

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

**AUDITED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

June 30, 2018

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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, 2018, 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, 2018 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.

The logo for Deloitte, featuring the word "Deloitte" in a stylized, handwritten-style font, followed by "CPA" in a smaller, simpler font.

Chartered Professional Accountants

Winnipeg, Manitoba
October 16, 2018

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

October 16, 2018

A handwritten signature in blue ink that reads "Colleen Carswell". Below the signature is a horizontal line, and underneath the line, the text "Chair of the Board" is printed.

Chair of the Board

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 2017/18 School Year) of the River East Transcona School Division as at September 30, 2017. 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, 2017 in accordance with the Public Schools Enrolment and Categorical Grants Reporting for the 2017/18 School Year referred to above.



Auditor

October 16, 2018

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 16, 2018

Date

MANAGEMENT REPORT

Management's Responsibility for the Financial Statements

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

The preparation of consolidated financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods. Division management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management.

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

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



Chairperson
Colleen Carswell



Secretary-Treasurer
Vince Mariani

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at June 30

Notes		2018	2017
	Financial Assets		
	Cash and Bank	1,074,871	2,237,212
	Due from - Provincial Government	3,802,490	3,946,720
	- Federal Government	470,781	404,425
10	- Municipal Government	39,052,108	36,941,370
	- Other School Divisions	-	101,689
	- First Nations	86,900	20,900
	Accounts Receivable	232,441	102,430
	Accrued Investment Income	-	-
	Portfolio Investments	-	-
		<u>44,719,591</u>	<u>43,754,746</u>
	Liabilities		
	Overdraft	-	-
	Accounts Payable	2,458,775	1,705,762
	Accrued Liabilities	24,460,290	23,334,272
3	Employee Future Benefits	1,936,070	1,777,806
	Accrued Interest Payable	1,010,421	962,992
	Due to - Provincial Government	5,916	420
	- Federal Government	-	16,085
	- Municipal Government	-	-
	- Other School Divisions	-	-
	- First Nations	-	-
4	Deferred Revenue	8,736,648	10,145,162
6	Borrowings from the Provincial Government	51,264,867	45,095,653
7	Other Borrowings	4,679,457	5,279,175
5	School Generated Funds Liability	1,678,336	1,587,032
		<u>96,230,780</u>	<u>89,904,359</u>
	Net Debt	<u>(51,511,189)</u>	<u>(46,149,613)</u>
	Non-Financial Assets		
8	Net Tangible Capital Assets (TCA Schedule)	83,791,458	77,355,155
	Inventories	-	-
	Prepaid Expenses	370,258	290,485
		<u>84,161,716</u>	<u>77,645,640</u>
9	Accumulated Surplus	<u>32,650,527</u>	<u>31,496,027</u>

See accompanying notes to the Financial Statements

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

For the Year Ended June 30

Notes		2018	2017
	Revenue		
	Provincial Government	130,341,967	128,513,979
	Federal Government	517,004	515,270
10	Municipal Government - Property Tax	65,039,054	61,571,604
	- Other	-	-
	Other School Divisions	708,089	765,253
	First Nations	193,600	116,600
	Private Organizations and Individuals	2,164,774	1,974,778
	Other Sources	529,249	425,916
	School Generated Funds	786,691	753,993
	Other Special Purpose Funds	-	-
		<u>200,280,428</u>	<u>194,637,393</u>
	Expenses		
	Regular Instruction	107,067,982	105,504,734
	Student Support Services	36,049,392	34,780,528
	Adult Learning Centres	1,493,615	1,430,684
	Community Education and Services	1,531,094	1,518,987
	Divisional Administration	5,635,578	5,286,698
	Instructional and Other Support Services	8,069,780	7,578,591
	Transportation of Pupils	4,850,137	4,713,708
	Operations and Maintenance	20,974,149	20,813,874
11	Fiscal - Interest	2,326,793	2,306,499
	- Other	3,239,179	3,168,776
	Amortization	6,790,945	6,438,125
	Other Capital Items	216,318	283,010
	School Generated Funds	737,550	735,605
	Other Special Purpose Funds	-	-
12		<u>198,982,512</u>	<u>194,559,819</u>
	Current Year Surplus (Deficit) before Non-vested Sick Leave	<u>1,297,916</u>	<u>77,574</u>
	Less: Non-vested Sick Leave Expense (Recovery)	<u>143,416</u>	<u>254,444</u>
	Net Current Year Surplus (Deficit)	<u>1,154,500</u>	<u>(176,870)</u>
	Opening Accumulated Surplus	31,496,027	31,672,897
	Adjustments: Tangible Cap. Assets and Accum. Amort.	-	-
	Other than Tangible Cap. Assets	-	-
	Non-vested sick leave - prior years	-	-
	Opening Accumulated Surplus, as adjusted	<u>31,496,027</u>	<u>31,672,897</u>
	Closing Accumulated Surplus	<u>32,650,527</u>	<u>31,496,027</u>

See accompanying notes to the Financial Statements

CONSOLIDATED STATEMENT OF CHANGE IN NET DEBT

For the Year Ended June 30, 2018

	2018	2017
Net Current Year Surplus (Deficit)	1,154,500	(176,870)
Amortization of Tangible Capital Assets	6,790,945	6,438,125
Acquisition of Tangible Capital Assets	(13,227,248)	(11,931,245)
(Gain) / Loss on Disposal of Tangible Capital Assets	(29,606)	(6,804)
Proceeds on Disposal of Tangible Capital Assets	29,606	6,805
	(6,436,303)	(5,493,119)
Inventories (Increase)/Decrease	-	-
Prepaid Expenses (Increase)/Decrease	(79,773)	5,295
	(79,773)	5,295
(Increase)/Decrease in Net Debt	(5,361,576)	(5,664,694)
Net Debt at Beginning of Year	(46,149,613)	(40,484,919)
Adjustments Other than Tangible Cap. Assets	-	-
	(46,149,613)	(40,484,919)
Net Debt at End of Year	(51,511,189)	(46,149,613)

