and controls various works of art including painting and sculptures. These assets are not recorded as tangible capital assets and are not amortized as a reasonable amount cannot be determined.

School District No. 61 (Greater Victoria)

Notes to Financial Statements
Year Ended June 30, 2018

13. Employee Pension Plans

The School District and its employees contribute to the Teachers' Pension Plan and Municipal Pension Plan (jointly trustee pension plans). The boards of trustees for these plans, representing plan members and employers, are responsible for administering the pension plans, including investing assets and administering benefits. The plans are multi-employer defined benefit pension plans. Basic pension benefits are based on a formula. At December 31, 2016, the Teachers' Pension Plan has about 45,000 active members and approximately 37,000 retired members. As of December 31, 2016, the Municipal Pension Plan has about 193,000 active members, including approximately 24,000 from school districts.

Every three years, an actuarial valuation is performed to assess the financial position of the plans and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plans. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plans. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

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

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2015 indicated a \$2,224 million surplus for basic pension benefits on a going concern basis. As a result of the 2015 basic account actuarial valuation surplus and pursuant to the joint trustee agreement, \$1,927 million was transferred to the rate stabilization account and \$297 million of the surplus ensured the required contribution rate remained unchanged.

The Greater Victoria School District paid \$18,872,925 for employer contributions to these plans in the year ended June 30, 2018 (2017: \$17,057,974).

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

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

14. Interfund Transfers

Interfund transfers between the operating, special purpose and capital funds for the year ended June 30, 2018 were as follows:

- Transfer to the capital fund for tangible capital assets purchased from the operating fund \$2,291,396.
- Transfer to the capital fund for tangible capital assets purchased from the special purpose fund \$709,599.
- Transfer from the operating fund to the capital fund (local capital) \$374,374 for the student device replacement reserve.
- Transfer from the operating fund to the capital fund (local capital) \$200,000 for the technology for learning equipment replacement reserve.

School District No. 61 (Greater Victoria)

Notes to Financial Statements

Year Ended June 30, 2018

15. Related Party Transactions

The School District is related through common ownership to all Province of British Columbia ministries, agencies, school districts, health authorities, colleges, universities, and crown corporations. Transactions with these entities, unless disclosed separately, are considered to be in the normal course of operations and are recorded at the exchange amount.

16. Contractual Obligations

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

	2019	2020	2021	2022	2023	Thereafter
Youth and Family	\$ 1,409,000	\$ -	\$ -	\$ -	\$ -	\$ -
Catering	800,000	-	-	-	-	-
Transportation	1,000,000	157,000	157,000	-	-	-
Operating Lease	115,235	115,235	115,235	115,235	64,105	-
Total	\$ 3,324,235	\$ 272,235	\$ 272,235	\$ 115,235	\$ 64,105	\$ -

17. Contractual Rights

Contractual rights are rights to economic resources arising from contracts or agreements that will result in revenues and assets in the future. The School District's contractual rights arise because of contracts entered into for property leases and the School District's Local Education Agreement with The Songhees Nation. The following table summarizes the contractual rights of the School District for future assets:

	2019	2020	2021	2022	2023	Thereafter
Property Leases	\$ 956,393	\$ 630,184	\$ 239,351	\$ 162,684	\$ 162,684	\$ 2,822,017
Local Education Agreement	\$ 1,000,000	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -
Total	\$ 1,956,393	\$ 1,630,184	\$ 239,351	\$ 162,684	\$ 162,684	\$ 2,822,017

18. Budget Figures

Budget figures were approved by the Board through the adoption of an annual budget on April 19, 2017.

19. Contingent Liabilities and Assets

The School District, in conducting its usual business activities, is involved in various legal claims and litigation. In the event any unsettled claims are successful, management believes that such claims are not expected to have a material effect on the School District's financial position. A liability for these claims is recorded to the extent that the probability of a loss is likely and the amount of potential loss is estimable.

At June 30, 2018, unspent Classroom Enhancement Fund remedies totalled \$508,000. The School District was unable to reach an agreement with the local teachers' union regarding the treatment of the unspent remedies by June 30th. Of the estimated \$508,000 in unspent remedies, \$201,311 is recognized as Deferred Revenue.

