Audited Financial Statements of

School District No. 42 (Maple Ridge-Pitt Meadows)

June 30, 2019

School District No. 42 (Maple Ridge-Pitt Meadows)

MANAGEMENT REPORT

Version: 3086-2340-9358

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 42 (Maple Ridge-Pitt Meadows) have be

The external auditors, BDO Canada LLP, conduct an independent examination, in accordance with Ca generally accepted auditing standards, and express their opinion on the financial statements. The exte auditors have full and free access to financial management of School District No. 42 (Maple Ridge-Pitt Meadows) and meet when required. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the School District's financial stater

On behalf of School District No. 42 (Maple Ridge-Pitt Meadows)

Signature of the Chairperson of the Board of Education	Date Signed
Signature of the Superintendent	Date Signed
Signature of the Secretary Treasurer	Date Signed

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To the Board of Education of School District No. 42 (Maple Ridge ²Pitt Meadows)

Opinion

We have audited the financial statements of School District No. 42 (Maple Ridge ²3LWW 0HDGRZV WKH ´6FKR
which comprise the Statement of Financial Position as at June 30, 2019 and the Statements Operations, Changes in
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,Q RXU RSLQLRQ WKH 6FKRRO 'LVWULFW ÀQDQFLDO VWDWHPHQWV SUHVHQ
of the School District as at June 30, 2019 and its results of operations, changes in net debt and cash flows for the year
then ended in accordance with the accounting requirements of Section 23.1 of the Budget Transparency and
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Basis for Opinion

We conducted our audit in accordance with Canadian generally -accepted auditing standards. Our responsibilities
under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements

In connection with our audi t of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of the financial statements in accordance with the Act , and for such internal control as management determines is necessary to enable the preparat ion of financial statements that are free from material misstatement whether due to fraud or error.

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as a going concern, disclosing, as

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants

Vancouver, British Columbia
September 18, 2019

School District No. 42 (Maple Ridge-Pitt Meadows)

Statement of Financial Position
As at June 30, 2019

	2019 Actual	2018 Actual
	$	$
Financial Assets		
Cash and Cash Equivalents	50,463,678	54,929,643
Accounts Receivable		
Due from Province - Ministry of Education	1,999,050	71,376
Due from Province - Other	66,000	100,000
Other (Note 3)	4,378,752	533,680
Portfolio Investments (Note 4)	252,997	248,382
Total Financial Assets	57,160,477	55,883,081
Liabilities		
Accounts Payable and Accrued Liabilities		
Other (Note 5)	20,548,739	17,809,390
Unearned Revenue (Note 6)	5,228,791	5,471,965
Deferred Revenue (Note 7)	2,381,312	2,798,447
Deferred Capital Revenue (Note 8)	143,017,828	124,279,028
Employee Future Benefits (Note 9)	8,313,736	8,076,210
Total Liabilities	179,490,406	158,435,040
Net Financial Assets (Debt)	(122,329,929)	(102,551,959
Non-Financial Assets		
Tangible Capital Assets (Note 11)	204,021,754	182,389,028
Prepaid Expenses	404,101	402,270
Total Non-Financial Assets	204,425,855	182,791,298
Accumulated Surplus (Deficit) (Note 17)	82,095,926	80,239,339

Approved by the Board

Signature of the Chairperson of the Board of Education — Date Signed

Signature of the Superintendent — Date Signed

Signature of the Secretary Treasurer — Date Signed

	2019 Budget (Note 14)	2019 Actual	2018 Actual
	$	$	$
Revenues			
Provincial Grants			
Ministry of Education	151,003,353	151,019,011	143,716,793
Other	334,169	397,657	443,215
School Site Acquisition Fees Spent on Sites		1,695,137	25,981
Federal Grants	260,760	279,042	246,785
Tuition	9,314,850	9,595,712	

School District No. 42 (Maple Ridge-Pitt Meadows)

Statement of Changes in Net Financial Assets (Debt)

Year Ended June 30, 2019

	2019 Budget (Note 14)	2019 Actual	2018 Actual
	$	$	$
Surplus (Deficit) for the year	(4,964,710)	1,856,587	2,541,016
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(42,293,529)	(33,353,140)	(15,487,327)
Amortization of Tangible Capital Assets	9,935,740	9,521,618	9,164,572
Net carrying value of Tangible Capital Assets disposed of		2,198,796	
Total Effect of change in Tangible Capital Assets	(32,357,789)	(21,632,726)	(6,322,755)
Acquisition of Prepaid Expenses		(418,138)	(402,270)
Use of Prepaid Expenses		416,307	497,321
Total Effect of change in Other Non-Financial Assets	-	(1,831)	95,051
(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)	(37,322,499)	(19,777,970)	(3,686,688)
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Financial Assets (Debt)		(19,777,970)	(3,686,688)
Net Financial Assets (Debt), beginning of year		(102,551,959)	(98,865,271)
Net Financial Assets (Debt), end of year		(122,329,929)	(102,551,959

The accompanying notes are an integral part of these financial statements.