CONSOLIDATED STATEMENT OF CASH FLOW

For the Year Ended June 30, 2018

	2018	2017
Operating Transactions		
Net Current Year Surplus (Deficit)	1,154,500	(176,870)
Non-Cash Items Included in Current Year Surplus/(Deficit):		
Amortization of Tangible Capital Assets	6,790,945	6,438,125
(Gain)/Loss on Disposal of Tangible Capital Assets	(29,606)	(6,804)
Employee Future Benefits Increase/(Decrease)	158,264	(122,174)
Due from Other Organizations (Increase)/Decrease	(1,997,175)	(1,962,262)
Accounts Receivable & Accrued Income (Increase)/Decrease	(130,011)	23,855
Inventories and Prepaid Expenses - (Increase)/Decrease	(79,773)	5,295
Due to Other Organizations Increase/(Decrease)	(10,589)	(16,722)
Accounts Payable & Accrued Liabilities Increase/(Decrease)	1,926,460	46,160
Deferred Revenue Increase/(Decrease)	(1,408,514)	(209,480)
School Generated Funds Liability Increase/(Decrease)	91,304	57,557
Adjustments Other than Tangible Cap. Assets	-	-
Cash Provided by (Applied to) Operating Transactions	<u>6,465,805</u>	<u>4,076,680</u>
Capital Transactions		
Acquisition of Tangible Capital Assets	(13,227,248)	(11,931,245)
Proceeds on Disposal of Tangible Capital Assets	<u>29,606</u>	<u>6,805</u>
Cash Provided by (Applied to) Capital Transactions	<u>(13,197,642)</u>	<u>(11,924,440)</u>
Investing Transactions		
Portfolio Investments (Increase)/Decrease	<u>-</u>	<u>-</u>
Cash Provided by (Applied to) Investing Transactions	<u>-</u>	<u>-</u>
Financing Transactions		
Borrowings from the Provincial Government Increase/(Decrease)	6,169,214	3,957,745
Other Borrowings Increase/(Decrease)	<u>(599,718)</u>	<u>1,278,330</u>
Cash Provided by (Applied to) Financing Transactions	<u>5,569,496</u>	<u>5,236,075</u>
Cash and Bank / Overdraft (Increase)/Decrease	(1,162,341)	(2,611,685)
Cash and Bank (Overdraft) at Beginning of Year	<u>2,237,212</u>	<u>4,848,897</u>
Cash and Bank (Overdraft) at End of Year	<u><u>1,074,871</u></u>	<u><u>2,237,212</u></u>

OPERATING FUND SCHEDULE OF FINANCIAL POSITION

as at June 30

	2018	2017
Financial Assets		
Cash and Bank	382,920	1,558,647
Due from		
- Provincial Government	2,792,069	2,983,728
- Federal Government	392,711	379,237
- Municipal Government	39,052,108	36,941,370
- Other School Divisions	-	101,689
- First Nations	86,900	20,900
- Other Funds	155,300	155,300
Accounts Receivable	232,441	102,430
Accrued Investment Income	-	-
Portfolio Investments	-	-
	43,094,449	42,243,301
Liabilities		
Overdraft	-	-
Accounts Payable	1,127,110	958,060
Accrued Liabilities	24,089,711	23,284,992
Employee Future Benefits	1,936,070	1,777,806
Accrued Interest Payable	-	-
Due to		
- Provincial Government	5,916	377
- Federal Government	-	16,085
- Municipal Government	-	-
- Other School Divisions	-	-
- First Nations	-	-
- Capital Fund	2,940,419	3,127,835
Deferred Revenue	8,048,351	9,639,946
Other Borrowings	-	-
	38,147,577	38,805,101
Net Financial Assets (Net Debt)	4,946,872	3,438,200
Non-Financial Assets		
Inventories	-	-
Prepaid Expenses	370,258	290,485
	370,258	290,485
Accumulated Surplus (Deficit)	5,317,130	3,728,685

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

For the Year Ended June 30

	2018 Actual	2018 Budget	2017 Actual
Revenue			
Provincial Government - Core	124,854,408	121,778,287	123,482,357
Federal Government	517,004	-	515,270
Municipal Government - Property Tax	65,039,054	64,938,157	61,571,604
- Other	-	-	-
Other School Divisions	708,089	215,000	765,253
First Nations	193,600	-	116,600
Private Organizations and Individuals	2,164,774	735,000	1,974,778
Other Sources	286,278	20,000	227,698
	<u>193,763,207</u>	<u>187,686,444</u>	<u>188,653,560</u>
Expenses			
Regular Instruction	107,067,982	107,021,401	105,504,734
Student Support Services	36,049,392	35,228,732	34,780,528
Adult Learning Centres	1,493,615	-	1,430,684
Community Education and Services	1,531,094	577,290	1,518,987
Divisional Administration	5,635,578	4,988,274	5,286,698
Instructional and Other Support Services	8,069,780	7,824,305	7,578,591
Transportation of Pupils	4,850,137	4,592,441	4,713,708
Operations and Maintenance	20,974,149	21,869,416	20,813,874
Fiscal	3,310,445	3,164,500	3,225,567
	<u>188,982,172</u>	<u>185,266,359</u>	<u>184,853,371</u>
Current Year Surplus (Deficit) before Non-vested Sick Leave	<u>4,781,035</u>	<u>2,420,085</u>	<u>3,800,189</u>
Less: Non-vested Sick Leave Expense (Recovery)	<u>143,416</u>		<u>254,444</u>
Current Year Surplus (Deficit) after Non-vested Sick Leave	<u>4,637,619</u>	<u>2,420,085</u>	<u>3,545,745</u>
Net Transfers from (to) Capital Fund	<u>(3,049,174)</u>	<u>(2,420,085)</u>	<u>(3,497,866)</u>
Transfers from Special Purpose Funds	<u>-</u>		<u>-</u>
Net Current Year Surplus (Deficit)	<u>1,588,445</u>	<u>0</u>	<u>47,879</u>
Opening Accumulated Surplus (Deficit)	3,728,685		3,680,806
Adjustments: <u>Liability for Contaminated Sites</u>	<u>-</u>		<u>-</u>
<u>Non-vested sick leave - prior years</u>	<u>-</u>		<u>-</u>
Opening Accumulated Surplus (Deficit), as adjusted	<u>3,728,685</u>		<u>3,680,806</u>
Closing Accumulated Surplus (Deficit)	<u>5,317,130</u>		<u>3,728,685</u>

**OPERATING FUND - REVENUE DETAIL
PROVINCE OF MANITOBA**

For the Year Ended June 30, 2018

Funding of Schools Program

Base Support		
Instructional Support	29,853,084	
Additional Instructional Support for Small Schools	-	
Sparsity	-	
Curricular Materials	907,511	
Information Technology	960,504	
Library Services	1,425,264	
Student Services	5,201,836	
Counselling and Guidance	1,285,836	
Professional Development	604,188	
Physical Education	353,250	
Occupancy	6,940,035	47,531,508
Categorical Support		
Transportation	1,853,896	
Board and Room	-	
Special Needs: Coordinator/Clinician	1,161,900	
Special Needs: Level 2	4,062,200	
Special Needs: Level 3	4,259,808	
Senior Years Technology Education	874,665	
English as an Additional Language	809,600	
Aboriginal Academic Achievement (including BSSAP)	864,000	
Aboriginal and International Languages	56,431	
French Language Education	759,904	
Small Schools	-	
Enrolment Change Support	580,773	
Northern Allowance	-	
Early Childhood Development Initiative	215,103	
Literacy and Numeracy	1,368,860	
Education for Sustainable Development	29,400	16,896,540
Equalization		23,615,329
Additional Equalization		3,036,165
Adjustment for Days Closed		-
Formula Guarantee		-
Other Program Support		
School Buildings Support: "D" Projects	466,800	
Technology Education Equipment Replacement	233,700	
Skills Strategy Equipment Enhancement	93,073	
Other Minor Capital Support	-	
Prior Year Support		
Finalization of Previous Year Support	-	
Curricular Materials	-	
School Buildings Support: "D" Projects	-	
Technology Education Equipment	-	793,573
		91,873,115