School District No. 61 (Greater Victoria)

Notes to Financial Statements
Year Ended June 30, 2018

20. Asset Retirement Obligation

As at June 30, 2018, the School District has identified asset retirement obligations relating to asbestos removal in several of its facilities. The asset retirement obligations have not been recognized where there is an indeterminate settlement date of the future demolition or renovation of the facilities, and therefore the fair value cannot be reasonably estimated. The asset retirement obligation will be recognized as a liability in the period when the fair value can be reasonably estimated.

At this time the School District has determined that there are no asset retirement obligations.

21. Expense by Object

	June 30, 2018	June 30, 2017
Salaries and Benefits	\$ 191,209,646	\$ 172,913,336
Services and Supplies	31,945,167	30,738,582
Interest	-	3,762
Amortization	10,460,835	9,658,430
	<u>\$ 233,615,648</u>	<u>\$ 213,314,110</u>

22. Accumulated Surplus

The Internally Restricted Operating Funds represent the amount of funds committed for planned educational activities at the school level; for the completion of projects in progress at June 30, 2018; for outstanding purchase order commitments; and for the amounts approved for the 2017/2018 and 2018/2019 operating budgets. The Internally Restricted Capital Fund represents the balance from the Local Capital Reserve. The use of Local Capital is entirely at the discretion of the School District. Appropriations from Local Capital are made to finance projects as determined by the Board.

	June 30, 2018	June 30, 2017
Internally Restricted - Operating Fund		
Carry Forward of Unspent School Budgets	\$ 4,246,216	\$ 5,379,427
Carry Forward of Unspent Project Budgets	5,307,670	3,729,737
Purchase Order Commitments	1,018,775	1,385,806
Appropriated for Future Years' Operating Budget	3,900,000	5,500,000
	<u>14,472,661</u>	<u>15,994,970</u>
Internally Restricted - Capital Fund		
Local Capital Reserve	<u>6,341,597</u>	<u>5,993,508</u>
Total Internally Restricted Fund Balances	20,814,258	21,988,478
Unrestricted Operating Surplus	2,386,696	3,774,594
Invested in Tangible Capital Assets	43,497,641	43,731,434
Accumulated Surplus	\$ 66,698,595	\$ 69,494,506

23. Economic Dependence

The operations of the School District are dependent on continued funding from the Ministry of Education and various governmental agencies to carry out its programs. These financial statements have been prepared on a going concern basis.

School District No. 61 (Greater Victoria)

Notes to Financial Statements

Year Ended June 30, 2018

24. Risk Management

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

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

a) Credit risk:

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

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

It is management's opinion that the School District is not exposed to significant credit risk associated with its cash deposits and investments as they are placed in recognized British Columbia institutions and the School District invests solely in bonds and guaranteed investment certificates.

b) Market risk:

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

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

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

c) Liquidity risk

Liquidity risk is the risk that the School District will not be able to meet its financial obligations as they become due.

The School District manages liquidity risk by continually monitoring actual and forecasted cash flows from operations and anticipated investing activities to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the School District's reputation.

Risk management and insurance services for all school districts in British Columbia are provided by the Risk Management Branch of the Ministry of Finance.

School District No. 61 (Greater Victoria)

Schedule 1 (Unaudited)

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

	Operating Fund	Special Purpose Fund	Capital Fund	2018 Actual	2017 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	19,769,564		49,724,942	69,494,506	68,966,568
Changes for the year					
Surplus (Deficit) for the year	(44,437)	709,599	(3,461,073)	(2,795,911)	527,938
Interfund Transfers					
Tangible Capital Assets Purchased	(2,291,396)	(709,599)	3,000,995	-	
Local Capital	(574,374)		574,374	-	
Net Changes for the year	(2,910,207)	-	114,296	(2,795,911)	527,938
Accumulated Surplus (Deficit), end of year - Statement 2	16,859,357	-	49,839,238	66,698,595	69,494,506

School District No. 61 (Greater Victoria)

Schedule of Operating Operations

Year Ended June 30, 2018

Schedule 2 (Unaudited)

