Audited Financial Statements of

School District No. 43 (Coquitlam)

June 30, 2017

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June 30, 2017

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MANAGEMENT REPORT

Version: 5821-5075-3092

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 43 (Coquitlam) have been prepared by management in accordance with the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act of British Columbia, supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

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

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

The Board of Education of School District No. 43 (Coquitlam) (called the "Board") is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Board. The Board reviews internal financial statements on a monthly basis and externally audited financial statements yearly.

The external auditors, KPMG, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of School District No. 43 (Coquitlam) and meet when required. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the School District's financial statements.

On behalf of School District No. 43 (Coquitlam)

Original signed by Kerri Palmer Isaak	2017-09-17
Signature of the Chairperson of the Board of Education	Date Signed
Original signed by Patricia Gartland	2017-09-17
Signature of the Superintendent	Date Signed
Original signed by Chris Nicolls	2017-09-17
Signature of the Secretary Treasurer	Date Signed

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INDEPENDENT AUDITORS' REPORT

To the Board of Education of the School District No. 43 (Coquitlam)

To the Minister of Education, Province of British Columbia

We have audited the accompanying financial statements of School District No. 43 (Coquitlam), which comprise the statements of financial position as at June 30, 2017 and the statements of operations, changes in net debt and cash flows for the year ended June 30, 2017, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements in accordance with the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia, supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements of School District No. 43 (Coquitlam) as at and for the year ended June 30, 2017 are prepared, in all material respects, in accordance with the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia, supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board.

Emphasis of Matter

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

KPMG LLP

Chartered Professional Accountants

September 19, 2017
Burnaby, Canada

School District No. 43 (Coquitlam)

Statement of Financial Position

As at June 30, 2017

	2017 Actual	2016 Actual (Recast - Note 15)
	$	$
Financial Assets		
Cash and Cash Equivalents	**154,078,404**	135,159,793
Accounts Receivable		
Due from Province - Ministry of Education	**3,719,292**	769,732
Other (Note 3)	**5,482,711**	4,651,768
Portfolio Investments (Note 4)	**11,995,000**	11,995,000
Total Financial Assets	**175,275,407**	152,576,293
Liabilities		
Accounts Payable and Accrued Liabilities		
Other (Note 5)	**35,350,978**	29,907,039
Unearned Revenue (Note 6)	**28,738,104**	27,332,518
Deferred Revenue (Note 7)	**11,331,439**	10,828,267
Deferred Capital Revenue (Note 8)	**362,699,639**	337,448,564
Employee Future Benefits (Note 9)	**33,784,070**	53,382,288
Capital Lease Obligations (Note 10)	**11,203**	87,438
Other Liabilities (Note 5)	**7,215,532**	7,289,370
Total Liabilities	**479,130,965**	466,275,484
Net Financial Assets (Debt)	**(303,855,558)**	(313,699,191)
Non-Financial Assets		
Tangible Capital Assets (Note 11)	**491,754,609**	462,611,611
Prepaid Expenses	**211,730**	691,005
Total Non-Financial Assets	**491,966,339**	463,302,616
Accumulated Surplus (Deficit)	**188,110,781**	149,603,425

Contractual Obligations and Contingencies (Note 16)

Approved by the Board

Original signed by Kerri Palmer Isaak — 2017-09-17
Signature of the Chairperson of the Board of Education — Date Signed

Original signed by Patricia Gartland — 2017-09-17
Signature of the Superintendent — Date Signed

Original signed by Chris Nicolls — 2017-09-17
Signature of the Secretary Treasurer — Date Signed

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

School District No. 43 (Coquitlam)

Statement of Operations
Year Ended June 30, 2017

	2017 Budget (Note 17)	2017 Actual	2016 Actual (Recast - Note 15)
	$	$	$
Revenues			
Provincial Grants			
Ministry of Education	274,033,540	**278,918,095**	271,062,622
Other	62,560	**53,196**	71,789
Federal Grants	2,390,000	**2,962,205**	2,348,897
Tuition	31,758,336	**35,426,895**	28,727,072
Other Revenue	13,956,434	**13,611,351**	12,547,015
Rentals and Leases	2,162,875	**2,293,881**	2,545,236
Investment Income	1,700,000	**2,089,045**	1,517,339
Gain (Loss) on Disposal of Tangible Capital Assets	533,051	**357,182**	23,849,061
Amortization of Deferred Capital Revenue	11,713,000	**11,423,966**	11,321,482
Total Revenue	338,309,796	**347,135,816**	353,990,513
Expenses			
Instruction	279,361,101	**280,368,555**	268,590,876
District Administration (Note 9c)	10,535,811	**(17,629,958)**	8,493,658
Operations and Maintenance	48,620,676	**45,430,296**	42,068,579
Transportation and Housing	484,907	**457,234**	461,778
Debt Services	2,325	**2,333**	23,575
Total Expense	339,004,820	**308,628,460**	319,638,466
Surplus (Deficit) for the year	(695,024)	**38,507,356**	34,352,047
Accumulated Surplus (Deficit) from Operations, beginning of year		**149,603,425**	115,251,378
Accumulated Surplus (Deficit) from Operations, end of year		**188,110,781**	149,603,425