**OPERATING FUND - REVENUE DETAIL
NON-PROVINCIAL GOVERNMENT SOURCES**

For the Year Ended June 30, 2018

Federal Government			
Tuition Fees		-	
Transportation of Pupils		-	
French Language Monitor		-	
English as an Additional Language (Adults)		-	
Other:	Citizenship and Immigration	517,004	
			517,004
Municipal Government			
Special Requirement	90,078,026		
Less: Education Property Tax Credit	(23,720,589)		
Less: Tax Incentive Grant	(1,318,383)	65,039,054	
Other:		-	65,039,054
Other School Divisions			
Tuition Fees		571,390	
Transfer Fees		-	
Residual Fees		136,699	
Transportation of Pupils		-	
Other:		-	
			708,089
First Nations			
Tuition Fees		193,600	
Transportation of Pupils		-	
Other:		-	
			193,600
Private Organizations and Individuals (Includes GBE's)			
Regular Tuition		-	
International Tuition		1,104,812	
Continuing Education		266,242	
Other Tuition:		37,930	
Food Service		233,150	
Government Business Enterprises (GBE's)		-	
Other:	Vocational Shops	65,794	
	Building Rental	239,259	
	Transportation User Fee	217,587	
			2,164,774
Other Sources			
Interest		131,631	
Donations		21,037	
Other:	Miscellaneous	133,610	
			286,278
TOTAL NON-PROVINCIAL GOVERNMENT REVENUE			68,908,799

OPERATING FUND - EXPENSE BY FUNCTION AND BY OBJECT

For the Year Ended June 30

FUNCTION OBJECT	100	200	300	400	500	600	700	800	900	2018	2017
	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	TOTALS	TOTALS
Salaries	95,264,698	31,967,889	1,123,605	1,206,137	3,510,611	6,257,262	3,297,856	9,640,614		152,268,672	148,627,903
Employees Benefits and Allowances	5,169,532	2,732,536	78,218	78,526	414,654	476,222	452,204	1,405,572		10,807,464	10,841,884
Services	1,794,675	967,786	237,995	99,721	1,256,668	895,624	254,282	8,671,402		14,178,153	13,885,093
Supplies, Materials and Minor Equipment	4,249,938	364,136	53,797	146,710	453,645	395,637	845,795	1,256,561		7,766,219	7,671,528
Interest and Bank Charges									71,266	71,266	56,791
Bad Debt Expense									-	0	0
Transfers	589,139	17,045	-	-	-	45,035	-	-	(PAYROLL TAX) 3,239,179	3,890,398	3,770,172
TOTALS	107,067,982	36,049,392	1,493,615	1,531,094	5,635,578	8,069,780	4,850,137	20,974,149	3,310,445	188,982,172	184,853,371

OPERATING FUND - EXPENSE DETAIL: FUNCTION 100

For the Year Ended June 30, 2018

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	8,202,102					8,202,102	
330	Instructional - Teaching	21,637	48,044,303		6,199,979	24,653,048	2,975,003	81,893,970
350	Instructional - Other		453,103		16,554	294,355		764,012
360	Technical, Specialized and Service	79,522	85,572				206,244	371,338
370	Secretarial, Clerical and Other	3,299,864						3,299,864
390	Information Technology	733,412						733,412
	Total Salaries	12,336,537	48,582,978	0	6,216,533	24,947,403	3,181,247	95,264,698
4XX	EMPLOYEES BENEFITS AND ALLOWANCES	827,945	2,719,479		298,947	1,167,906	155,255	5,169,532
5-6XX	SERVICES							
510	Professional, Technical and Specialized	525	275,202		5,105	19,385	4,962	305,179
520	Communications	217,952	17,810		324	1,126		237,212
540	Travel and Meetings	14,483	102,652		3,617	16,970	681	138,403
560	Tuition							0
570	Printing and Binding				1,181	3,564		4,745
580	Insurance and Bond Premiums		6,999					6,999
590	Maintenance and Repair Services	1,259	308,200		44,082	157,764	37,169	548,474
610	Rentals		7,196					7,196
630	Advertising		582					582
640	Dues and Fees		40,607		8,073	8,216		56,896
650	Professional and Staff Development							0
680	Information Technology Services	162,459	326,530					488,989
	Total Services	396,678	1,085,778	0	62,382	207,025	42,812	1,794,675
7XX	SUPPLIES, MATERIALS AND MINOR EQUIPMENT							
710	Supplies	1,757	890,230		65,973	490,647	456,419	1,905,026
740	Curricular and Media Materials		712,130		82,482	266,822	16,721	1,078,155
760	Minor Equipment	1,469	418,985		29,857	152,680	93,169	696,160
780	Information Technology Equipment	10,679	377,691		17,133	165,094		570,597
	Total Supplies, Materials and Minor Equipment	13,905	2,399,036	0	195,445	1,075,243	566,309	4,249,938
96X-99	TRANSFERS							
960	School Divisions		504,400		58,056	7,150	19,533	589,139
980	Organizations and Individuals							0
	Total Transfers	0	504,400	0	58,056	7,150	19,533	589,139
	TOTALS	13,575,065	55,291,671	0	6,831,363	27,404,727	3,965,156	107,067,982