	2018 Budget (Note 18)	2018 Actual	2017 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	169,511,584	172,045,629	168,767,439
Other		65,139	
Tuition	13,282,552	15,107,552	14,787,726
Other Revenue	997,520	2,312,484	1,664,632
Rentals and Leases	1,694,784	1,944,463	1,881,103
Investment Income	650,000	1,002,707	747,143
Total Revenue	186,136,440	192,477,974	187,848,043
Expenses			
Instruction	161,522,590	164,167,079	156,340,350
District Administration	4,598,414	4,916,326	4,575,541
Operations and Maintenance	22,105,640	22,555,876	22,958,100
Transportation and Housing	1,014,683	883,130	1,018,348
Total Expense	189,241,327	192,522,411	184,892,339
Operating Surplus (Deficit) for the year	(3,104,887)	(44,437)	2,955,704
Budgeted Appropriation (Retirement) of Surplus (Deficit)	4,104,887		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(800,000)	(2,291,396)	(5,494,277)
Local Capital	(200,000)	(574,374)	(492,290)
Total Net Transfers	(1,000,000)	(2,865,770)	(5,986,567)
Total Operating Surplus (Deficit), for the year	-	(2,910,207)	(3,030,863)
Operating Surplus (Deficit), beginning of year		19,769,564	22,800,427
Operating Surplus (Deficit), end of year		16,859,357	19,769,564
Operating Surplus (Deficit), end of year			
Internally Restricted (Note 23)		14,472,661	15,994,970
Unrestricted		2,386,696	3,774,594
Total Operating Surplus (Deficit), end of year		16,859,357	19,769,564

School District No. 61 (Greater Victoria)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2018

	2018 Budget (Note 18) \$	2018 Actual \$	2017 Actual \$
Provincial Grants - Ministry of Education			
Operating Grant, Ministry of Education	166,715,079	168,767,603	164,765,932
DISC/LEA Recovery	(927,465)	(1,064,664)	(986,370)
Other Ministry of Education Grants			
Pay Equity	2,896,617	2,896,617	2,896,617
Funding for Graduated Adults	-	80,815	37,952
Transportation Supplement	-	20,027	20,027
Economic Stability Dividend	-	115,387	101,450
Return of Administrative Savings	827,353	827,353	827,353
Carbon Tax Grant	-	145,245	127,977
Student Learning Grant	-	-	955,761
FSA Scorer Training	-	17,740	17,740
Other Grants	-	5,000	3,000
SRG3 Assessments	-	211,850	-
Support Staff Benefits	-	22,656	-
Total Provincial Grants - Ministry of Education	169,511,584	172,045,629	168,767,439
Provincial Grants - Other	-	65,139	-
Tuition			
Summer School Fees	17,696	56,880	17,696
Continuing Education	58,124	26,298	66,592
International and Out of Province Students	13,206,732	15,024,374	14,703,438
Total Tuition	13,282,552	15,107,552	14,787,726
Other Revenues			
Other School District/Education Authorities	-	2,700	2,700
LEA/Direct Funding from First Nations	927,465	1,064,664	986,370
Miscellaneous			
Industry Training Secondary Schools	-	121,150	109,034
Aboriginal Nations Education Curriculum Project	15,000	13,140	24,374
Misc Fees and Grants	36,755	459,971	475,919
Cafeteria	-	146,084	-
International Student Program Revenues	-	486,975	47,935
ArtsStarts Grant	18,300	17,800	18,300
Total Other Revenue	997,520	2,312,484	1,664,632
Rentals and Leases	1,694,784	1,944,463	1,881,103
Investment Income	650,000	1,002,707	747,143
Total Operating Revenue	186,136,440	192,477,974	187,848,043

School District No. 61 (Greater Victoria)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2018

