



Schools' Finance Branch  
511-1181 Portage Avenue  
Winnipeg, Manitoba  
R3G 0T3

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

**AUDITED FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION**

June 30, 2014

**TABLE OF CONTENTS**  
**2013/2014 FINANCIAL STATEMENTS**

	<b>PAGE</b>
AUDITOR'S REPORT	
AUDITOR'S REPORT ON ENROLMENT (with EIS Cert. - part 2 of 2)	
AUDITOR'S MANAGEMENT LETTER	
MANAGEMENT RESPONSIBILITY LETTER	
ORGANIZATIONAL CHART	
<b>CONSOLIDATED</b>	
STATEMENT OF FINANCIAL POSITION	1
STATEMENT OF REVENUE, EXPENSES AND ACCUMULATED SURPLUS	2
STATEMENT OF CHANGE IN NET DEBT	3
STATEMENT OF CASH FLOW	4
NOTES TO THE FINANCIAL STATEMENTS	
<b>ANALYSIS OF CONSOLIDATED ACCUMULATED SURPLUS</b>	5
<b>OPERATING FUND</b>	
SCHEDULE OF FINANCIAL POSITION	6
SCHEDULE OF REVENUE, EXPENSES AND ACCUMULATED SURPLUS	7
REVENUE DETAIL: PROVINCE OF MANITOBA	8 - 9
REVENUE DETAIL: NON-PROVINCIAL GOVERNMENT SOURCES	10
EXPENSE BY FUNCTION AND BY OBJECT	11
EXPENSE DETAIL	
- Function 100: Regular Instruction	12
- Function 200: Student Support Services	13
- Function 300: Adult Learning Centres	14
- Function 400: Community Education and Services	15
- Function 500: Divisional Administration	16
- Function 600: Instructional and Other Support Services	17
- Function 700: Transportation of Pupils	18
- Function 800: Operations and Maintenance	19
DETAIL OF TRANSFERS TO (FROM) CAPITAL FUND	20
<b>CAPITAL FUND</b>	
SCHEDULE OF FINANCIAL POSITION	21
SCHEDULE OF REVENUE, EXPENSES AND ACCUMULATED SURPLUS	22
SCHEDULE OF TANGIBLE CAPITAL ASSETS	23
SCHEDULE OF RESERVE ACCOUNTS	24, 24A
<b>SPECIAL PURPOSE FUND</b>	
SCHEDULE OF FINANCIAL POSITION	25
SCHEDULE OF REVENUE, EXPENSES AND ACCUMULATED SURPLUS	26
<hr/>	
STUDENT ENROLMENTS (FRAME) AND TRANSPORTATION STATISTICS (unaudited)	27
FULL TIME EQUIVALENT PERSONNEL (unaudited)	28
CALCULATION OF ADMINISTRATION COSTS (audited)	29

## 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, 2014, 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 Canadian Institute of Chartered Accountants, 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, 2014 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 Canadian Institute of Chartered Accountants.

*Other Matters*

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

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

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

Chartered Accountants  
Winnipeg, Manitoba  
October 14, 2014

## **INDEPENDENT AUDITOR'S SUPPLEMENTARY REPORT**

To the Board of Trustees  
River East Transcona School Division

We have audited the EIS Enrolment File Verification Report – EIS Cert. – part 2 of 2 (prepared in accordance with Part 1, Sections 1.1 and 1.2 of the Public Schools Enrolment and Categorical Grants Reporting for the 2013/2014 school year) of the River East Transcona School Division as at September 30, 2013 (the “schedule”).

### **Management's Responsibility for the Schedule**

Management is responsible for the preparation of the schedule in accordance with the provisions of Public Schools Enrolment and Categorical Grants Reporting, and for such internal control as management determines is necessary to enable the preparation of the schedule that is free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on this enrolment information 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 an audit to obtain reasonable assurance whether the enrolment information is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the schedule. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the schedule, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the statement 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.

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, this report presents fairly, in all material aspects, the enrolment of the River East Transcona School Division as at September 30, 2013 in accordance with the Public Schools Enrolment and Categorical Grants Reporting for the 2013/2014 school year referred to above.

**Basis of Accounting and Restriction on Distribution and Use**

Without modifying our opinion, we draw attention to the basis of presentation of the enrolment report. The enrolment report is prepared to assist River East Transcona School Division to comply with the Part 1, Sections 1.1 and 1.2 of the Public Schools Enrolment and Categorical Grants Reporting for the 2013/2014 school year of River East Transcona School Division and contains pupil enrolment totals on a head –count basis. As a result, this report may not be suitable for another purpose. Our report is intended solely for the Manitoba Schools' Finance Branch and River East Transcona School Division and should not be distributed or used by parties other than the Manitoba Schools' Finance Branch and River East Transcona School Division.

*Deloitte LLP*


Chartered Accountants

Winnipeg, Manitoba  
October 14, 2014

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

October 14, 2014

\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Chairperson of the Board

## **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 Canadian Institute of Chartered Accountants. 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  
Peter Kotyk

  
\_\_\_\_\_  
Secretary-Treasurer  
Vince Mariani

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

as at June 30

Notes		2014	2013
	<b>Financial Assets</b>		
	Cash and Bank	-	9,959,895
	Due from - Provincial Government	18,555,838	4,284,648
	- Federal Government	363,290	292,764
	- Municipal Government	30,284,017	28,546,371
	- Other School Divisions	2,253	1,042
	- First Nations	21,400	28,487
	Accounts Receivable	163,541	91,253
	Accrued Investment Income	-	-
	Portfolio Investments	-	-
		<u>49,390,339</u>	<u>43,204,460</u>
	<b>Liabilities</b>		
*	Overdraft	14,565,472	-
	Accounts Payable	1,806,204	1,033,094
	Accrued Liabilities	14,974,686	14,622,486
*	Employee Future Benefits	1,328,921	1,022,229
	Accrued Interest Payable	948,861	1,001,334
	Due to - Provincial Government	6,083	11,016
	- Federal Government	22,978	17,851
	- Municipal Government	-	-
	- Other School Divisions	-	-
	- First Nations	-	-
*	Deferred Revenue	1,551,636	10,003,829
*	Debenture Debt	35,983,405	36,804,570
*	Other Borrowings	3,639,779	4,542,936
	School Generated Funds Liability	1,310,037	1,317,441
		<u>76,138,062</u>	<u>70,376,786</u>
	<b>Net Debt</b>	<u>(26,747,723)</u>	<u>(27,172,326)</u>
	<b>Non-Financial Assets</b>		
*	Net Tangible Capital Assets (TCA Schedule)	62,675,299	64,297,771
	Inventories	-	-
	Prepaid Expenses	421,248	459,670
		<u>63,096,547</u>	<u>64,757,441</u>
*	<b>Accumulated Surplus</b>	<u>36,348,824</u>	<u>37,585,115</u>

See accompanying notes to the Financial Statements



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

For the Year Ended June 30

Notes	2014	2013
<b>Revenue</b>		
Provincial Government	125,334,416	124,658,239
Federal Government	400,235	109,686
Municipal Government	50,478,832	47,637,925
- Property Tax		
- Other	-	-
Other School Divisions	954,504	931,342
First Nations	64,377	84,288
Private Organizations and Individuals	2,079,360	3,058,819
Other Sources	476,380	476,826
School Generated Funds	696,629	882,375
Other Special Purpose Funds	-	-
	<u>180,484,733</u>	<u>177,839,500</u>
<b>Expenses</b>		
Regular Instruction	96,663,840	94,986,363
Student Support Services	32,357,156	31,556,239
Adult Learning Centres	980,623	1,021,822
Community Education and Services	1,386,702	1,293,230
Divisional Administration	5,076,950	4,930,773
Instructional and Other Support Services	7,055,147	6,905,609
Transportation of Pupils	3,773,808	3,569,896
Operations and Maintenance	21,689,487	19,411,179
* Fiscal	2,179,846	2,282,830
- Interest		
- Other	2,902,994	2,854,095
Amortization	6,302,933	6,145,771
Other Capital Items	469,618	73,882
School Generated Funds	753,462	767,111
Other Special Purpose Funds	-	-
	<u>181,592,566</u>	<u>175,798,800</u>
Current Year Surplus (Deficit) before Non-vested Sick Leave	<u>(1,107,833)</u>	<u>2,040,700</u>
Less: Non-vested Sick Leave Expense (Recovery)	128,458	187,160
Net Current Year Surplus (Deficit)	<u>(1,236,291)</u>	<u>1,853,540</u>
Opening Accumulated Surplus	37,585,115	35,731,575
Adjustments:		
Tangible Cap. Assets and Accum. Amort.	-	-
Other than Tangible Cap. Assets	-	-
Non-vested sick leave - prior years	-	-
Opening Accumulated Surplus, as adjusted	<u>37,585,115</u>	<u>35,731,575</u>
<b>Closing Accumulated Surplus</b>	<u>36,348,824</u>	<u>37,585,115</u>