* 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, 2018

STUDENT SUPPORT SERVICES		10	30	40	50	60	70	
CODE	OBJECT \ PROGRAM	ADMINISTRATION /CO-ORDINATION	CLINICAL AND RELATED SERVICES	SPECIAL PLACEMENT	REGULAR PLACEMENT	RESOURCE SERVICES	COUNSELLING AND GUIDANCE	TOTALS
3XX	SALARIES							
320	Executive, Managerial and Supervisory	388,115	111,861					499,976
330	Instructional - Teaching	274,171	26,184		1,822,805	8,247,950	3,197,671	13,568,781
350	Instructional - Other			1,722,865	11,658,999	1,574,609		14,956,473
360	Technical, Specialized and Service							0
370	Secretarial, Clerical and Other	245,291						245,291
380	Clinician		2,652,125					2,652,125
390	Information Technology	45,243						45,243
	Total Salaries	952,820	2,790,170	1,722,865	13,481,804	9,822,559	3,197,671	31,967,889
4XX	EMPLOYEES BENEFITS AND ALLOWANCES	59,956	126,982	230,371	1,612,149	574,482	128,596	2,732,536
5-6XX	SERVICES							
510	Professional, Technical and Specialized		281,481	568,092	2,685	30,772		883,030
520	Communications	3,483	6,227		71	900		10,681
540	Travel and Meetings	3,156	39,099		401	6,848		49,504
560	Tuition							0
570	Printing and Binding	197	1,441	132	22	2,242	44	4,078
580	Insurance and Bond Premiums				38			38
590	Maintenance and Repair Services	515	5,892	500		2,452	321	9,680
610	Rentals		643	5,707				6,350
630	Advertising							0
640	Dues and Fees	2,247	480		616	925		4,268
650	Professional and Staff Development	29	128					157
680	Information Technology Services							0
	Total Services	9,627	335,391	574,431	3,833	44,139	365	967,786
7XX	SUPPLIES, MATERIALS AND MINOR EQUIPMENT							
710	Supplies	1,440	46,691	4,889	85,603	14,653	688	153,964
740	Curricular and Media Materials	450	16,200	725	14,624	1,620	747	34,366
760	Minor Equipment	1,449	825	1,619	18,739	29,002	384	52,018
780	Information Technology Equipment	106,268	5,859		11,661			123,788
	Total Supplies, Materials and Minor Equipment	109,607	69,575	7,233	130,627	45,275	1,819	364,136
96X-99	TRANSFERS							
960	School Divisions			17,045				17,045
980	Organizations and Individuals							0
	Total Transfers	0	0	17,045	0			17,045
	TOTALS	1,132,010	3,322,118	2,551,945	15,228,413	10,486,455	3,328,451	36,049,392

OPERATING FUND - EXPENSE DETAIL: FUNCTION 300

For the Year Ended June 30, 2018

ADULT LEARNING CENTRES		10	20	
CODE	OBJECT \ PROGRAM	ADMINISTRATION AND OTHER	INSTRUCTION	TOTALS
3XX	SALARIES			
320	Executive, Managerial and Supervisory	135,833		135,833
330	Instructional - Teaching		847,832	847,832
350	Instructional - Other			0
360	Technical, Specialized and Service			0
370	Secretarial, Clerical and Other	139,940		139,940
390	Information Technology			0
	Total Salaries	275,773	847,832	1,123,605
4XX	EMPLOYEES BENEFITS AND ALLOWANCES	37,245	40,973	78,218
5-6XX	SERVICES			
510	Professional, Technical and Specialized		11,044	11,044
520	Communications		6,489	6,489
530	Utility Services			0
540	Travel and Meetings		1,219	1,219
560	Tuition			0
570	Printing and Binding			0
580	Insurance and Bond Premiums			0
590	Maintenance and Repair Services		7,839	7,839
610	Rentals		206,181	206,181
620	Property Taxes			0
630	Advertising		1,500	1,500
640	Dues and Fees			0
650	Professional and Staff Development			0
680	Information Technology Services		3,723	3,723
	Total Services	0	237,995	237,995
7XX	SUPPLIES, MATERIALS AND MINOR EQUIPMENT			
710	Supplies		26,048	26,048
740	Curricular and Media Materials		11,719	11,719
760	Minor Equipment		4,650	4,650
780	Information Technology Equipment		11,380	11,380
	Total Supplies, Materials and Minor Equipment	0	53,797	53,797
96X-99	TRANSFERS			
960	School Divisions			0
980	Organizations and Individuals			0
999	Recharge			0
	Total Transfers	0	0	0
	TOTALS	313,018	1,180,597	1,493,615

OPERATING FUND - EXPENSE DETAIL: FUNCTION 400

For the Year Ended June 30, 2018

COMMUNITY EDUCATION AND SERVICES		10	20	30	40	
CODE	OBJECT \ PROGRAM	CONTINUING EDUCATION	ENGLISH AS AN ADDITIONAL LANGUAGE FOR ADULTS	COMMUNITY SERVICES AND RECREATION	PRE-KINDERGARTEN EDUCATION	TOTALS
3XX SALARIES						
320	Executive, Managerial and Supervisory	95,018			85,975	180,993
330	Instructional - Teaching	64,420	84,798	2,635	4,127	155,980
350	Instructional - Other			277,553	100,941	378,494
360	Technical, Specialized and Service		73,902	270,483	54,125	398,510
370	Secretarial, Clerical and Other	53,794		36,946		90,740
380	Clinician				1,420	1,420
390	Information Technology					0
	Total Salaries	213,232	158,700	587,617	246,588	1,206,137
4XX EMPLOYEES BENEFITS AND ALLOWANCES		21,864	9,205	32,824	14,633	78,526
5-6XX SERVICES						
510	Professional, Technical and Specialized	46,362		7,230	183	53,775
520	Communications	706	736	2,136	2,066	5,644
540	Travel and Meetings	71		13,798	1,803	15,672
570	Printing and Binding	2,476		155	1,884	4,515
580	Insurance and Bond Premiums					0
590	Maintenance and Repair Services	361	1,192	478	3,671	5,702
610	Rentals					0
630	Advertising	12,820				12,820
640	Dues and Fees				150	150
650	Professional and Staff Development			435	1,008	1,443
680	Information Technology Services					0
	Total Services	62,796	1,928	24,232	10,765	99,721
7XX SUPPLIES, MATERIALS AND MINOR EQUIPMENT						
710	Supplies	6,355	8,343	57,040	34,566	106,304
740	Curricular and Media Materials		577	5,608	675	6,860
760	Minor Equipment	2,970	308	3,677	4,850	11,805
780	Information Technology Equipment	19,895		1,846		21,741
	Total Supplies, Materials and Minor Equipment	29,220	9,228	68,171	40,091	146,710
96X-99 TRANSFERS						
980	Organizations and Individuals					0
999	Recharge					0
	Total Transfers	0	0	0	0	0
TOTALS		327,112	179,061	712,844	312,077	1,531,094