	2018 Budget (Note 18)	2018 Actual	2017 Actual
	\$	\$	\$
Salaries			
Teachers	82,684,954	82,713,167	80,199,425
Principals and Vice Principals	12,255,821	11,729,196	10,811,359
Educational Assistants	17,240,139	17,325,907	16,759,453
Support Staff	17,038,427	16,723,091	16,481,061
Other Professionals	3,697,241	4,201,752	3,463,181
Substitutes	7,181,346	8,253,999	7,989,295
Total Salaries	140,097,928	140,947,112	135,703,774
Employee Benefits	32,198,765	31,402,246	30,004,741
Total Salaries and Benefits	172,296,693	172,349,358	165,708,515
Services and Supplies			
Services	4,527,695	6,985,412	6,880,929
Student Transportation	998,933	974,700	1,086,592
Professional Development and Travel	571,601	1,232,663	1,227,406
Rentals and Leases	79,238	49,832	-
Dues and Fees	88,207	95,497	118,028
Insurance	442,842	363,016	396,831
Supplies	5,593,711	6,360,109	4,975,430
Utilities	4,642,407	4,111,824	4,498,608
Total Services and Supplies	16,944,634	20,173,053	19,183,824
Total Operating Expense	189,241,327	192,522,411	184,892,339

School District No. 61 (Greater Victoria)

Operating Expense by Function, Program and Object

Year Ended June 30, 2018

	Teachers Salaries	Principals and Vice Principals Salaries	Educational Assistants Salaries	Support Staff Salaries	Other Professionals Salaries	Substitutes Salaries	Total Salaries
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	61,860,505	4,300,962	1,740,694	429,775	231,203	5,511,941	74,075,080
1.03 Career Programs	826,483	89,637	290,000	2,761	-	85,435	1,294,316
1.07 Library Services	1,890,378	4,338	-	351,557	-	85,828	2,332,101
1.08 Counselling	2,250,612	1,305	-	-	-	49,244	2,301,161
1.10 Special Education	8,324,288	249,371	14,570,878	233,636	111,927	1,237,972	24,728,072
1.30 English Language Learning	1,667,651	140,705	-	-	-	115,987	1,924,343
1.31 Aboriginal Education	493,003	139,829	556,551	50,769	105,720	52,463	1,398,335
1.41 School Administration	-	6,750,795	-	3,640,765	-	63,809	10,455,369
1.60 Summer School	141,915	19,925	1,784	10,940	-	-	174,564
1.61 Continuing Education	248,106	32,329	1,096	53,413	-	16,333	351,277
1.62 International and Out of Province Students	4,958,057	-	132,576	752,291	629,789	363,791	6,836,504
1.64 Other	-	-	-	9,888	-	-	9,888
Total Function 1	82,660,998	11,729,196	17,293,579	5,535,795	1,078,639	7,582,803	125,881,010
4 District Administration							
4.11 Educational Administration	-	-	-	147,854	732,332	26,011	906,197
4.40 School District Governance	-	-	-	28,858	251,866	-	280,724
4.41 Business Administration	-	-	-	1,054,388	1,124,110	102,741	2,281,239
Total Function 4	-	-	-	1,231,100	2,108,308	128,752	3,468,160
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	52,169	-	32,328	282,090	889,888	23,331	1,279,806
5.50 Maintenance Operations	-	-	-	8,826,733	124,917	287,481	9,239,131
5.52 Maintenance of Grounds	-	-	-	820,503	-	231,632	1,052,135
5.56 Utilities	-	-	-	-	-	-	-
Total Function 5	52,169	-	32,328	9,929,326	1,014,805	542,444	11,571,072
7 Transportation and Housing							
7.41 Transportation and Housing Administration	-	-	-	26,870	-	-	26,870
7.70 Student Transportation	-	-	-	-	-	-	-
Total Function 7	-	-	-	26,870	-	-	26,870
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	82,713,167	11,729,196	17,325,907	16,723,091	4,201,752	8,253,999	140,947,112

School District No. 61 (Greater Victoria)