See accompanying notes to the Financial Statements

\* NOTE REQUIRED

**CONSOLIDATED STATEMENT OF CHANGE IN NET DEBT**

For the Year Ended June 30, 2014

	2014	2013
Current Year Surplus (Deficit)	<u>(1,107,833)</u>	<u>2,040,700</u>
Amortization of Tangible Capital Assets	6,302,933	6,145,771
Acquisition of Tangible Capital Assets	(4,680,461)	(6,620,918)
(Gain) / Loss on Disposal of Tangible Capital Assets	(2,713)	(5,758)
Proceeds on Disposal of Tangible Capital Assets	<u>2,713</u>	<u>5,758</u>
	<u>1,622,472</u>	<u>(475,147)</u>
Inventories (Increase)/Decrease	-	-
Prepaid Expenses (Increase)/Decrease	<u>38,422</u>	<u>(68,791)</u>
	<u>38,422</u>	<u>(68,791)</u>
(Increase)/Decrease in Net Debt	<u>553,061</u>	<u>1,496,762</u>
Net Debt at Beginning of Year	(27,172,326)	(28,481,928)
Adjustments Other than Tangible Cap. Assets	<u>(128,458)</u>	<u>(187,160)</u>
	<u>(27,300,784)</u>	<u>(28,669,088)</u>
<b>Net Debt at End of Year</b>	<u><u>(26,747,723)</u></u>	<u><u>(27,172,326)</u></u>

**CONSOLIDATED STATEMENT OF CASH FLOW**

For the Year Ended June 30, 2014

	2014	2013
<b>Operating Transactions</b>		
Current Year Surplus/(Deficit)	(1,107,833)	2,040,700
Non-Cash Items Included in Current Year Surplus/(Deficit):		
Amortization of Tangible Capital Assets	6,302,933	6,145,771
(Gain)/Loss on Disposal of Tangible Capital Assets	(2,713)	(5,758)
Employee Future Benefits Increase/(Decrease)	306,692	121,537
Due from Other Organizations (Increase)/Decrease	(16,073,486)	(771,283)
Accounts Receivable & Accrued Income (Increase)/Decrease	(72,288)	99,765
Inventories and Prepaid Expenses - (Increase)/Decrease	38,422	(68,791)
Due to Other Organizations Increase/(Decrease)	194	20,229
Accounts Payable & Accrued Liabilities Increase/(Decrease)	1,072,837	(826,227)
Deferred Revenue Increase/(Decrease)	(8,452,193)	(513,632)
School Generated Funds Liability Increase/(Decrease)	(7,404)	140,421
Adjustments Other than Tangible Cap. Assets	(128,458)	(187,160)
Cash Provided by Operating Transactions	<u>(18,123,297)</u>	<u>6,195,572</u>
<b>Capital Transactions</b>		
Acquisition of Tangible Capital Assets	(4,680,461)	(6,620,918)
Proceeds on Disposal of Tangible Capital Assets	2,713	5,758
Cash (Applied to)/Provided by Capital Transactions	<u>(4,677,748)</u>	<u>(6,615,160)</u>
<b>Investing Transactions</b>		
Portfolio Investments (Increase)/Decrease	-	-
Cash Provided by (Applied to) Investing Transactions	-	-
<b>Financing Transactions</b>		
Debenture Debt Increase/(Decrease)	(821,165)	1,229,231
Other Borrowings Increase/(Decrease)	(903,157)	(831,322)
Cash Provided by (Applied to) Financing Transactions	<u>(1,724,322)</u>	<u>397,909</u>
Cash and Bank / Overdraft (Increase)/Decrease	(24,525,367)	(21,679)
Cash and Bank (Overdraft) at Beginning of Year	9,959,895	9,981,574
<b>Cash and Bank (Overdraft) at End of Year</b>	<u><u>(14,565,472)</u></u>	<u><u>9,959,895</u></u>

## ANALYSIS OF CONSOLIDATED ACCUMULATED SURPLUS

as at June 30, 2014

Operating Fund Accumulated Surplus (Deficit)	6,942,677
Equity in Tangible Capital Assets	21,221,113
Capital Reserve Accounts	7,846,001
School Generated Funds	339,033
Other Special Purpose Funds	0
<b>Consolidated Accumulated Surplus</b>	<b>36,348,824</b>

Operating Fund Accumulated Surplus Comprised of:

Designated Surplus \*

Board Motion No.	Description	Unexpended Amount
Policy DBBA	School Budget Carryovers	1,019,534
330/08	International Students Program School Allocation	31,393
204/09	Student Information System	46,115
229/12	Locker Replacement	693,266
292/12	20K3 Initiatives	1,000,000
82/14	New Technology Initiatives	300,000
82/14	Board Office Debenture	230,000
82/14	School Buses	305,000
82/14	Capital Renovations	300,000
Total Designated Surplus		3,925,308
Undesignated Surplus (Deficit)		4,006,194
Operating Fund Accumulated Surplus (Deficit) Gross of Non-vested sick leave		7,931,502
Less: Non-vested sick leave to date		988,825
Operating Fund Accumulated Surplus (Deficit) Net of Non-vested sick leave		6,942,677

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

**OPERATING FUND SCHEDULE OF FINANCIAL POSITION**

as at June 30

	2014	2013
<b>Financial Assets</b>		
Cash and Bank	1,085	8,428,239
Due from		
- Provincial Government	17,606,977	3,283,314
- Federal Government	348,108	292,228
- Municipal Government	30,284,017	28,546,371
- Other School Divisions	2,253	1,042
- First Nations	21,400	28,487
- Other Funds	-	-
Accounts Receivable	163,541	91,253
Accrued Investment Income	-	-
Portfolio Investments	-	-
	<u>48,427,381</u>	<u>40,670,934</u>
<b>Liabilities</b>		
Overdraft	15,548,173	-
Accounts Payable	1,314,529	1,010,839
Accrued Liabilities	14,934,463	14,567,353
Employee Future Benefits	1,328,921	1,022,229
Accrued Interest Payable	-	-
Due to		
- Provincial Government	6,083	11,016
- Federal Government	22,978	17,851
- Municipal Government	-	-
- Other School Divisions	-	-
- First Nations	-	-
- Capital Fund	7,846,003	6,497,646
Deferred Revenue	904,802	9,354,565
Other Borrowings	-	-
	<u>41,905,952</u>	<u>32,481,499</u>
<b>Net Financial Assets (Net Debt)</b>	<u>6,521,429</u>	<u>8,189,435</u>
<b>Non-Financial Assets</b>		
Inventories	-	-
Prepaid Expenses	421,248	459,670
	<u>421,248</u>	<u>459,670</u>
<b>Accumulated Surplus (Deficit)</b>	<u>6,942,677</u>	<u>8,649,105</u>