OPERATING FUND - EXPENSE DETAIL: FUNCTION 500

For the Year Ended June 30, 2018

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	213,613				213,613
320	Executive, Managerial and Supervisory		566,527	697,943	128,317	1,392,787
360	Technical, Specialized and Service		363,025	118,908		481,933
370	Secretarial, Clerical and Other		270,810	823,970	20,106	1,114,886
390	Information Technology				307,392	307,392
	Total Salaries	213,613	1,200,362	1,640,821	455,815	3,510,611
4XX EMPLOYEES BENEFITS AND ALLOWANCES						
5-6XX	SERVICES	4,360	105,861	254,806	49,627	414,654
510	Professional, Technical and Specialized		143,367	101,287	187,984	432,638
520	Communications	11,295	16,484	22,070	3,321	53,170
540	Travel and Meetings	54,715	25,236	6,280	48	86,279
570	Printing and Binding		2,022	1,510		3,532
580	Insurance and Bond Premiums			71,889		71,889
590	Maintenance and Repair Services	385	1,895	30,125	30	32,435
610	Rentals					0
630	Advertising	1,313	94,260	533		96,106
640	Dues and Fees	157,770	15,204	15,507	370	188,851
650	Professional and Staff Development	14,889	19,903	28,105	590	63,487
680	Information Technology Services	9,563	14,587		204,131	228,281
	Total Services	249,930	332,958	277,306	396,474	1,256,668
7XX SUPPLIES, MATERIALS AND MINOR EQUIPMENT						
710	Supplies	239	46,506	111,540	4,565	162,850
740	Curricular and Media Materials		3,632			3,632
760	Minor Equipment		9,108	16,985	261,070	287,163
780	Information Technology Equipment					0
	Total Supplies, Materials and Minor Equipment	239	59,246	128,525	265,635	453,645
96X-99 TRANSFERS						
960	School Divisions					0
980	Organizations and Individuals					0
999	Recharge					0
	Total Transfers	0	0	0		0
TOTALS		468,142	1,698,427	2,301,458	1,167,551	5,635,578

OPERATING FUND - EXPENSE DETAIL: FUNCTION 600

For the Year Ended June 30, 2018

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	254,806					254,806
330	Instructional - Teaching		637,375	2,012,963	1,218,801	106,501	3,975,640
350	Instructional - Other			1,358,213			1,358,213
360	Technical, Specialized and Service			427,115		132,230	559,345
370	Secretarial, Clerical and Other	108,718			540		109,258
390	Information Technology						0
	Total Salaries	363,524	637,375	3,798,291	1,219,341	238,731	6,257,262
4XX	EMPLOYEES BENEFITS AND ALLOWANCES	22,401	24,741	353,369	57,526	18,185	476,222
5-6XX	SERVICES						
510	Professional, Technical and Specialized		301	250	64,211	160,340	225,102
520	Communications		1,456	450	1,338	331	3,575
540	Travel and Meetings		14,842	5,636		540	21,018
560	Tuition					4,400	4,400
570	Printing and Binding		28	382	4,308		4,718
580	Insurance and Bond Premiums					12,719	12,719
590	Maintenance and Repair Services		2,375	111	130		2,616
610	Rentals				368		368
630	Advertising						0
640	Dues and Fees		1,543	500	405		2,448
650	Professional and Staff Development		881		565,704		566,585
680	Information Technology Services			52,075			52,075
	Total Services	0	21,426	59,404	636,464	178,330	895,624
7XX	SUPPLIES, MATERIALS AND MINOR EQUIPMENT						
710	Supplies		16,137	63,973	7,743		87,853
740	Curricular and Media Materials		23,023	148,855	7,943		179,821
760	Minor Equipment		33,325	1,154	37,252		71,731
780	Information Technology Equipment		44,752	9,905	1,575		56,232
	Total Supplies, Materials and Minor Equipment	0	117,237	223,887	54,513	0	395,637
96X-99	TRANSFERS						
960	School Divisions						0
980	Organizations and Individuals					45,035	45,035
	Total Transfers					45,035	45,035
	TOTALS	385,925	800,779	4,434,951	1,967,844	480,281	8,069,780

OPERATING FUND - EXPENSE DETAIL: FUNCTION 700

For the Year Ended June 30, 2018

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	230,611					230,611
350	Instructional - Other						0
360	Technical, Specialized and Service		2,875,147			44,500	2,919,647
370	Secretarial, Clerical and Other	105,573				42,025	147,598
390	Information Technology						0
	Total Salaries	336,184	2,875,147		0	86,525	3,297,856
4XX EMPLOYEES BENEFITS AND ALLOWANCES							
		40,794	403,730			7,680	452,204
5-6XX SERVICES							
510	Professional, Technical and Specialized	117	7,432				7,549
520	Communications	6,082	10,413				16,495
540	Travel and Meetings	2,260	554				2,814
550	Transportation of Pupils		22,708	12,941		35,540	71,189
570	Printing and Binding		100				100
580	Insurance and Bond Premiums		39,888				39,888
590	Maintenance and Repair Services	993	109,224				110,217
610	Rentals						0
630	Advertising	569					569
640	Dues and Fees	1,016					1,016
650	Professional and Staff Development						0
680	Information Technology Services	4,445					4,445
	Total Services	15,482	190,319	12,941	0	35,540	254,282
7XX SUPPLIES, MATERIALS AND MINOR EQUIPMENT							
710	Supplies	4,830	781,157			25,500	811,487
740	Curricular and Media Materials		119				119
760	Minor Equipment		25,485				25,485
780	Information Technology Equipment	8,220	484				8,704
	Total Supplies, Materials and Minor Equipment	13,050	807,245		0	25,500	845,795
96X-99 TRANSFERS							
960	School Divisions						0
980	Organizations and Individuals						0
999	Recharge						0
	Total Transfers	0	0	0	0	0	0
TOTALS		405,510	4,276,441	12,941	0	155,245	4,850,137

OPERATING FUND - EXPENSE DETAIL: FUNCTION 800

For the Year Ended June 30, 2018

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	521,332					521,332
360	Technical, Specialized and Service		8,872,503		105,046		8,977,549
370	Secretarial, Clerical and Other	141,733					141,733
390	Information Technology						0
	Total Salaries	663,065	8,872,503	0	105,046	0	9,640,614
4XX	EMPLOYEES BENEFITS AND ALLOWANCES	92,597	1,298,503		14,472		1,405,572
5-6XX	SERVICES						
510	Professional, Technical and Specialized	132	211,592		2,589	79,978	294,291
520	Communications	5,000	113,320		3,649		121,969
530	Utility Services		3,443,323		137,740		3,581,063
540	Travel and Meetings	26,099					26,099
570	Printing and Binding	1,187					1,187
580	Insurance and Bond Premiums		475,322				475,322
590	Maintenance and Repair Services	548	2,506,421	597,208	202,020	562,478	3,868,675
610	Rentals						0
620	Property Taxes		161,490		115,777		277,267
630	Advertising	2,874	457				3,331
640	Dues and Fees	1,016	503				1,519
650	Professional and Staff Development	2,132	381				2,513
680	Information Technology Services		18,166				18,166
	Total Services	38,988	6,930,975	597,208	461,775	642,456	8,671,402
7XX	SUPPLIES, MATERIALS AND MINOR EQUIPMENT						
710	Supplies	10,738	1,103,925		54,519		1,169,182
740	Curricular and Media Materials	1,092					1,092
760	Minor Equipment	844	40,773		29,009		70,626
780	Information Technology Equipment		15,661				15,661
	Total Supplies, Materials and Minor Equipment	12,674	1,160,359	0	83,528	0	1,256,561
96X-99	TRANSFERS						
999	Recharge						0
	TOTALS	807,324	18,262,340	597,208	664,821	642,456	20,974,149