Operating Expense by Function, Program and Object

Year Ended June 30, 2018

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2018 Actual	2018 Budget (Note 18)	2017 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	74,075,080	16,579,057	90,654,137	4,947,193	95,601,330	95,829,727	93,195,795
1.03 Career Programs	1,294,316	290,965	1,585,281	517,693	2,102,974	1,537,605	1,443,835
1.07 Library Services	2,332,101	537,371	2,869,472	148,415	3,017,887	2,754,540	2,888,670
1.08 Counselling	2,301,161	531,245	2,832,406	4,589	2,836,995	2,717,687	2,654,541
1.10 Special Education	24,728,072	5,466,988	30,195,060	890,300	31,085,360	31,110,703	28,781,044
1.30 English Language Learning	1,924,343	435,112	2,359,455	93,979	2,453,434	2,442,644	2,324,267
1.31 Aboriginal Education	1,398,335	293,693	1,692,028	392,106	2,084,134	2,008,789	2,119,359
1.41 School Administration	10,455,369	2,237,623	12,692,992	288,107	12,981,099	12,728,808	11,622,119
1.60 Summer School	174,564	39,961	214,525	19,781	234,306	216,543	219,898
1.61 Continuing Education	351,277	79,654	430,931	188,636	619,567	354,326	407,352
1.62 International and Out of Province Students	6,836,504	1,542,306	8,378,810	2,758,953	11,137,763	9,808,558	10,670,881
1.64 Other	9,888	2,342	12,230	-	12,230	12,660	12,589
Total Function 1	125,881,010	28,036,317	153,917,327	10,249,752	164,167,079	161,522,590	156,340,350
4 District Administration							
4.11 Educational Administration	906,197	182,147	1,088,344	90,000	1,178,344	1,165,587	1,119,626
4.40 School District Governance	280,724	21,819	302,543	172,533	475,076	453,562	408,178
4.41 Business Administration	2,281,239	491,016	2,772,255	490,651	3,262,906	2,979,265	3,047,737
Total Function 4	3,468,160	694,982	4,163,142	753,184	4,916,326	4,598,414	4,575,541
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	1,279,806	260,335	1,540,141	555,665	2,095,806	1,796,225	1,628,983
5.50 Maintenance Operations	9,239,131	2,172,286	11,411,417	3,012,291	14,423,708	14,315,748	15,271,373
5.52 Maintenance of Grounds	1,052,135	231,963	1,284,098	639,038	1,923,136	1,348,660	1,557,734
5.56 Utilities	-	-	-	4,113,226	4,113,226	4,645,007	4,500,010
Total Function 5	11,571,072	2,664,584	14,235,656	8,320,220	22,555,876	22,105,640	22,958,100
7 Transportation and Housing							
7.41 Transportation and Housing Administration	26,870	6,363	33,233	-	33,233	32,000	33,958
7.70 Student Transportation	-	-	-	849,897	849,897	982,683	984,390
Total Function 7	26,870	6,363	33,233	849,897	883,130	1,014,683	1,018,348
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	140,947,112	31,402,246	172,349,358	20,173,053	192,522,411	189,241,327	184,892,339

School District No. 61 (Greater Victoria)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2018

	2018 Budget (Note 18) \$	2018 Actual \$	2017 Actual \$
Revenues			
Provincial Grants			
Ministry of Education	21,878,389	23,311,957	10,900,110
Other Revenue	6,415,000	6,845,967	6,405,054
Investment Income	76,000	81,012	89,214
Total Revenue	<u>28,369,389</u>	<u>30,238,936</u>	<u>17,394,378</u>
Expenses			
Instruction	27,559,110	28,648,636	16,343,054
Operations and Maintenance	810,279	880,701	819,339
Total Expense	<u>28,369,389</u>	<u>29,529,337</u>	<u>17,162,393</u>
Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>709,599</u>	<u>231,985</u>
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased		(709,599)	(231,985)
Total Net Transfers	<u>-</u>	<u>(709,599)</u>	<u>(231,985)</u>
Total Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>-</u>	<u>-</u>
Special Purpose Surplus (Deficit), beginning of year			
Special Purpose Surplus (Deficit), end of year		<u><u>-</u></u>	<u><u>-</u></u>

School District No. 61 (Greater Victoria)

Schedule 3A (Unaudited)