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

For the Year Ended June 30

	2014 Actual	2014 Budget	2013 Actual
<b>Revenue</b>			
Provincial Government - Core	120,602,591	118,031,237	120,116,698
Federal Government	400,235	-	109,686
Municipal Government - Property Tax	50,478,832	51,061,713	47,637,925
- Other	-	-	-
Other School Divisions	954,504	215,000	931,342
First Nations	64,377	-	84,288
Private Organizations and Individuals	2,079,360	735,000	3,058,819
Other Sources	319,857	20,000	303,878
	<u>174,899,756</u>	<u>170,062,950</u>	<u>172,242,636</u>
<b>Expenses</b>			
Regular Instruction	96,663,840	96,030,343	94,986,363
Student Support Services	32,357,156	32,203,801	31,556,239
Adult Learning Centres	980,623	-	1,021,822
Community Education and Services	1,386,702	609,998	1,293,230
Divisional Administration	5,076,950	5,032,460	4,930,773
Instructional and Other Support Services	7,055,147	7,197,364	6,905,609
Transportation of Pupils	3,773,808	3,514,300	3,569,896
Operations and Maintenance	21,689,487	20,086,700	19,411,179
Fiscal	2,923,836	2,910,000	2,868,692
	<u>171,907,549</u>	<u>167,584,966</u>	<u>166,543,803</u>
Current Year Surplus (Deficit) before Non-vested Sick Leave	<u>2,992,207</u>	<u>2,477,984</u>	<u>5,698,833</u>
Less: Non-vested Sick Leave Expense (Recovery)	<u>128,458</u>		<u>187,160</u>
Current Year Surplus (Deficit) after Non-vested Sick Leave	<u>2,863,749</u>	<u>2,477,984</u>	<u>5,511,673</u>
Net Transfers from (to) Capital Fund	<u>(4,570,177)</u>	<u>(2,477,984)</u>	<u>(4,387,361)</u>
Transfers from Special Purpose Funds	<u>-</u>		<u>-</u>
Net Current Year Surplus (Deficit)	<u>(1,706,428)</u>	<u>0</u>	<u>1,124,312</u>
Opening Accumulated Surplus (Deficit)	8,649,105		7,524,793
Adjustments:	-		-
Non-vested sick leave - prior years	-		-
Opening Accumulated Surplus (Deficit), as adjusted	<u>8,649,105</u>		<u>7,524,793</u>
<b>Closing Accumulated Surplus (Deficit)</b>	<u><u>6,942,677</u></u>		<u><u>8,649,105</u></u>

## OPERATING FUND - REVENUE DETAIL PROVINCE OF MANITOBA

For the Year Ended June 30, 2014

### Funding of Schools Program

Base Support		
Instructional Support	29,993,755	
Additional Instructional Support for Small Schools	-	
Sparsity	-	
Curricular Materials	910,971	
Information Technology	933,900	
Library Services	1,431,980	
Student Services	5,124,578	
Counselling and Guidance	1,276,330	
Professional Development	607,035	
Physical Education	377,525	
Occupancy	7,091,370	47,747,444
Categorical Support		
Transportation	1,684,324	
Board and Room	-	
Special Needs: Coordinator/Clinician	1,089,550	
Special Needs: Level 2	3,554,310	
Special Needs: Level 3	4,002,477	
Senior Years Technology Education	1,014,448	
English as an Additional Language	659,250	
Aboriginal Academic Achievement (including BSSAP)	682,500	
Aboriginal and International Languages	65,291	
French Language Instruction	709,415	
Small Schools	-	
Enrolment Change Support	-	
Northern Allowance	-	
Early Childhood Development Initiative	206,548	
Early Literacy Intervention	680,315	
Numeracy	147,521	
Experiential Learning	48,242	
Education for Sustainable Development	29,400	14,573,591
Equalization		18,122,003
Additional Equalization		3,036,165
Adjustment for Days Closed		-
Formula Guarantee		5,338,754
Other Program Support		
School Buildings Support: "D" Projects	-	
Technology Education Equipment Replacement	196,100	
Technical Vocational Initiative - Equipment Upgrade	41,648	
Other Minor Capital Support	-	
Prior Year Support		
Finalization of Previous Year Support	-	
Curricular Materials	-	
School Buildings Support: "D" Projects	474,300	
Technology Education Equipment	-	712,048
		89,530,005

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

For the Year Ended June 30, 2014

**Other Department of Education and Advanced Learning**

Non-Resident	-	
Special Needs	-	
Institutional Programs	-	
Nursing Supports (URIS)	190,721	
Substitute Fees	-	
General Support Grant	2,850,731	
Education Property Tax Credit	23,569,860	
Tax Incentive Grant	1,469,555	
Smaller Classes Initiative (K - 3)	653,864	
Community Schools	109,497	
Healthy Schools Initiative	34,584	
Learning to Age 18 Coordinator	86,742	
Other: <a href="#">Shared Services Agreement</a>	174,909	
<a href="#">Special Funding Agreement - John G Stewart</a>	475,000	
<a href="#">Provincial Exam Marking</a>	29,900	
<a href="#">French Second Language Revitalization</a>	53,093	
<a href="#">Miscellaneous</a>	28,324	
		<hr/> 29,726,780

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

Employment Programs	-	
Adult Learning Centres	1,018,700	
Other: <a href="#">Lighthouse Project</a>	37,463	
<a href="#">Healthy Child/Baby</a>	194,422	
<a href="#">Green Manitoba</a>	81,841	
<a href="#">Miscellaneous</a>	13,380	
		<hr/> 1,345,806

<b>Funding of Schools Program (previous page)</b>	<hr/> 89,530,005
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<b>TOTAL PROVINCIAL GOVERNMENT REVENUE</b>	<hr/> <hr/> 120,602,591
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**OPERATING FUND - REVENUE DETAIL  
NON-PROVINCIAL GOVERNMENT SOURCES**

For the Year Ended June 30, 2014

<b>Federal Government</b>			
Tuition Fees		-	
Transportation of Pupils		-	
French Language Monitor		-	
English as an Additional Language (Adults)		-	
Other:	<u>Citizenship and Immigration</u>	<u>400,235</u>	
			400,235
<b>Municipal Government</b>			
Special Requirement	75,518,247		
Less: Education Property Tax Credit	(23,569,860)		
Less: Tax Incentive Grant	<u>(1,469,555)</u>	50,478,832	
Other:		-	50,478,832
<b>Other School Divisions</b>			
Transfer Fees		772,504	
Residual Fees		182,000	
Transportation of Pupils		-	
Other:		-	
			954,504
<b>First Nations</b>			
Tuition Fees		64,377	
Transportation of Pupils		-	
Other:		-	
			64,377
<b>Private Organizations and Individuals (Includes GBE's)</b>			
Regular Tuition		-	
International Tuition		1,047,686	
Continuing Education		298,094	
Other Tuition:	<u>Adult Education/Summer School</u>	<u>42,694</u>	
Food Service		266,741	
Government Business Enterprises (GBE's)		-	
Other:	<u>Vocational Shops</u>	<u>60,285</u>	
	<u>Building Rentals</u>	<u>202,654</u>	
	<u>Transportation User Fees</u>	<u>161,206</u>	
			2,079,360
<b>Other Sources</b>			
Interest		166,099	
Donations		46,997	
Other:	<u>School Initiated Projects</u>	<u>63,523</u>	
	<u>Miscellaneous</u>	<u>43,238</u>	
			319,857
<b>TOTAL NON-PROVINCIAL GOVERNMENT REVENUE</b>			<u><u>54,297,165</u></u>

**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	2014	2013
	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	85,248,084	28,803,989	814,097	1,091,679	3,300,358	5,344,828	2,573,737	9,044,021		136,220,793	133,228,781
Employees Benefits and Allowances	4,859,634	2,485,499	64,850	75,040	417,976	421,012	372,926	1,283,560		9,980,497	9,652,170
Services	1,608,325	665,254	73,341	110,760	1,120,870	897,537	207,442	9,012,848		13,696,377	12,723,192
Supplies, Materials and Minor Equipment	4,394,739	402,414	28,335	109,223	236,246	353,220	619,703	2,349,058		8,492,938	7,559,712
Interest and Bank Charges									20,842	20,842	14,597
Bad Debt Expense									-	0	0
Transfers	553,058	-	-	-	1,500	38,550	-	-	(PAYROLL TAX) 2,902,994	3,496,102	3,365,351
<b>TOTALS</b>	<b>96,663,840</b>	<b>32,357,156</b>	<b>980,623</b>	<b>1,386,702</b>	<b>5,076,950</b>	<b>7,055,147</b>	<b>3,773,808</b>	<b>21,689,487</b>	<b>2,923,836</b>	<b>171,907,549</b>	<b>166,543,803</b>