CAPITAL FUND SCHEDULE OF FINANCIAL POSITION

as at June 30

	2018	2017
Financial Assets		
Cash and Bank	-	-
Due from		
- Provincial Government	1,010,421	962,992
- Federal Government	78,070	25,188
- Municipal Government	-	-
- First Nations	-	-
- Other Funds	2,940,419	3,127,835
Accounts Receivable	-	-
Accrued Investment Income	-	-
Portfolio Investments	-	-
	<u>4,028,910</u>	<u>4,116,015</u>
Liabilities		
Overdraft	1,344,412	1,217,353
Accounts Payable	1,331,665	747,702
Accrued Liabilities	370,579	49,280
Accrued Interest Payable	1,010,421	962,992
Due to		
- Provincial Government	-	43
- Federal Government	-	-
- Municipal Government	-	-
- First Nations	-	-
- Operating Fund	155,300	155,300
Deferred Revenue	688,297	505,216
Borrowings from the Provincial Government	51,264,867	45,095,653
Other Borrowings	4,679,457	5,279,175
	<u>60,844,998</u>	<u>54,012,714</u>
Net Debt	<u>(56,816,088)</u>	<u>(49,896,699)</u>
Non-Financial Assets		
Net Tangible Capital Assets	<u>83,791,458</u>	<u>77,355,155</u>
Accumulated Surplus / Equity *	<u>26,975,370</u>	<u>27,458,456</u>
* Comprised of:		
Reserve Accounts	2,940,420	3,127,835
Equity in Tangible Capital Assets	<u>24,034,950</u>	<u>24,330,621</u>
	<u>26,975,370</u>	<u>27,458,456</u>

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

For the Year Ended June 30

	2018	2017
Revenue		
Provincial Government		
Grants	40,998	-
Debt Servicing - Principal	3,353,186	3,033,554
- Interest	2,093,375	1,998,068
Federal Government	-	-
Municipal Government	-	-
Other Sources:		
Investment Income	-	-
Donations	168,234	123,217
MB Hydro grant	45,131	68,197
Gain / (Loss) on Disposal of Capital Assets	29,606	6,804
Gain on receipt of Modular classroom	-	-
	-	-
	-	-
	5,730,530	5,229,840
Expenses		
Amortization	6,790,945	6,438,125
Interest on Borrowings from the Provincial Government	2,151,831	2,074,946
Other Interest	103,696	174,762
Other Capital Items	216,318	283,010
	9,262,790	8,970,843
Current Year Surplus / (Deficit)	(3,532,260)	(3,741,003)
Net Transfers from (to) Operating Fund	3,049,174	3,497,866
Transfers from Special Purpose Fund	-	-
Net Current Year Surplus (Deficit)	(483,086)	(243,137)
Opening Accumulated Surplus / Equity	27,458,456	27,701,593
Adjustments:	-	-
	-	-
Opening Accumulated Surplus / Equity as adjusted	27,458,456	27,701,593
Closing Accumulated Surplus / Equity	26,975,370	27,458,456

SCHEDULE OF TANGIBLE CAPITAL ASSETS

at June 30, 2018

	Buildings and Leasehold Improvements		School Buses	Other Vehicles	Furniture / Fixtures & Equipment	Computer Hardware & Software *	Land	Land Improvements	Assets Under Construction	2018 TOTALS	2017 TOTALS
	School	Non-School									
Tangible Capital Asset Cost											
Opening Cost, as previously reported	141,257,498	6,537,137	7,617,928	491,889	2,954,252	19,783,734	1,878,287	3,016,292	2,285,676	185,822,693	174,870,624
Adjustments	-	-	-	-	-	-	-	-	-	-	-
Opening Cost adjusted	141,257,498	6,537,137	7,617,928	491,889	2,954,252	19,783,734	1,878,287	3,016,292	2,285,676	185,822,693	174,870,624
Add:											
Additions during the year	6,819,495	-	369,339	40,064	618,701	1,180,084	-	-	4,199,565	13,227,248	11,931,245
Less:											
Disposals and write downs	-	-	331,692	36,197	-	-	-	-	-	367,889	979,176
Closing Cost	148,076,993	6,537,137	7,655,575	495,756	3,572,953	20,963,818	1,878,287	3,016,292	6,485,241	198,682,052	185,822,693
Accumulated Amortization											
Opening, as previously reported	82,287,921	4,085,884	5,131,120	349,997	1,839,597	12,237,523		2,535,496		108,467,538	103,008,588
Adjustments	-	-	-	-	-	-		-		-	-
Opening adjusted	82,287,921	4,085,884	5,131,120	349,997	1,839,597	12,237,523		2,535,496		108,467,538	103,008,588
Add:											
Current period Amortization	3,406,058	216,529	481,242	49,591	398,489	2,140,080		98,956		6,790,945	6,438,125
Less:											
Accumulated Amortization on Disposals and Writedowns	-	-	331,692	36,197	-	-		-		367,889	979,175
Closing Accumulated Amortization	85,693,979	4,302,413	5,280,670	363,391	2,238,086	14,377,603		2,634,452		114,890,594	108,467,538
Net Tangible Capital Asset	62,383,014	2,234,724	2,374,905	132,365	1,334,867	6,586,215	1,878,287	381,840	6,485,241	83,791,458	77,355,155
Proceeds from Disposal of Capital Assets	-	-	6,552	23,054	-	-				29,606	6,805

* Includes network infrastructure.