School District No. 43 (Coquitlam)

Statement of Changes in Net Financial Assets (Debt)
Year Ended June 30, 2017

	2017 Budget (Note 17)	2017 Actual	2016 Actual (Recast - Note 15)
	$	$	$
Surplus (Deficit) for the year	(695,024)	**38,507,356**	34,352,047
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(24,116,400)	**(42,761,674)**	(32,833,561)
Amortization of Tangible Capital Assets	13,525,000	**13,618,128**	13,129,385
Net carrying value of Tangible Capital Assets disposed of		**548**	1,913
Total Effect of change in Tangible Capital Assets	(10,591,400)	**(29,142,998)**	(19,702,263)
Acquisition of Prepaid Expenses	(200,000)	**(211,730)**	(691,005)
Use of Prepaid Expenses	200,000	**691,005**	365,073
Total Effect of change in Other Non-Financial Assets	-	**479,275**	(325,932)
(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)	(11,286,424)	**9,843,633**	14,323,852
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Financial Assets (Debt)		**9,843,633**	14,323,852
Net Financial Assets (Debt), beginning of year		**(313,699,191)**	(328,023,043)
Net Financial Assets (Debt), end of year		**(303,855,558)**	(313,699,191)

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

School District No. 43 (Coquitlam)

Statement of Cash Flows
Year Ended June 30, 2017

	2017 Actual	2016 Actual (Recast - Note 15)
	$	$
Operating Transactions		
Surplus (Deficit) for the year	**38,507,356**	34,352,047
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	**(3,780,503)**	4,325,217
Prepaid Expenses	**479,275**	(325,932)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	**5,443,939**	4,672,361
Unearned Revenue	**1,405,586**	4,420,072
Deferred Revenue	**503,172**	264,190
Employee Future Benefits	**(19,598,218)**	3,626,195
Other Liabilities	**(73,838)**	734,055
Loss (Gain) on Disposal of Tangible Capital Assets	**(356,634)**	
Amortization of Tangible Capital Assets	**13,618,128**	13,129,385
Amortization of Deferred Capital Revenue	**(11,423,966)**	(11,321,482)
Total Operating Transactions	**24,724,297**	53,876,108
Capital Transactions		
Tangible Capital Assets Purchased	**(9,273,878)**	(5,597,737)
Tangible Capital Assets -WIP Purchased	**(33,487,796)**	(27,235,824)
District Portion of Proceeds on Disposal	**357,182**	1,913
District Entered		-
Total Capital Transactions	**(42,404,492)**	(32,831,648)
Financing Transactions		
Capital Revenue Received	**36,675,041**	32,300,624
Capital Lease Repayment	**(76,235)**	(571,409)
Total Financing Transactions	**36,598,806**	31,729,215
Investing Transactions		
Investments in Portfolio Investments	**-**	(7,000,000)
Total Investing Transactions	**-**	(7,000,000)
Net Increase (Decrease) in Cash and Cash Equivalents	**18,918,611**	45,773,675
Cash and Cash Equivalents, beginning of year	**135,159,793**	89,386,118
Cash and Cash Equivalents, end of year	**154,078,404**	135,159,793
Cash and Cash Equivalents, end of year, is made up of:		
Cash	**154,078,404**	135,159,793
	154,078,404	135,159,793

Supplementary Cash Flow Information

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

NOTE 1 AUTHORITY AND PURPOSE

The School District, established on July 1, 1946 operates under the authority of the *School Act of British Columbia* as a corporation under the name of "The Board of Education of School District No. 43 (Coquitlam)", and operates as "School District No. 43 (Coquitlam)". A board of education ("Board") which is elected for a four year term governs the School District. The School District provides educational programs to students enrolled in schools in the district and is principally funded by the Province of British Columbia through the Ministry of Education. School District No. 43 (Coquitlam) is exempt from federal and provincial corporate income taxes.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting

The financial statements have been prepared in accordance with Section 23.1 of the *Budget Transparency and Accountability Act of the Province of British Columbia* supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board. The Budget Transparency and Accountability Act requires that the financial statements be prepared in accordance with the set of standards and guidelines that comprise generally accepted accounting principles for senior governments in Canada, or if the Treasury Board makes a regulation, the set of standards and guidelines that comprise generally accepted accounting principles for senior governments in Canada as modified by the alternate standard or guideline or part thereof adopted in the regulation.

Regulation 257/2010 requires all tax-payer supported organizations in the Schools, Universities, Colleges and Hospitals sectors to adopt Canadian public sector accounting standards without any PS4200 elections effective their first fiscal year commencing after January 1, 2012.

Regulation 198/2011 requires that restricted contributions received or receivable for acquiring or developing a depreciable tangible capital asset or contributions in the form of a depreciable tangible capital asset are to be deferred and recognized in revenue at the same rate that amortization of the related tangible capital asset is recorded.

For British Columbia tax-payer supported organizations, these contributions include government transfers and externally restricted contributions.