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

	Annual Facility Grant	Learning Improvement Fund	Scholarships and Bursaries	Special Education Technology	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	65,075		563,983	30,972	3,034,714	34,059	23,963		329,950
Add: Restricted Grants									
Provincial Grants - Ministry of Education	810,279	668,206		111,000		192,000	66,150	410,966	3,859,245
Other			4,139		6,463,170				
Investment Income	5,347		45,263		39,230				
	815,626	668,206	49,402	111,000	6,502,400	192,000	66,150	410,966	3,859,245
Less: Allocated to Revenue	880,701	668,206	26,716	111,000	6,558,567	198,833	79,756	410,966	3,755,374
Recovered				30,972					
Deferred Revenue, end of year	-	-	586,669	-	2,978,547	27,226	10,357	-	433,821
Revenues									
Provincial Grants - Ministry of Education	875,354	668,206		111,000		198,833	79,756	410,966	3,755,374
Other Revenue			4,139		6,519,337				
Investment Income	5,347		22,577		39,230				
	880,701	668,206	26,716	111,000	6,558,567	198,833	79,756	410,966	3,755,374
Expenses									
Salaries									
Teachers								1,625	191,406
Principals and Vice Principals				2,272				48,736	157,058
Educational Assistants		550,306		86,582		133,653			623,222
Support Staff								5,961	92,718
Other Professionals									40,925
Substitutes		22,024			62,683	6,251	27,551	99,301	49,015
	-	572,330	-	88,854	62,683	139,904	27,551	155,623	1,154,344
Employee Benefits		95,876		16,746	9,944	31,848	4,410	27,703	258,216
Services and Supplies	880,701		26,716	5,400	6,288,955	27,081	47,795	222,862	2,334,252
	880,701	668,206	26,716	111,000	6,361,582	198,833	79,756	406,188	3,746,812
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	196,985	-	-	4,778	8,562
Interfund Transfers									
Tangible Capital Assets Purchased					(196,985)			(4,778)	(8,562)
	-	-	-	-	(196,985)	-	-	(4,778)	(8,562)
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 61 (Greater Victoria)

Schedule 3A (Unaudited)

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

	Coding and Curriculum Implementation	Priority Measures	Classroom Enhancement Fund - Overhead	Classroom Enhancement Fund - Staffing	Ledger School	Provincial Inclusion Outreach	Charitable Trust	Estate Trust	TOTAL
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	121,989	353,990					700	49,584	4,608,979
Add: Restricted Grants									
Provincial Grants - Ministry of Education			1,360,638	14,888,527	242,312	494,327			23,103,650
Other							322,491		6,789,800
Investment Income								11,510	101,350
	-	-	1,360,638	14,888,527	242,312	494,327	322,491	11,510	29,994,800
Less: Allocated to Revenue Recovered	73,985	353,990	1,360,638	14,687,216	242,312	494,327	322,491	13,858	30,238,936
Deferred Revenue, end of year	48,004	-	-	201,311	-	-	700	47,236	4,333,871
Revenues									
Provincial Grants - Ministry of Education	73,985	353,990	1,360,638	14,687,216	242,312	494,327			23,311,957
Other Revenue							322,491		6,845,967
Investment Income								13,858	81,012
	73,985	353,990	1,360,638	14,687,216	242,312	494,327	322,491	13,858	30,238,936
Expenses									
Salaries									
Teachers		276,648	8,922	10,323,899	119,152	126,359			11,048,011
Principals and Vice Principals					4,961	10,121			223,148
Educational Assistants					47,211	87,820			1,528,794
Support Staff			104,680			20,750			224,109
Other Professionals									40,925
Substitutes	10,342	9,914	435,207	1,643,301	4,230	985		1,117	2,371,921
	10,342	286,562	548,809	11,967,200	175,554	246,035	-	1,117	15,436,908
Employee Benefits	1,655	67,428	94,663	2,720,016	41,026	53,670		179	3,423,380
Services and Supplies	47,278		232,602		25,732	194,622	322,491	12,562	10,669,049
	59,275	353,990	876,074	14,687,216	242,312	494,327	322,491	13,858	29,529,337
Net Revenue (Expense) before Interfund Transfers	14,710	-	484,564	-	-	-	-	-	709,599
Interfund Transfers									
Tangible Capital Assets Purchased	(14,710)		(484,564)						(709,599)
	(14,710)	-	(484,564)	-	-	-	-	-	(709,599)
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 61 (Greater Victoria)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2018