	2019 Actual	2018 Actual
	$	$
Operating Transactions		
Surplus (Deficit) for the year	1,856,587	2,541,016
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(5,738,746)	2,722
Prepaid Expenses	(1,831)	95,051
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	2,739,346	4,821,894
Unearned Revenue	(243,174)	569,626
Deferred Revenue	(417,135)	328,004
Employee Future Benefits	237,526	200,731
Loss (Gain) on Disposal of Tangible Capital Assets (Note 18)	838,579	
Amortization of Tangible Capital Assets	9,521,618	9,164,572
Amortization of Deferred Capital Revenue	(5,483,981)	(5,381,616)
Recognition of Deferred Capital Revenue Spent on Sites	(1,766,717)	(74,232)
Total Operating Transactions	1,542,072	12,267,768
Capital Transactions		
Tangible Capital Assets Purchased	(5,815,753)	(4,962,792)
Tangible Capital Assets -WIP Purchased	(27,537,387)	(10,524,535)
District Portion of Proceeds on Disposal (Note 18)	1,360,217	
Total Capital Transactions	(31,992,923)	(15,487,327)

NOTE 1 AUTHORITY AND PURPOSE

The School District, established on April 12, 1946, operates under authority of the School Act of British Columbia as a corporation under the name of "The Board of Education of School District No. 42 (Maple Ridge – Pitt Meadows)", and operates as "School District No. 42 (Maple Ridge – Pitt Meadows)." A board of education ("Board") elected for a four-year term governs the School District. The School District provides educational programs to students enrolled in schools in the School District and is principally funded by the Province of British Columbia through the Ministry of Education. The School District is exempt from federal and provincial corporate income taxes.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the School District are prepared by management in accordance with the basis of accounting described below. Significant accounting policies of the School District are as follow:

a) Basis of Accounting

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

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

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

b) Financial Instruments

NOTE8 DEFERRED CAPITAL REVENUE

Deferred capital revenue includes grants and contributions received that are restricted by the contributor for the acquisition of tangible capital assets that meet the description of a restricted contribution in the Restricted Contributions Regulation 198/

NOTE 9 EMPLOYEE FUTURE BENEFITS

Benefits include vested sick leave, accumulating non-vested sick leave, early retirement, retirement/severance, vacation, overtime and death benefits. Funding is provided when the benefits are paid and accordingly, there are no plan assets. Although no plan assets are uniquely identified, the School District provides for the

NOTE 11 TANGIBLE CAPITAL ASSETS (Continued)

June 30, 2018

Cost:	Balance at July 1, 2017	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2018
Sites	$ 31,350,878	$ 74,232	$ -	$ -	$ 31,425,110
Buildings	263,346,185	456,549	-	7,774,748	271,577,482
Buildings – work in progress	2,099,045	10,511,329	-	(7,774,748)	4,835,626
Furniture & Equipment	10,078,560	2,879,773	(1,660,682)	-	11,297,651
Vehicles	992,436	133,606	(31,612)	-	1,094,430
Computer Software	1,439,074	474,890	(31,545)	-	1,882,419
Computer Hardware	8,012,098	956,948	(1,220,278)	-	7,748,768
Total	$ 317,318,276	$ 15,487,327	$ (2,944,117)	$ -	$ 329,861,486

Accumulated Amortization:	Balance at July 1, 2017	Amortization	Disposals	Balance at June 30, 2018
Buildings	$ 131,946,945	$ 6,083,186	$ -	$ 138,030,131

NOTE 21

	Operating Fund $	Special Purpose Fund $	Capital Fund $	2019 Actual $	2018 Actual $
Accumulated Surplus (Deficit), beginning of year	4,354,095		75,885,244	80,239,339	77,698,323
Changes for the year					
Surplus (Deficit) for the year	3,749,576	961,257	(2,854,246)	1,856,587	2,541,016
Interfund Transfers					
Tangible Capital Assets Purchased	(2,529,206)				