11

**OPERATING FUND - EXPENSE DETAIL: FUNCTION 100**

For the Year Ended June 30, 2014

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	6,944,410						6,944,410
330 Instructional - Teaching	23,170	42,851,669		5,046,686	22,599,900	2,836,492	73,357,917
350 Instructional - Other		575,614		17,471	387,391	50,257	1,030,733
360 Technical, Specialized and Service	49,301	106,220				162,067	317,588
370 Secretarial, Clerical and Other	3,038,676						3,038,676
390 Information Technology	558,760						558,760
Total Salaries	10,614,317	43,533,503	0	5,064,157	22,987,291	3,048,816	85,248,084
4XX EMPLOYEES BENEFITS AND ALLOWANCES	718,534	2,587,276		242,538	1,154,693	156,593	4,859,634
5-6XX SERVICES							
510 Professional, Technical and Specialized	17,714	229,298		5,382	32,538	4,617	289,549
520 Communications	204,808	10,167		116	679		215,770
540 Travel and Meetings	12,039	102,774		1,893	14,168	140	131,014
560 Tuition							0
570 Printing and Binding	6	7,238		842	4,328	429	12,843
580 Insurance and Bond Premiums		77				388	465
590 Maintenance and Repair Services	1,921	335,531		44,426	173,620	20,406	575,904
610 Rentals		9,384				38	9,422
630 Advertising							0
640 Dues and Fees		30,608		6,219	18,765	297	55,889
650 Professional and Staff Development	898						898
680 Information Technology Services		316,571					316,571
Total Services	237,386	1,041,648	0	58,878	244,098	26,315	1,608,325
7XX SUPPLIES, MATERIALS AND MINOR EQUIPMENT							
710 Supplies	1,494	894,785		50,786	433,241	481,487	1,861,793
740 Curricular and Media Materials		670,001		40,822	200,941	9,060	920,824
760 Minor Equipment	21,378	390,484		34,989	210,775	131,956	789,582
780 Information Technology Equipment		630,149			186,094	6,297	822,540
Total Supplies, Materials and Minor Equipment	22,872	2,585,419	0	126,597	1,031,051	628,800	4,394,739
96X-99 TRANSFERS							
960 School Divisions		477,100		59,310		12,008	548,418
980 Organizations and Individuals		4,640					4,640
Total Transfers	0	481,740	0	59,310	0	12,008	553,058
<b>TOTALS</b>	<b>11,593,109</b>	<b>50,229,586</b>	<b>0</b>	<b>5,551,480</b>	<b>25,417,133</b>	<b>3,872,532</b>	<b>96,663,840</b>

\* 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, 2014

<b>STUDENT SUPPORT SERVICES</b>		10	20	30	40	50	60	70	
		ADMINISTRATION	GIFTED	CLINICAL AND	SPECIAL	REGULAR	OTHER	COUNSELLING	
CODE	OBJECT \ PROGRAM	/CO-ORDINATION	EDUCATION *	RELATED SERVICES	PLACEMENT	PLACEMENT	RESOURCE SERVICES	AND GUIDANCE	TOTALS
3XX	SALARIES								
320	Executive, Managerial and Supervisory	320,430		109,437					429,867
330	Instructional - Teaching	280,864		11,727	692,431	1,963,020	7,005,629	2,744,907	12,698,578
350	Instructional - Other			3,385	1,800,324	9,542,425	1,695,878		13,042,012
360	Technical, Specialized and Service								0
370	Secretarial, Clerical and Other	214,041							214,041
380	Clinician			2,386,484					2,386,484
390	Information Technology	33,007							33,007
	Total Salaries	848,342	0	2,511,033	2,492,755	11,505,445	8,701,507	2,744,907	28,803,989
4XX	EMPLOYEES BENEFITS AND ALLOWANCES	55,975		119,713	286,956	1,350,939	546,422	125,494	2,485,499
5-6XX	SERVICES								
510	Professional, Technical and Specialized	46		250,770	293,528	3,019	31,034		578,397
520	Communications	7,815		1,999		136	977		10,927
540	Travel and Meetings	424		25,604	256	1,442	24,056	52	51,834
560	Tuition								0
570	Printing and Binding			450		673	2,479	106	3,708
580	Insurance and Bond Premiums								0
590	Maintenance and Repair Services	3,806		4,831		1,068	2,985	303	12,993
610	Rentals	302			1,646				1,948
630	Advertising						305		305
640	Dues and Fees	3,577		529		697			4,803
650	Professional and Staff Development			339					339
680	Information Technology Services								0
	Total Services	15,970	0	284,522	295,430	7,035	61,836	461	665,254
7XX	SUPPLIES, MATERIALS AND MINOR EQUIPMENT								
710	Supplies	14,254		28,881	6,716	59,672	15,721	1,603	126,847
740	Curricular and Media Materials	1,036		20,053	1,020	44,274	15,229	665	82,277
760	Minor Equipment	1,040		9,110	1,102	17,350	44,713	467	73,782
780	Information Technology Equipment	70,232		1,212		48,064			119,508
	Total Supplies, Materials and Minor Equipment	86,562	0	59,256	8,838	169,360	75,663	2,735	402,414
96X-99	TRANSFERS								
960	School Divisions								0
980	Organizations and Individuals								0
	Total Transfers	0		0	0	0			0
	<b>TOTALS</b>	<b>1,006,849</b>	<b>0</b>	<b>2,974,524</b>	<b>3,083,979</b>	<b>13,032,779</b>	<b>9,385,428</b>	<b>2,873,597</b>	<b>32,357,156</b>

\* Does not include enrichment activities undertaken by the School Division.

**OPERATING FUND - EXPENSE DETAIL: FUNCTION 300**

For the Year Ended June 30, 2014

<b>ADULT LEARNING CENTRES</b>		10	20	
CODE	OBJECT \ PROGRAM	ADMINISTRATION AND OTHER	INSTRUCTION	TOTALS
<b>3XX SALARIES</b>				
320	Executive, Managerial and Supervisory	130,071		130,071
330	Instructional - Teaching		595,795	595,795
350	Instructional - Other			0
360	Technical, Specialized and Service			0
370	Secretarial, Clerical and Other	88,027	204	88,231
390	Information Technology			0
	Total Salaries	218,098	595,999	814,097
<b>4XX EMPLOYEES BENEFITS AND ALLOWANCES</b>				
		31,151	33,699	64,850
<b>5-6XX SERVICES</b>				
510	Professional, Technical and Specialized		609	609
520	Communications		4,495	4,495
530	Utility Services			0
540	Travel and Meetings		652	652
560	Tuition			0
570	Printing and Binding		25	25
580	Insurance and Bond Premiums			0
590	Maintenance and Repair Services		2,434	2,434
610	Rentals		62,596	62,596
620	Property Taxes			0
630	Advertising			0
640	Dues and Fees			0
650	Professional and Staff Development			0
680	Information Technology Services		2,530	2,530
	Total Services	0	73,341	73,341
<b>7XX SUPPLIES, MATERIALS AND MINOR EQUIPMENT</b>				
710	Supplies		14,003	14,003
740	Curricular and Media Materials		3,204	3,204
760	Minor Equipment		1,762	1,762
780	Information Technology Equipment		9,366	9,366
	Total Supplies, Materials and Minor Equipment	0	28,335	28,335
<b>96X-99 TRANSFERS</b>				
960	School Divisions			0
980	Organizations and Individuals			0
999	Recharge			0
	Total Transfers	0	0	0
<b>TOTALS</b>		<b>249,249</b>	<b>731,374</b>	<b>980,623</b>