	2018	2018 Actual			2017
	Budget (Note 18)	Invested in Tangible Capital Assets	Local Capital	Fund Balance	Actual
	\$	\$	\$	\$	\$
Revenues					
Provincial Grants					
Ministry of Education	1,200,000	1,103,065		1,103,065	1,597,186
Other				-	-
Municipal Grants Spent on Sites				-	-
Federal Grants				-	-
Other Revenue				-	-
Rentals and Leases	2,961		5,844	5,844	4,028
Investment Income	36,491		73,130	73,130	35,469
Gain (Loss) on Disposal of Tangible Capital Assets				-	275,000
Amortization of Deferred Capital Revenue	6,974,392	6,920,788		6,920,788	6,687,944
Total Revenue	8,213,844	8,023,853	78,974	8,102,827	8,599,627
Expenses					
Operations and Maintenance	1,200,000	1,103,065		1,103,065	1,597,186
Amortization of Tangible Capital Assets					
Operations and Maintenance	10,238,338	10,460,835		10,460,835	9,658,430
Debt Services					
Capital Lease Interest				-	3,762
Total Expense	11,438,338	11,563,900	-	11,563,900	11,259,378
Capital Surplus (Deficit) for the year	(3,224,494)	(3,540,047)	78,974	(3,461,073)	(2,659,751)
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	800,000	3,000,995		3,000,995	5,726,262
Local Capital	200,000		574,374	574,374	492,290
Total Net Transfers	1,000,000	3,000,995	574,374	3,575,369	6,218,552
Other Adjustments to Fund Balances					
Tangible Capital Assets Purchased from Local Capital		242,108	(242,108)	-	
Tangible Capital Assets WIP Purchased from Local Capital		63,151	(63,151)	-	
Total Other Adjustments to Fund Balances		305,259	(305,259)	-	
Total Capital Surplus (Deficit) for the year	(2,224,494)	(233,793)	348,089	114,296	3,558,801
Capital Surplus (Deficit), beginning of year		43,731,434	5,993,508	49,724,942	46,166,141
Capital Surplus (Deficit), end of year		43,497,641	6,341,597	49,839,238	49,724,942

School District No. 61 (Greater Victoria)

Schedule 4A (Unaudited)

Tangible Capital Assets
Year Ended June 30, 2018

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	10,833,717	345,809,129	6,731,018	623,993	320,713	8,165,755	372,484,325
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Other			428,274				428,274
Operating Fund			938,462	293,763	64,194	994,977	2,291,396
Special Purpose Funds			566,696			142,903	709,599
Local Capital			128,055			114,053	242,108
Transferred from Work in Progress		2,632,976	902,247			22,646	3,557,869
	-	2,632,976	2,963,734	293,763	64,194	1,274,579	7,229,246
Decrease:							
Deemed Disposals			494,375	81,456	17,414	759,038	1,352,283
	-	-	494,375	81,456	17,414	759,038	1,352,283
Cost, end of year	10,833,717	348,442,105	9,200,377	836,300	367,493	8,681,296	378,361,288
Work in Progress, end of year		4,424,780	3,699				4,428,479
Cost and Work in Progress, end of year	10,833,717	352,866,885	9,204,076	836,300	367,493	8,681,296	382,789,767
Accumulated Amortization, beginning of year		134,937,005	2,800,301	288,706	95,470	2,216,459	140,337,941
Changes for the Year							
Increase: Amortization for the Year		7,731,288	821,289	77,087	70,562	1,760,609	10,460,835
Decrease:							
Deemed Disposals			494,375	81,456	17,414	759,038	1,352,283
			494,375	81,456	17,414	759,038	1,352,283
Accumulated Amortization, end of year		142,668,293	3,127,215	284,337	148,618	3,218,030	149,446,493
Tangible Capital Assets - Net	10,833,717	210,198,592	6,076,861	551,963	218,875	5,463,266	233,343,274

School District No. 61 (Greater Victoria)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2018