SCHEDULE OF CAPITAL RESERVE ACCOUNTS
For the Year Ended June 30, 2018

Fund Name >	Buses	Locker Replacement	Science Labs	MMC Re-Configuration	Workplace Health & Safety Enhancements	Sub-Totals
Opening Balance, July 1, 2017	-	161,630	6,254	377,460	82,491	627,835
Additions: (Provide a description of each transaction)						-
						-
						-
						-
						-
						-
						-
						-
Total Additions	-	-	-	-	-	-
Withdrawals: (Provide a description of each transaction)						
Purchases		161,630	6,254			167,884
Renovations				19,531		19,531
						-
						-
						-
						-
						-
						-
Total Withdrawals	-	161,630	6,254	19,531	-	187,415
Closing Balance, June 30, 2018	-	-	-	357,929	82,491	440,420

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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 16, 2018

Date

Secretary-Treasurer

SCHEDULE OF CAPITAL RESERVE ACCOUNTS
For the Year Ended June 30, 2018

Fund Name >	MMC Addition	Transportation Building				Totals (includes totals from previous page)
Opening Balance, July 1, 2017	1,250,000	1,250,000	-	-	-	3,127,835
Additions: (Provide a description of each transaction)						-
						-
						-
						-
						-
						-
						-
						-
Total Additions	-	-	-	-	-	-
Withdrawals: (Provide a description of each transaction)						167,884
						19,531
						-
						-
						-
						-
						-
						-
Total Withdrawals	-	-	-	-	-	187,415
Closing Balance, June 30, 2018	1,250,000	1,250,000	-	-	-	2,940,420

**SPECIAL PURPOSE FUND
SCHEDULE OF FINANCIAL POSITION**

as at June 30

	2018	2017
Financial Assets		
Cash and Bank	2,036,363	1,895,918
GST Receivable	-	-
Accrued Investment Income	-	-
Portfolio Investments	-	-
	2,036,363	1,895,918
Liabilities		
School Generated Funds Liability	1,678,336	1,587,032
Accounts Payable	-	-
Accrued Liabilities	-	-
Due to Other Funds	-	-
Deferred Revenue	-	-
	1,678,336	1,587,032
Accumulated Surplus *	358,027	308,886
* Comprised of:		
School Generated Funds Accumulated Surplus	358,027	308,886
Other Funds Accumulated Surplus	-	-
Accumulated Surplus *	358,027	308,886

**SPECIAL PURPOSE FUND
SCHEDULE OF REVENUE, EXPENSES
AND ACCUMULATED SURPLUS**

For the Year Ended June 30

	2018	2017
Revenue		
School Generated Funds	786,691	753,993
Other Funds	-	-
	-	-
	<u>786,691</u>	<u>753,993</u>
Expenses		
School Generated Funds	737,550	735,605
Other Funds	-	-
	-	-
	<u>737,550</u>	<u>735,605</u>
Current Year Surplus (Deficit)	49,141	18,388
Transfers (to) Operating Fund	-	-
Transfers (to) Capital Fund	-	-
Net Current Year Surplus (Deficit)	<u>49,141</u>	<u>18,388</u>
Opening Accumulated Surplus	308,886	290,498
Adjustments: School Generated Funds	-	-
Other Funds	-	-
Opening Accumulated Surplus as adjusted	<u>308,886</u>	<u>290,498</u>
Closing Accumulated Surplus	<u><u>358,027</u></u>	<u><u>308,886</u></u>

**STUDENT ENROLMENTS (FRAME) AND TRANSPORTATION STATISTICS
(UNAUDITED)**

ENROLMENTS BY PROGRAM	F.T.E. Enrolment September 30, 2017
REGULAR INSTRUCTION	
English Language - Single Track	9,246.0
Francais - Single Track	-
French Immersion - Single Track	1,265.0
Dual Track	
- English Language	2,583.5
- Francais	-
- French Immersion	1,717.0
- Other Bilingual	<u>382.5</u>
Senior Years Technology Education	<u>665.0</u>
TOTAL NUMBER OF FULL TIME EQUIVALENT K - 12 STUDENTS	<u><u>15,859.0</u></u>

TRANSPORTATION OF PUPILS	
TRANSPORTED STUDENTS (September 30)	3,845
TOTAL KILOMETERS - LOG BOOK (For the period ended June 30)	1,248,582
TOTAL KILOMETERS - BUS ROUTES (For the period ended June 30)	1,017,408
LOADED KILOMETERS (For the period ended June 30)	492,480

FULL TIME EQUIVALENT PERSONNEL (UNAUDITED)

For the 2017/18 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	67.21	3.25	1.50	0.75	11.50	1.50	3.50	7.00	96.21
330 Instructional - Teaching	905.51	148.55	7.10	1.50		30.98			1,093.64
350 Instructional - Other	29.30	385.91				34.00			449.21
360 Technical, Specialized And Service	10.30				8.00	10.00	87.25	180.00	295.55
370 Secretarial, Clerical And Other	86.07	6.00	3.23	1.00	22.50	3.50	3.00	3.00	128.30
380 Clinician		28.57							28.57
390 Information Technology	11.00	1.00			5.00				17.00
TOTALS (excluding Trustees)	1,109.39	573.28	11.83	3.25	47.00	79.98	93.75	190.00	2,108.48

510 Contracted Clinicians (include private clinicians where possible)		0.00
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310 TRUSTEES		9.00
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**CALCULATION OF ADMINISTRATION COSTS
AS A PERCENTAGE OF TOTAL EXPENSES**

Administration Costs

Divisional Administration, Function 500	5,635,578
Less: Liability Insurance	127,826
Administration portion of self-funded expenses (see below)	487,549 *
Trustee election costs	-
	5,020,203 (A)

Expense Base

Total Operating Expenses	188,982,172
Plus: Transfers to Capital	3,049,174
Less: Adult Learning Centres, Function 300	1,493,615
	190,537,731 (B)

Percentage (A) / (B) **2.63%**

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	448,189
Administration (deducted above)	487,549 *
Other: _____	-
	935,738
Associated Revenue ⁽²⁾	1,104,812

Self-Administered Pension Plans

Expenses (1)	
Administration (deducted above)	-
Other: _____	-
	0
Associated Revenue ⁽²⁾	-

(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, 2018

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, 2018

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, 2018

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, 2018

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, 2018

3. EMPLOYEE FUTURE BENEFITS

An employee future benefit liability of \$218,098 (2017 - \$203,250) has been accrued as at June 30, 2018 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 \$1,717,972 (2017 - \$1,574,556).

During the year ended June 30, 2018, the employer contributions to the Pension Plan for Non-Teaching Employees of Public School Boards in Manitoba amounted to \$2,365,642 (2017 - \$2,350,211). This amount has been expensed in the Division's financial statements for the year ended June 30, 2018.

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, 2017	Additions in the period	Revenue recognized in the period	Balance at June 30, 2018
Province of MB – EPTC*	\$ 8,192,582	\$ 6,475,480	\$ 8,192,582	\$ 6,475,480
Province of MB – Other	219,376	545,230	494,418	270,188
Tuition Fees	1,032,806	1,054,539	1,032,807	1,054,538
Donated Capital Asset	505,216	351,315	168,234	688,297
Miscellaneous	195,182	1,185,679	1,132,716	248,145
	\$10,145,162	\$ 9,612,243	\$11,020,757	\$ 8,736,648

*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 \$1,678,336 (2017 - \$1,587,032).