**OPERATING FUND - EXPENSE DETAIL: FUNCTION 400**

For the Year Ended June 30, 2014

<b>COMMUNITY EDUCATION AND SERVICES</b>		10	20	30	40	
		CONTINUING	ENGLISH AS AN	COMMUNITY	PRE-KINDERGARTEN	
CODE	OBJECT \ PROGRAM	EDUCATION	ADDITIONAL LANGUAGE	SERVICES AND	EDUCATION	TOTALS
			FOR ADULTS	RECREATION		
3XX	SALARIES					
320	Executive, Managerial and Supervisory	86,984			82,942	169,926
330	Instructional - Teaching	82,909	109,715	162	3,483	196,269
350	Instructional - Other			19,620		19,620
360	Technical, Specialized and Service			292,793	44,119	336,912
370	Secretarial, Clerical and Other	48,742		237,758	81,199	367,699
380	Clinician				1,253	1,253
390	Information Technology					0
	Total Salaries	218,635	109,715	550,333	212,996	1,091,679
4XX	EMPLOYEES BENEFITS AND ALLOWANCES	22,502	6,239	33,585	12,714	75,040
5-6XX	SERVICES					
510	Professional, Technical and Specialized	49,807		898	300	51,005
520	Communications	32	219	2,797	4,029	7,077
540	Travel and Meetings	219		12,362	4,180	16,761
570	Printing and Binding	11,237		94	203	11,534
590	Maintenance and Repair Services	8,406	252	1,058	1,962	11,678
610	Rentals			218		218
630	Advertising	11,568				11,568
640	Dues and Fees		97		145	242
650	Professional and Staff Development		324	353		677
680	Information Technology Services					0
	Total Services	81,269	892	17,780	10,819	110,760
7XX	SUPPLIES, MATERIALS AND MINOR EQUIPMENT					
710	Supplies	7,682	417	33,565	37,836	79,500
740	Curricular and Media Materials	12,805	91	283	2,351	15,530
760	Minor Equipment	427		5,236		5,663
780	Information Technology Equipment			8,530		8,530
	Total Supplies, Materials and Minor Equipment	20,914	508	47,614	40,187	109,223
96X-99	TRANSFERS					
980	Organizations and Individuals					0
999	Recharge					0
	Total Transfers	0	0	0	0	0
	<b>TOTALS</b>	<b>343,320</b>	<b>117,354</b>	<b>649,312</b>	<b>276,716</b>	<b>1,386,702</b>

**OPERATING FUND - EXPENSE DETAIL: FUNCTION 500**

For the Year Ended June 30, 2014

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						0
320 Executive, Managerial and Supervisory		199,310	585,699	661,489	116,901	1,563,399
360 Technical, Specialized and Service			381,893	90,942		472,835
370 Secretarial, Clerical and Other			262,850	712,389	21,002	996,241
390 Information Technology					267,883	267,883
Total Salaries		199,310	1,230,442	1,464,820	405,786	3,300,358
4XX EMPLOYEES BENEFITS AND ALLOWANCES		3,523	100,391	277,830	36,232	417,976
5-6XX SERVICES						
510 Professional, Technical and Specialized			211,940	78,875	219,137	509,952
520 Communications		5,171	7,945	23,076	773	36,965
540 Travel and Meetings		34,206	20,989	5,145	60	60,400
570 Printing and Binding			20,641	3,582	14	24,237
580 Insurance and Bond Premiums				74,977		74,977
590 Maintenance and Repair Services		316	1,569	4,350	164	6,399
610 Rentals				483		483
630 Advertising		596	25,324	701	1,036	27,657
640 Dues and Fees		115,662	16,050	4,378	150	136,240
650 Professional and Staff Development		11,232	21,652	22,878		55,762
680 Information Technology Services		5,835	733	1,326	179,904	187,798
Total Services		173,018	326,843	219,771	401,238	1,120,870
7XX SUPPLIES, MATERIALS AND MINOR EQUIPMENT						
710 Supplies		677	22,941	107,597	10,876	142,091
740 Curricular and Media Materials			9,712	3,181	16,941	29,834
760 Minor Equipment			25,844	3,954	2,222	32,020
780 Information Technology Equipment			2,440	1,249	28,612	32,301
Total Supplies, Materials and Minor Equipment		677	60,937	115,981	58,651	236,246
96X-99 TRANSFERS						
960 School Divisions						0
980 Organizations and Individuals			1,500			1,500
999 Recharge						0
Total Transfers		0	1,500	0		1,500
TOTALS		376,528	1,720,113	2,078,402	901,907	5,076,950

**OPERATING FUND - EXPENSE DETAIL: FUNCTION 600**

For the Year Ended June 30, 2014

<b>INSTRUCTIONAL AND OTHER SUPPORT SERVICES</b>		05	10	20	30	80	
CODE	OBJECT \ PROGRAM	CURRICULUM CONSULTING & DEVELOPMENT ADMINISTRATION	CURRICULUM CONSULTING & DEVELOPMENT	LIBRARY / MEDIA CENTRE	PROFESSIONAL AND STAFF DEVELOPMENT	OTHER	TOTALS
3XX	SALARIES						
320	Executive, Managerial and Supervisory	218,324					218,324
330	Instructional - Teaching		493,242	1,651,936	1,091,104	91,910	3,328,192
350	Instructional - Other			1,173,999	256		1,174,255
360	Technical, Specialized and Service			366,562		137,170	503,732
370	Secretarial, Clerical and Other	118,563			1,762		120,325
390	Information Technology						0
	Total Salaries	336,887	493,242	3,192,497	1,093,122	229,080	5,344,828
4XX	EMPLOYEES BENEFITS AND ALLOWANCES	21,725	20,071	307,490	54,478	17,248	421,012
5-6XX	SERVICES						
510	Professional, Technical and Specialized		1,810	281	58,969	173,062	234,122
520	Communications		2,210	4		2,567	4,781
540	Travel and Meetings		20,367	6,057		1,383	27,807
560	Tuition						0
570	Printing and Binding		6	89			95
580	Insurance and Bond Premiums					12,254	12,254
590	Maintenance and Repair Services		4,936	785			5,721
610	Rentals				411		411
630	Advertising						0
640	Dues and Fees		187	623	223		1,033
650	Professional and Staff Development			2,984	572,669		575,653
680	Information Technology Services			35,660			35,660
	Total Services	0	29,516	46,483	632,272	189,266	897,537
7XX	SUPPLIES, MATERIALS AND MINOR EQUIPMENT						
710	Supplies		16,666	44,430	8,258		69,354
740	Curricular and Media Materials		14,745	154,116	15,990		184,851
760	Minor Equipment		5,455	6,440	3,678		15,573
780	Information Technology Equipment		28,797	52,100	2,545		83,442
	Total Supplies, Materials and Minor Equipment	0	65,663	257,086	30,471	0	353,220
96X-99	TRANSFERS						
960	School Divisions						0
980	Organizations and Individuals					38,550	38,550
	Total Transfers					38,550	38,550
	<b>TOTALS</b>	<b>358,612</b>	<b>608,492</b>	<b>3,803,556</b>	<b>1,810,343</b>	<b>474,144</b>	<b>7,055,147</b>



**OPERATING FUND - EXPENSE DETAIL: FUNCTION 700**

For the Year Ended June 30, 2014

<b>TRANSPORTATION OF PUPILS</b>		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	198,606					198,606
350	Instructional - Other						0
360	Technical, Specialized and Service		2,203,234			54,145	2,257,379
370	Secretarial, Clerical and Other	81,236				36,516	117,752
390	Information Technology						0
	Total Salaries	279,842	2,203,234		0	90,661	2,573,737
4XX	EMPLOYEES BENEFITS AND ALLOWANCES	35,393	329,957			7,576	372,926
5-6XX	SERVICES						
510	Professional, Technical and Specialized		5,246				5,246
520	Communications	4,667	9,825				14,492
540	Travel and Meetings	8,467	884				9,351
550	Transportation of Pupils		25,721	15,724		21,666	63,111
570	Printing and Binding	175					175
580	Insurance and Bond Premiums		62,831				62,831
590	Maintenance and Repair Services	1,306	43,564				44,870
610	Rentals						0
630	Advertising	759					759
640	Dues and Fees	813					813
650	Professional and Staff Development	1,621	3,074				4,695
680	Information Technology Services	1,099					1,099
	Total Services	18,907	151,145	15,724	0	21,666	207,442
7XX	SUPPLIES, MATERIALS AND MINOR EQUIPMENT						
710	Supplies	2,351	585,377			30,321	618,049
740	Curricular and Media Materials		903				903
760	Minor Equipment		751				751
780	Information Technology Equipment						0
	Total Supplies, Materials and Minor Equipment	2,351	587,031		0	30,321	619,703
96X-99	TRANSFERS						
960	School Divisions						0
980	Organizations and Individuals						0
999	Recharge						0
	Total Transfers	0	0	0	0	0	0
	<b>TOTALS</b>	<b>336,493</b>	<b>3,271,367</b>	<b>15,724</b>	<b>0</b>	<b>150,224</b>	<b>3,773,808</b>