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
Work in Progress, beginning of year	1,449,881	524	-	424	1,450,829
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	4,660,163	905,422		22,222	5,587,807
Deferred Capital Revenue - Other	884,561				884,561
Local Capital	63,151				63,151
	<u>5,607,875</u>	<u>905,422</u>	<u>-</u>	<u>22,222</u>	<u>6,535,519</u>
Decrease:					
Transferred to Tangible Capital Assets	2,632,976	902,247		22,646	3,557,869
	<u>2,632,976</u>	<u>902,247</u>	<u>-</u>	<u>22,646</u>	<u>3,557,869</u>
Net Changes for the Year	<u>2,974,899</u>	<u>3,175</u>	<u>-</u>	<u>(424)</u>	<u>2,977,650</u>
Work in Progress, end of year	<u>4,424,780</u>	<u>3,699</u>	<u>-</u>	<u>-</u>	<u>4,428,479</u>

School District No. 61 (Greater Victoria)

Schedule 4C (Unaudited)

Deferred Capital Revenue
Year Ended June 30, 2018

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	165,646,709	15,792,206	2,461,881	183,900,796
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions		428,274		428,274
Transferred from Work in Progress	3,557,869			3,557,869
	<u>3,557,869</u>	<u>428,274</u>	<u>-</u>	<u>3,986,143</u>
Decrease:				
Amortization of Deferred Capital Revenue	6,252,330	562,731	105,727	6,920,788
	<u>6,252,330</u>	<u>562,731</u>	<u>105,727</u>	<u>6,920,788</u>
Net Changes for the Year	<u>(2,694,461)</u>	<u>(134,457)</u>	<u>(105,727)</u>	<u>(2,934,645)</u>
Deferred Capital Revenue, end of year	<u>162,952,248</u>	<u>15,657,749</u>	<u>2,356,154</u>	<u>180,966,151</u>
Work in Progress, beginning of year	(88,305)	1,239,133	300,000	1,450,828
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	5,587,807	873,590	10,971	6,472,368
	<u>5,587,807</u>	<u>873,590</u>	<u>10,971</u>	<u>6,472,368</u>
Decrease				
Transferred to Deferred Capital Revenue	3,557,869			3,557,869
	<u>3,557,869</u>	<u>-</u>	<u>-</u>	<u>3,557,869</u>
Net Changes for the Year	<u>2,029,938</u>	<u>873,590</u>	<u>10,971</u>	<u>2,914,499</u>
Work in Progress, end of year	<u>1,941,633</u>	<u>2,112,723</u>	<u>310,971</u>	<u>4,365,327</u>
Total Deferred Capital Revenue, end of year	<u>164,893,881</u>	<u>17,770,472</u>	<u>2,667,125</u>	<u>185,331,478</u>

School District No. 61 (Greater Victoria)

Schedule 4D (Unaudited)

Changes in Unspent Deferred Capital Revenue
Year Ended June 30, 2018

	Bylaw Capital	MEd Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	1,014,765	3,939,025	405,409	-	141,324	5,500,523
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	8,657,612					8,657,612
Provincial Grants - Other			238,329			238,329
Other		193,986			98,098	292,084
Investment Income		24,074			2,365	26,439
Transfer project surplus to MEd Restricted (from) Bylaw	(263,935)	263,935				-
	<u>8,393,677</u>	<u>481,995</u>	<u>238,329</u>	<u>-</u>	<u>100,463</u>	<u>9,214,464</u>
Decrease:						
Transferred to DCR - Capital Additions			428,274			428,274
Transferred to DCR - Work in Progress	5,587,807	873,590			10,971	6,472,368
Bylaw Expenditures	1,103,065					1,103,065
	<u>6,690,872</u>	<u>873,590</u>	<u>428,274</u>	<u>-</u>	<u>10,971</u>	<u>8,003,707</u>
Net Changes for the Year	<u>1,702,805</u>	<u>(391,595)</u>	<u>(189,945)</u>	<u>-</u>	<u>89,492</u>	<u>1,210,757</u>
Balance, end of year	<u>2,717,570</u>	<u>3,547,430</u>	<u>215,464</u>	<u>-</u>	<u>230,816</u>	<u>6,711,280</u>