	2019 Budget (Note 14)	2019 Actual	2018 Actual
	$	$	$
Revenues			

	2019 Budget (Note 14)	2019 Actual	2018 Actual
	$	$	$

	2019 Budget (Note 14) $	2019 Actual $	2018 Actual $
Salaries			
Teachers	65,780,684	65,165,787	62,397,892
Principals and Vice Principals	7,150,747	7,189,477	6,882,964
Educational Assistants	13,196,669	13,538,905	12,190,570
Support Staff	11,438,786	11,318,671	11,064,740
Other Professionals	4,394,486	4,651,905	3,917,115
Substitutes	4,750,868	5,126,940	4,217,890
Total Salaries	106,712,240	106,991,685	100,671,171
Employee Benefits	25,797,244	24,521,293	24,128,962
Total Salaries and Benefits	132,509,484	131,512,978	124,800,133
Services and Supplies			
Services	5,984,032	5,555,957	5,121,608
Student Transportation	737,445	573,039	694,577
Professional Development and Travel	1,308,956	938,290	860,031
Rentals and Leases	15,390	535	
Dues and Fees	143,063	145,645	121,079
Insurance	599,930	682,275	324,902
Supplies	4,924,003	2,878,479	3,552,841
Utilities			

School District No. 42 (Maple Ridge-Pitt Meadows)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2019

	Total Salaries $	Employee Benefits $	Total Salaries and Benefits $	Services and Supplies $	2019 Actual $	2019 Budget (Note 14) $	2018 Actual $
1 Instruction							
1.02 Regular Instruction	53,887,805	11,840,402	65,728,207	2,050,893	67,779,100	69,815,473	65,495,547
1.03 Career Programs	5.990,683	234,874	1,225,557	456,460	1,682,017	1,699,383	1,700,395
1.07 Library Services	1,069,423	251,414	1,320,837	148,000	1,468,837	1,564,505	1,416,509
1.08 Counselling	1,811,787	414,410	2,226,197	104,347	2,330,544	2,213,927	2,125,501
1.10 Special Education	24,022,505	5,679,191	29,701,696	322,912	30,024,608	30,240,729	27,836,739
1.30 English Language Learning	600,543	134,658	735,201	17,535	752,736	1,106,629	694,112
1.31 Aboriginal Education	1,139,949	268,152	1,408,101	174,099	1,582,200	1,663,237	1,535,914
1.41 School Administration	7,765,515	2,082,962	9,848,477	224,182	10,072,659	10,151,718	9,291,574
1.60 Summer School	403,273	72,168	475,441	14,005	489,446	489,544	425,412
1.61 Continuing Education	437,292	61,409	498,701	230,164	728,865	751,750	741,798
1.62 International and Out of Province Students	5,870,062	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
1.64 Other	468,728	48,639	87,367	52,607	139,974	194,519	132,595
Total Function 1	96,067,565	21,932,096					
4 District Administration							
4.11 Educational Administration							
4.40 School District Governance							
4.41 Business Administration							
Total Function 4							
		5.468,574					4.728,
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration							
5.50 Maintenance Operations							
5.52 Maintenance of Grounds							
5.56 Utilities							
Total Function 5							
7 Transportation and Housing							
7.70 Student Transportation							
Total Function 7							
9 Debt Services							
Total Function 9							
Total Functions 1 - 9							

	Bylaw Capital $	Other Provincial $	Other Capital $	Total Capital $
Deferred Capital Revenue, beginning of year	109,560,448	756,434	149,650	110,466,532
Changes for the Year				
Increase:				
Transferred from Work in Progress	7,068,616	7,224		7,075,840
	7,068,616	7,224	-	7,075,840
Decrease:				
Amortization of Deferred Capital Revenue	5,389,037	34,990	59,954	5,483,981
	5,389,037	34,990	59,954	5,483,981
Net Changes for the Year	1,679,579	(27,766)	(59,954)	1,591,859
Deferred Capital Revenue, end of year	111,240,027	728,668	89,696	112,058,391
Work in Progress, beginning of year	1,101,653			

	Bylaw Capital $	MEd Restricted Capital $	Other Provincial Capital $	Land Capital $	Other Capital $	Total $
Balance, beginning of year	1,137,731	1,138,496	2,960,444	6,652,664		11,889,335
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	23,768,702					23,768,702
Provincial Grants - Other			18,671			18,671
Other					431,250	431,250
Investment Income		67,008				