**OPERATING FUND - EXPENSE DETAIL: FUNCTION 800**

For the Year Ended June 30, 2014

<b>OPERATIONS AND MAINTENANCE</b>		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	513,441					513,441
360	Technical, Specialized and Service		8,322,823		88,557		8,411,380
370	Secretarial, Clerical and Other	119,200					119,200
390	Information Technology						0
	Total Salaries	632,641	8,322,823	0	88,557	0	9,044,021
4XX	EMPLOYEES BENEFITS AND ALLOWANCES	84,364	1,187,124		12,072		1,283,560
5-6XX	SERVICES						
510	Professional, Technical and Specialized	367	166,607		1,264	87,696	255,934
520	Communications	7,043	78,330		2,342		87,715
530	Utility Services		3,497,178		130,950		3,628,128
540	Travel and Meetings	26,591					26,591
570	Printing and Binding	432					432
580	Insurance and Bond Premiums		329,956			5,397	335,353
590	Maintenance and Repair Services	1,073	2,495,613	946,442	41,598	679,153	4,163,879
610	Rentals		15,421				15,421
620	Property Taxes		156,874		101,929		258,803
630	Advertising	3,993					3,993
640	Dues and Fees	406	303				709
650	Professional and Staff Development	2,446	4,857				7,303
680	Information Technology Services		228,587				228,587
	Total Services	42,351	6,973,726	946,442	278,083	772,246	9,012,848
7XX	SUPPLIES, MATERIALS AND MINOR EQUIPMENT						
710	Supplies	4,730	1,233,039	1,140	9,303		1,248,212
740	Curricular and Media Materials						0
760	Minor Equipment		1,100,713				1,100,713
780	Information Technology Equipment		133				133
	Total Supplies, Materials and Minor Equipment	4,730	2,333,885	1,140	9,303	0	2,349,058
96X-99	TRANSFERS						
999	Recharge						0
	<b>TOTALS</b>	<b>764,086</b>	<b>18,817,558</b>	<b>947,582</b>	<b>388,015</b>	<b>772,246</b>	<b>21,689,487</b>

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

For the Year Ended June 30, 2014

**Transfers To Capital Fund**

Category "D" School Buildings	-	
Bus Reserve	-	
Bus Purchases	300,000	
Other Vehicles	42,627	
Furniture/Fixtures & Equipment	124,814	
Computer Hardware & Software	1,535,307	
Assets Under Construction	-	
Other: <a href="#">Debenture Debt Repayment</a>	227,839	
<a href="#">Capital Projects</a>	39,590	
<a href="#">Capital Reserve</a>	2,300,000	

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4,570,177

**Less: Transfers From Capital Fund**

	-	

0

**Net Transfers To (From) Capital Fund**

4,570,177

**CAPITAL FUND SCHEDULE OF FINANCIAL POSITION**

as at June 30

	2014	2013
<b>Financial Assets</b>		
Cash and Bank	-	-
Due from		
- Provincial Government	948,861	1,001,334
- Federal Government	15,182	536
- Municipal Government	-	-
- First Nations	-	-
- Other Funds	7,846,003	6,497,646
Accounts Receivable	-	-
Accrued Investment Income	-	-
Portfolio Investments	-	-
	<u>8,810,046</u>	<u>7,499,516</u>
<b>Liabilities</b>		
Overdraft	667,454	181,651
Accounts Payable	491,675	22,255
Accrued Liabilities	40,223	55,133
Accrued Interest Payable	948,861	1,001,334
Due to		
- Provincial Government	-	-
- Federal Government	-	-
- Municipal Government	-	-
- First Nations	-	-
- Operating Fund	-	-
Deferred Revenue	646,834	649,264
Debenture Debt	35,983,405	36,804,570
Other Borrowings	3,639,779	4,542,936
	<u>42,418,231</u>	<u>43,257,143</u>
<b>Net Debt</b>	<u>(33,608,185)</u>	<u>(35,757,627)</u>
<b>Non-Financial Assets</b>		
Net Tangible Capital Assets	<u>62,675,299</u>	<u>64,297,771</u>
<b>Accumulated Surplus / Equity *</b>	<u>29,067,114</u>	<u>28,540,144</u>
* Comprised of:		
Reserve Accounts	7,846,001	6,497,646
Equity in Tangible Capital Assets	21,221,113	22,042,498
	<u>29,067,114</u>	<u>28,540,144</u>

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

For the Year Ended June 30

	2014	2013
<b>Revenue</b>		
Provincial Government		
Grants	6,108	6,079
Debt Servicing - Principal	2,743,765	2,046,893
- Interest	1,981,952	2,488,569
Federal Government	-	-
Municipal Government	-	-
Other Sources:		
Investment Income	-	-
Donations	133,852	140,544
Gain / (Loss) on Disposal of Capital Assets	2,713	5,758
Gain on receipt of Modular classroom	-	-
Manitoba Hydro Power Smart	19,958	
	-	
	19,958	26,646
	4,888,348	4,714,489
<b>Expenses</b>		
Amortization	6,302,933	6,145,771
Debenture Debt Interest	2,081,334	2,154,602
Other Interest	77,670	113,631
Other Capital Items	469,618	73,882
	8,931,555	8,487,886
Current Year Surplus / (Deficit)	(4,043,207)	(3,773,397)
Net Transfers from (to) Operating Fund	4,570,177	4,387,361
Transfers from Special Purpose Fund	-	-
Net Current Year Surplus (Deficit)	526,970	613,964
Opening Accumulated Surplus / Equity	28,540,144	27,926,180
Adjustments:	-	-
	-	-
Opening Accumulated Surplus / Equity as adjusted	28,540,144	27,926,180
<b>Closing Accumulated Surplus / Equity</b>	<b>29,067,114</b>	<b>28,540,144</b>

**SCHEDULE OF TANGIBLE CAPITAL ASSETS**

at June 30, 2014

	Buildings and Leasehold Improvements		School Buses	Other Vehicles	Furniture / Fixtures & Equipment	Computer Hardware & Software *	Land	Land Improvements	Assets Under Construction	2014 TOTALS	2013 TOTALS
	School	Non-School									
<b>Tangible Capital Asset Cost</b>											
Opening Cost, as previously reported	115,717,537	6,537,137	6,188,213	417,447	4,560,264	14,509,059	1,878,287	2,802,823	535,810	153,146,577	148,865,469
Adjustments	-	-	-	-	-	-	-	-	-	-	-
Opening Cost adjusted	115,717,537	6,537,137	6,188,213	417,447	4,560,264	14,509,059	1,878,287	2,802,823	535,810	153,146,577	148,865,469
Add:											
Additions during the year	860,417	-	405,292	43,840	256,236	682,943	-	-	2,431,733	4,680,461	6,620,918
Less:											
Disposals and write downs	-	-	-	61,553	1,234,215	1,335,630	-	-	-	2,631,398	2,339,810
Closing Cost	116,577,954	6,537,137	6,593,505	399,734	3,582,285	13,856,372	1,878,287	2,802,823	2,967,543	155,195,640	153,146,577
<b>Accumulated Amortization</b>											
Opening, as previously reported	70,726,259	3,210,794	3,792,877	291,647	3,194,353	6,170,539		1,462,337		88,848,806	85,042,845
Adjustments	-	-	-	-	-	-		-		-	-
Opening adjusted	70,726,259	3,210,794	3,792,877	291,647	3,194,353	6,170,539		1,462,337		88,848,806	85,042,845
Add:											
Current period Amortization	2,858,448	219,093	477,843	46,196	445,776	1,975,295		280,282		6,302,933	6,145,771
Less:											
Accumulated Amortization on Disposals and Writedowns	-	-	-	61,553	1,234,215	1,335,630		-		2,631,398	2,339,810
Closing Accumulated Amortization	73,584,707	3,429,887	4,270,720	276,290	2,405,914	6,810,204		1,742,619		92,520,341	88,848,806
<b>Net Tangible Capital Asset</b>	42,993,247	3,107,250	2,322,785	123,444	1,176,371	7,046,168	1,878,287	1,060,204	2,967,543	62,675,299	64,297,771
<b>Proceeds from Disposal of Capital Assets</b>	-	-	1,500	1,213	-	-				2,713	5,758

\* Includes network infrastructure.