RIVER EAST TRANSCONA SCHOOL DIVISION

Notes to Consolidated Financial Statements

June 30, 2018

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 2018 to 2038. 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 7.25%. Debenture interest expense payable as at June 30, 2018 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
2019	\$ 3,754,839	\$ 2,215,803	\$ 5,970,642
2020	3,505,633	2,023,255	5,528,888
2021	3,404,172	1,846,607	5,250,779
2022	3,269,138	1,679,747	4,948,885
2023	3,232,510	1,524,589	4,757,099
	<u>\$ 17,166,292</u>	<u>\$ 9,290,001</u>	<u>\$ 26,456,293</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 2.34% to 4.10% per annum and have lease terms that expire between 2019 to 2023. 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
2019	\$ 1,498,732	\$ 124,339	\$ 1,623,071
2020	1,349,581	72,946	1,422,527
2021	730,344	32,012	782,356
2022	250,449	7,557	258,006
2023	36,539	235	36,774
	<u>\$ 3,885,645</u>	<u>\$ 237,089</u>	<u>\$ 4,122,734</u>

RIVER EAST TRANSCONA SCHOOL DIVISION

Notes to Consolidated Financial Statements

June 30, 2018

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:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 179,120	\$ 54,575	\$ 233,695
2020	191,435	42,260	233,695
2021	204,596	29,099	233,695
2022	218,662	15,033	233,695
	<u>\$ 793,813</u>	<u>\$ 140,967</u>	<u>\$ 934,780</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 \$85,802 (2017 - \$49,085). 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, 2018 are \$15,103,705, \$10,390,372 and \$4,713,333 respectively.

9. ACCUMULATED SURPLUS

The consolidated accumulated surplus is comprised of the following:

	<u>2018</u>	<u>2017</u>
Operating Fund		
Designated Surplus	\$ 1,281,379	\$ 2,146,875
Undesignated Surplus	5,753,723	3,156,366
Non-Vested Sick Leave	(1,717,972)	(1,574,556)
	<u>\$ 5,317,130</u>	<u>\$ 3,728,685</u>
Capital Fund		
Reserve Accounts	\$ 2,940,420	\$ 3,127,835
Equity in Tangible Capital Assets	24,034,950	24,330,621
	<u>\$ 26,975,370</u>	<u>\$ 27,458,456</u>
Special Purpose Fund		
School Generated Funds	\$ 358,027	\$ 308,886
	<u>\$ 32,650,527</u>	<u>\$ 31,496,027</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, 2018

9. ACCUMULATED SURPLUS (continued)

	<u>2018</u>	<u>2017</u>
Board approved appropriation by motion	\$ 33,815	\$ 945,498
School budget carryovers by board policy	<u>1,247,564</u>	<u>1,201,377</u>
Designated surplus	<u>\$ 1,281,379</u>	<u>\$ 2,146,875</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 2017 tax year and 60% from 2018 tax year. Below are the related revenue and receivable amounts:

	<u>2018</u>	<u>2017</u>
Revenue-Municipal Government-Property Tax	<u>\$ 65,039,054</u>	<u>\$ 61,571,604</u>
Receivable-Due from Municipal Government-Property Tax	<u>\$ 39,052,108</u>	<u>\$ 36,941,370</u>

RIVER EAST TRANSCONA SCHOOL DIVISION

Notes to Consolidated Financial Statements

June 30, 2018

11. INTEREST RECEIVED AND PAID

The Division received interest during the year of \$131,631 (2017 - \$75,694).

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

	<u>2018</u>	<u>2017</u>
Operating Fund		
Fiscal-Short Term Loan, Interest and Bank Charges	\$ 71,266	\$ 56,791
Capital Fund		
Debenture Debt Interest	\$ 2,151,831	\$ 2,074,946
Interest on Obligation under Capital Lease	101,221	173,720
Other Interest	2,475	1,042
	<u>\$ 2,255,527</u>	<u>\$ 2,249,708</u>
Total Fiscal – Interest	<u>\$ 2,326,793</u>	<u>\$ 2,306,499</u>

The accrued portion of debenture debt interest expense at June 30, 2018 of \$1,010,421 (2017- \$962,992) 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</u> <u>2018</u>	Budget <u>2018</u>	Actual <u>2017</u>
Salaries	\$ 152,268,672	\$ 149,155,796	\$ 148,627,903
Employees benefits & allowances	10,807,464	11,065,000	10,841,884
Services	14,178,153	14,024,025	13,885,093
Supplies, materials, minor equipment	7,766,219	7,808,238	7,671,528
Payroll tax	3,239,179	3,125,000	3,168,776
Interest and bank charges	2,326,793	39,500	2,306,499
Other operating expenses	65,980	48,800	35,500
	<u>190,652,460</u>	185,266,359	186,537,183
School Divisions	585,239		565,896
Amortization	6,790,945		6,438,125
Other capital items	216,318		283,010
School generated funds	737,550		735,605
	<u>\$ 198,982,512</u>	\$ 185,266,359	<u>\$ 194,559,819</u>

RIVER EAST TRANSCONA SCHOOL DIVISION

Notes to Consolidated Financial Statements

June 30, 2018

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, 2018, the amount of this special levy was \$1,005,822 (2017 - \$1,199,172). 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>2018</u>	<u>2017</u>
<u>Scholarship Funds</u>		
Balance, beginning of year	\$ 268,300	\$ 285,054
Cash contributions received during the year	18,375	9,650
Interest income	3,274	2,023
Scholarships awarded	<u>(21,196)</u>	<u>(28,427)</u>
Balance, end of year	<u>\$ 268,753</u>	<u>\$ 268,300</u>
<u>Assets</u>		
Cash and investments	\$ 280,453	\$ 283,858
Accounts Payable	<u>(11,700)</u>	<u>(15,558)</u>
Balance end of year	<u>\$ 268,753</u>	<u>\$ 268,300</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>2018</u>	<u>2017</u>
Cash	\$ 1,074,871	\$ 2,237,212
Due from – Provincial Government	3,802,490	3,946,720
– Federal Government	470,781	404,425
– Municipal Government	39,052,108	36,941,370
– Other School Divisions	-	101,689
– First Nations	86,900	20,900
Accounts Receivable	232,441	102,430

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

RIVER EAST TRANSCONA SCHOOL DIVISION

Notes to Consolidated Financial Statements

June 30, 2018

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	\$ 2,458,775	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	24,460,290	-	-	-	-	-
Due to Governments	-	-	-	-	-	-
Debenture debt	3,754,839	3,505,633	3,404,172	3,269,138	3,232,510	34,098,575
Other borrowings	1,677,852	1,541,016	934,940	469,111	36,539	-

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.