**SCHEDULE OF CAPITAL RESERVE ACCOUNTS**  
For the Year Ended June 30, 2014

Fund Name >	Buses	Wireless Access	Science Labs	Parking Lot Upgrades	Workplace Health & Safety Enhancements	Sub-Totals
Opening Balance, July 1, 2013	219,198	-	1,500,000	91,989	708,702	<b>2,519,889</b>
<b>Additions: (Provide a description of each transaction)</b>						
Miscoded June 30,2013 to Workplace Health and Safety Enhancement				100,435		100,435
						-
						-
						-
						-
						-
						-
<b>Total Additions</b>	-	-	-	100,435	-	100,435
<b>Withdrawals: (Provide a description of each transaction)</b>						
Purchases	103,792					103,792
Renovations to labs			351,378			351,378
Renovations to schools					193,554	193,554
Miscoded June 30,2013, should be Parking Lot Upgrades					100,435	100,435
						-
						-
						-
						-
<b>Total Withdrawals</b>	103,792	-	351,378	-	293,989	749,159
<b>Closing Balance, June 30, 2014</b>	<b>115,406</b>	-	<b>1,148,622</b>	<b>192,424</b>	<b>414,713</b>	<b>1,871,165</b>

24

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 14, 2014  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Secretary-Treasurer

**SCHEDULE OF CAPITAL RESERVE ACCOUNTS**  
For the Year Ended June 30, 2014

Fund Name >	Bus Loops	Transportation Building	Classroom LCD Projectors	REC-Grade 9 Re-Configurations		Totals (includes totals from previous page)
Opening Balance, July 1, 2013	177,757	2,500,000	1,300,000	-	-	6,497,646
<b>Additions: (Provide a description of each transaction)</b>						
Renovations to River East Collegiate, John Pritchard, Chief Peguis				2,300,000		2,400,435
						-
						-
						-
						-
						-
						-
<b>Total Additions</b>	-	-	-	2,300,000	-	2,400,435
<b>Withdrawals: (Provide a description of each transaction)</b>						
Renovations to schools				302,921		406,713
						351,378
						193,554
						100,435
						-
						-
						-
						-
<b>Total Withdrawals</b>	-	-	-	302,921	-	1,052,080
<b>Closing Balance, June 30, 2014</b>	177,757	2,500,000	1,300,000	1,997,079	-	7,846,001

24A

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 14, 2014

Date



Secretary-Treasurer



**SPECIAL PURPOSE FUND  
SCHEDULE OF FINANCIAL POSITION**

as at June 30

	2014	2013
<b>Financial Assets</b>		
Cash and Bank	1,649,070	1,713,307
GST Receivable	-	-
Accrued Investment Income	-	-
Portfolio Investments	-	-
	1,649,070	1,713,307
<b>Liabilities</b>		
School Generated Funds Liability	1,310,037	1,317,441
Accounts Payable	-	-
Accrued Liabilities	-	-
Due to Other Funds	-	-
Deferred Revenue	-	-
	1,310,037	1,317,441
<b>Accumulated Surplus *</b>	339,033	395,866
* Comprised of:		
School Generated Funds Accumulated Surplus	339,033	395,866
Other Funds Accumulated Surplus	-	-
<b>Accumulated Surplus *</b>	339,033	395,866

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

For the Year Ended June 30

	2014	2013
<b>Revenue</b>		
School Generated Funds	696,629	882,375
Other Funds	-	-
	-	-
	696,629	882,375
<b>Expenses</b>		
School Generated Funds	753,462	767,111
Other Funds	-	-
	-	-
	753,462	767,111
Current Year Surplus (Deficit)	(56,833)	115,264
Transfers (to) Operating Fund	-	-
Transfers (to) Capital Fund	-	-
Net Current Year Surplus (Deficit)	(56,833)	115,264
Opening Accumulated Surplus	395,866	280,602
Adjustments: School Generated Funds	-	-
Other Funds	-	-
Opening Accumulated Surplus as adjusted	395,866	280,602
<b>Closing Accumulated Surplus</b>	<b>339,033</b>	<b>395,866</b>

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

ENROLMENTS BY PROGRAM	F.T.E. Enrolment September 30, 2013
<b>REGULAR INSTRUCTION</b>	
English Language - Single Track	8,883.5
Francais - Single Track	-
French Immersion - Single Track	1,115.5
Dual Track	
- English Language	2,651.0
- Francais	-
- French Immersion	1,608.0
- Other Bilingual	429.5
Senior Years Technology Education	876.0
<b>TOTAL NUMBER OF FULL TIME EQUIVALENT K - 12 STUDENTS</b>	<b><u>15,563.5</u></b>

<b>TRANSPORTATION OF PUPILS</b>	
TRANSPORTED STUDENTS (September 30)	3,260
TOTAL KILOMETERS - LOG BOOK (For the period ended June 30)	1,120,419
TOTAL KILOMETERS - BUS ROUTES (For the period ended June 30)	957,778
LOADED KILOMETERS (For the period ended June 30)	457,064

**FULL TIME EQUIVALENT PERSONNEL (UNAUDITED)**

For the 2013/14 Fiscal Year

CODE	OBJECT \ FUNCTION	FUNCTION 100	FUNCTION 200	FUNCTION 300	FUNCTION 400	FUNCTION 500	FUNCTION 600	FUNCTION 700	FUNCTION 800	TOTALS
320	Executive, Managerial, & Supervisory	65.21	3.75	2.00	2.00	13.00	1.50	3.00	7.00	97.46
330	Instructional - Teaching	896.15	150.69	7.50	2.50		30.64			1,087.48
350	Instructional - Other	32.88	376.40				33.00			442.28
360	Technical, Specialized And Service	11.80			1.14	9.00	9.14	86.28	173.50	290.86
370	Secretarial, Clerical And Other	85.00	6.00	2.00	1.00	22.07	3.50	3.00	3.00	125.57
380	Clinician		29.62							29.62
390	Information Technology	12.00	1.00			4.00				17.00
<b>TOTALS (excluding Trustees)</b>		<b>1,103.04</b>	<b>567.46</b>	<b>11.50</b>	<b>6.64</b>	<b>48.07</b>	<b>77.78</b>	<b>92.28</b>	<b>183.50</b>	<b>2,090.27</b>

510 Contracted Clinicians (include private clinicians where possible)		
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310 TRUSTEES		9
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**CALCULATION OF ADMINISTRATION COSTS  
AS A PERCENTAGE OF TOTAL EXPENSES**

**Administration Costs**

Divisional Administration, Function 500	5,076,950
Curriculum Consulting & Development Administration, Program 605	358,612
Transportation Administration, Program 710	336,493
Operations & Maintenance Administration, Program 810	<u>764,086</u>
Sub-total	6,536,141
Less: Liability Insurance	71,713
Administration portion of self-funded expenses (see below)	<u>415,636</u> *
	<u><u>6,048,792</u></u> (A)

**Expense Base**

Total Operating Expenses	171,907,549
Plus: Transfers to Capital	4,570,177
Less: Adult Learning Centres, Function 300	<u>980,623</u>
	<u><u>175,497,103</u></u> (B)

**Percentage (A) / (B) 3.4%**

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

**International Student Programs**

Expenses (1)	
Instructional	475,087
Administration (deducted above)	415,636 *
Other: _____	-
	<u>890,723</u>
Associated Revenue <sup>(2)</sup>	<u><u>1,047,686</u></u>

**Self-Administered Pension Plans**

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

(1) Incremental costs of the program.

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

# RIVER EAST TRANSCONA SCHOOL DIVISION

## Notes to Consolidated Financial Statements

June 30, 2014

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### 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 Institute of Chartered Accountants (CICA).

#### 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, 2014

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### 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, 2014

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### 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> <u>(Years)</u>
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, 2014

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### 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

g) *Employee Future Benefits (continued)*

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 not present value techniques.

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.

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, 2014

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### 3. EMPLOYEE FUTURE BENEFITS

An employee future benefit liability of \$340,096 (2013 - \$161,861) has been accrued as at June 30, 2014 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 \$988,825 (2013 - \$860,367).

During the year ended June 30, 2014, the employer contributions to the Pension Plan for Non-Teaching Employees of Public School Boards in Manitoba amounted to \$1,848,728 (2013 - \$1,835,491). This amount has been expensed in the Division's financial statements for the year ended June 30, 2014.

### 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 as at June 30, 2013	Additions in the period	Revenue Recognized in the period	Balance as at June 30, 2014
Province of Manitoba – EPTC*	\$ 8,576,904	\$ -	\$ 8,576,904	\$ -
Province of Manitoba- Other	73,037	186,212	145,969	<b>113,280</b>
Tuition Fees	590,482	652,061	590,482	<b>652,061</b>
Donated Capital Asset	649,265	131,422	133,852	<b>646,835</b>
Miscellaneous	114,141	214,669	189,350	<b>139,460</b>
	<b>\$ 10,003,829</b>	<b>\$ 1,184,364</b>	<b>\$ 9,636,557</b>	<b>\$1,551,636</b>

\*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 \$1,310,037 (2013 - \$1,317,441).

# RIVER EAST TRANSCONA SCHOOL DIVISION

## Notes to Consolidated Financial Statements

June 30, 2014

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### 6. DEBENTURE DEBT

The debenture debt of the Division is in the form of twenty-year debentures payable, principal and interest, in equal yearly installments and maturing at various dates from 2014 to 2034. Payment of principal and interest is funded entirely by grants from the Province of Manitoba. The debentures carry interest rates that range from 3.625% to 10.00%. Debenture interest expense payable as at June 30, 2014, 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:

	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2015	\$ 2,636,328	\$ 2,010,686	\$ 4,647,014
2016	2,550,159	1,879,751	4,429,910
2017	2,432,041	1,758,566	4,190,607
2018	2,475,649	1,650,481	4,126,130
2019	2,321,113	1,540,433	3,861,546
	<u>\$ 12,415,290</u>	<u>\$ 8,839,917</u>	<u>\$ 21,255,207</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 1.56% to 3.87% per annum and have lease terms that expire between 2015 to 2018. 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:

	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2015	\$ 972,687	\$ 62,967	\$ 1,035,654
2016	823,722	36,637	860,359
2017	406,950	12,825	419,775
2018	34,173	1,000	35,173
2019	-	-	-
	<u>\$ 2,237,532</u>	<u>\$ 113,429</u>	<u>\$ 2,350,961</u>

# RIVER EAST TRANSCONA SCHOOL DIVISION

## Notes to Consolidated Financial Statements

June 30, 2014

### 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 2021. 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>
2015	\$ 137,290	\$ 96,405	\$ 233,695
2016	146,729	86,966	233,695
2017	156,816	76,879	233,695
2018	167,598	66,097	233,695
2019	179,120	54,575	233,695
	<u>\$ 787,553</u>	<u>\$ 380,922</u>	<u>\$ 1,168,475</u>

### 8. NET TANGIBLE CAPITAL ASSETS

The Schedule of Tangible Capital Assets (TCA), page 23 of the audited financial statements, provides a breakdown of cost, accumulated amortization and net book value by asset class. The amount of interest capitalized in the period included in Assets under Construction was \$8,752 (2013 - \$1,929). 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, 2014 are \$8,140,301, \$5,311,062 and \$2,829,239 respectively.

### 9. ACCUMULATED SURPLUS

The consolidated accumulated surplus is comprised of the following:

	<u>2014</u>	<u>2013</u>
Operating Fund		
Designated Surplus	\$ 3,925,308	\$ 4,378,211
Undesignated Surplus	4,006,194	5,131,261
Non-Vested Sick Leave	(988,825)	(860,367)
	<u>\$ 6,942,677</u>	<u>\$ 8,649,105</u>
Capital Fund		
Reserve Accounts	\$ 7,846,001	\$ 6,497,646
Equity in Tangible Capital Assets	21,221,113	22,042,498
	<u>\$ 29,067,114</u>	<u>\$ 28,540,144</u>
Special Purpose Fund		
School Generated Funds	\$ 339,033	\$ 395,866
	<u>\$ 339,033</u>	<u>\$ 395,866</u>
Total Accumulated Surplus	<u>\$ 36,348,824</u>	<u>\$ 37,585,115</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, 2014

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**9. ACCUMULATED SURPLUS (continued)**

	<u>2014</u>	<u>2013</u>
Board approved appropriation by motion	\$ 2,905,774	\$ 3,508,707
School budget carryovers by board policy	1,019,534	869,504
Designated surplus	<u>\$ 3,925,308</u>	<u>\$ 4,378,211</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.

	<u>2014</u>	<u>2013</u>
Bus reserve	\$ 115,406	\$ 219,198
Other reserve	7,730,595	6,278,448
Capital reserve	<u>\$ 7,846,001</u>	<u>\$ 6,497,646</u>

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 2013 tax year and 60% from 2014 tax year. Below are the related revenue and receivable amounts:

	<u>2014</u>	<u>2013</u>
Revenue-Municipal Government-Property Tax	<u>\$ 50,478,832</u>	<u>\$ 47,637,925</u>
Receivable-Due from Municipal Government-Property Tax	<u>\$ 30,284,017</u>	<u>\$ 28,546,371</u>

# RIVER EAST TRANSCONA SCHOOL DIVISION

## Notes to Consolidated Financial Statements

June 30, 2014

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### 11. INTEREST RECEIVED AND PAID

The Division received interest during the year of \$166,099 (2013 - \$154,195).

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

	<u>2014</u>	<u>2013</u>
Operating Fund		
Fiscal-Short Term Loan, Interest and Bank Charges	\$ 20,842	\$ 14,597
Capital Fund		
Debenture Debt Interest	\$ 2,081,334	\$ 2,154,602
Interest on Obligation under Capital Lease	76,058	112,008
Other Interest	1,612	1,623
	<u>\$ 2,159,004</u>	<u>\$ 2,268,233</u>

The accrued portion of debenture debt interest expense at June 30, 2014 of \$948,861 (2013- \$1,001,334) 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>2014</u>	Budget <u>2014</u>	Actual <u>2013</u>
Salaries	\$ 136,220,793	\$135,687,432	\$133,228,781
Employees benefits & allowances	9,980,497	9,383,000	9,652,170
Services	13,696,377	12,920,297	12,723,192
Supplies, materials, minor equipment	8,492,938	6,646,937	7,559,712
Interest	2,179,846	60,000	2,282,830
School Divisions	548,218	-	474,208
Other operating expenses	44,890	37,300	37,048
Payroll tax	2,902,994	2,850,000	2,854,095
Amortization	6,302,933	-	6,145,771
Other capital items	469,618	-	73,882
School generated funds	753,462	-	767,111
	<u>\$ 181,592,566</u>	<u>\$167,584,966</u>	<u>\$175,798,800</u>

### 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, 2014, the amount of this special levy was \$1,009,942 (2013 - \$865,802). These amounts are not included in the Division's consolidated financial statements.

# RIVER EAST TRANSCONA SCHOOL DIVISION

## Notes to Consolidated Financial Statements

June 30, 2014

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### 14. TRUST FUND

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

	<u>2014</u>	2013
<u>Scholarship Funds</u>		
Balance, beginning of year	\$ 296,757	\$ 303,232
Cash contributions received during the year	11,165	12,650
Interest income	3,047	3,092
Scholarships awarded	<u>(21,040)</u>	<u>(22,217)</u>
Balance, end of year	<u>\$ 289,929</u>	<u>\$ 296,757</u>
Assets		
Cash and investments	<u>\$ 289,929</u>	<u>\$ 296,757</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>2014</u>	<u>2013</u>
Cash	\$ -	\$ 9,959,895
Due from – Provincial Government	18,555,838	4,284,648
– Federal Government	363,290	292,764
– Municipal Government	30,284,017	28,546,371
– Other School Divisions	2,253	1,042
– First Nations	21,400	28,487
Accounts Receivable	163,541	91,253

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, 2014

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### 15. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (continued)

#### Liquidity risk

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

	<b>Due &lt; 1 year</b>	<b>Due &gt; 1 year, &lt; 2 years</b>	<b>Due &gt; 2 years, &lt; 3 years</b>	<b>Due &gt; 3 years, &lt; 4 years</b>	<b>Due &gt; 4 years, &lt; 5 years</b>	<b>Due &gt; 5 years</b>
Overdraft	\$14,565,472	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Payable	1,806,204	-	-	-	-	-
Accrued Liabilities	14,974,686	-	-	-	-	-
Due to Governments	29,061	-	-	-	-	-
Debenture Debt	2,636,328	2,550,159	2,432,041	2,475,649	2,321,113	23,568,115
Other Borrowings	1,109,977	970,451	563,766	201,771	179,120	614,694

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.