The accounting policy requirements under Regulation 198/2011 are significantly different from the requirements of Canadian public sector accounting standards which requires that;

- government transfers, which do not contain a stipulation that creates a liability, be recognized as revenue by the recipient when approved by the transferor and the
- eligibility criteria have been met in accordance with public sector accounting standard PS3410; and
- externally restricted contributions be recognized as revenue in the period in which the resources are used for the purpose or purposes specified in accordance with public sector accounting standard PS3100.

As a result, revenue recognized in the statement of operations and certain related deferred capital revenue would be recorded differently under Canadian Public Sector Accounting Standards

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

b) Basis of Consolidation

These financial statements reflect the assets, liabilities, revenues, and expenses of the reporting entity, which is comprised of all controlled entities. Inter-departmental balances and organizational transactions have been eliminated.

The School District does not control any significant external entities and accordingly no entities have been consolidated with the financial statements.

The School District does not administer any trust activities on behalf of external parties.

c) Cash and Cash Equivalents

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

d) Accounts Receivable

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

e) Portfolio Investments

The School District has investments in GIC's and bonds that have a maturity of greater than 3 months at the time of acquisition. GIC's and bonds not quoted in an active market are reported at amortized cost.

Impairment is defined as a loss in value of a portfolio investment that is other than a temporary decline and is included in the Statement of Operations.

f) Unearned Revenue

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

g) Deferred Revenue and Deferred Capital Revenue

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

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

h) Employee Future Benefits

i. Post-employment benefits

The School District provides certain post-employment benefits including accumulated sick leave, accumulated vacation pay, overtime, death benefits, early retirement, and severance/retirement allowances for certain employees pursuant to certain contracts and union agreements.

The School District accrues its obligations and related costs including both vested and non-vested benefits under employee future benefit plans. The future benefits cost is actuarially determined using the projected unit credit method pro-rated on service and using management's best estimate of expected salary escalation, termination and retirement rates and mortality. The discount rate used to measure obligations is based on the cost of borrowing except as per the election described in Note 9 Employee Future Benefits.

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

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

The School District provides for non-teaching employees a defined benefit plan, including health, dental and MSP premiums during retirement. An actuarial valuation is conducted every three years. The most recent valuation of the obligation was performed at December 31, 2016 and projected for use at June 30, 2017.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

h) Employee Future Benefits *(continued)*

ii. Pension Plans

The School District provides a defined benefit pension plan for non-teaching employees. An actuarial valuation is conducted every three years. The most recent valuation of the obligation was performed at December 31, 2016 and projected for use at June 30, 2017.

The School district and its teaching employees make contributions to the Teachers' Pension Plan a multi-employer plan where assets and obligations are not separated. The costs are expensed as incurred.

The School district and its non-teaching employees make contributions to the Non-Teaching Pension Plan of School District 43, (Coquitlam). Assets and obligations are separated and costs are accrued.

i) Asset Retirement Obligations

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

j) Liability for Contaminated Sites

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

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

The liability is recognized as management's estimate of the cost of post-remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

k) Tangible Capital Assets

The following criteria apply:

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

Buildings	40 years
Furniture & Equipment	10 years
Vehicles	10 years
Computer Hardware	5 years

l) Capital Leases

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

m) Prepaid Expenses

Materials, supplies and services held for use by the School District in the following fiscal year are included as a prepaid expense and stated at acquisition cost. Such items are charged to expense over the periods expected to benefit from it.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

n) Funds and Reserves

Certain amounts, as approved by the Board are set aside in accumulated surplus for future operating and capital purposes. Transfers to and from funds and reserves are an adjustment to the respective fund when approved. (See Note 13 – Interfund Transfers and Note 21 – Internally Restricted Surplus).

o) Revenue Recognition

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

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

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

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

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

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

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

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

p) Expenditures

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year is expensed.

Categories of Salaries

- Principals, Vice-Principals, and Directors of Instruction employed under an administrative officer contract are categorized as Principals and Vice-Principals.
- Superintendents, Assistant Superintendents, Secretary-Treasurers, Trustees and other employees excluded from union contracts are categorized as Other Professionals.

Allocation of Costs

- Operating expenses are reported by function, program, and object. Whenever possible, expenditures are determined by actual identification. Additional costs pertaining to specific instructional programs, such as special and aboriginal education, are allocated to these programs. All other costs are allocated to related programs.
- Actual salaries of personnel assigned to two or more functions or programs are allocated based on the time spent in each function and program. School-based clerical salaries are allocated to school administration and partially to other programs to which they may be assigned. Principals and Vice-Principals salaries are allocated to school administration and may be partially allocated to other programs to recognize their other responsibilities.
- Employee benefits and allowances are allocated to the same programs, and in the same proportions, as the individual's salary.
- Supplies and services are allocated based on actual program identification.

q) Endowment Contributions

Endowment contributions are reported as revenue on the Statement of Operations when received. Investment income earned on endowment principal is recorded as deferred revenue if it meets the definition of a liability and is recognized as revenue in the year related expenses (disbursements) are incurred. If the investment income earned does not meet the definition of a liability, it is recognized as revenue in the year it is earned. Endowment assets are reported as restricted non-financial assets on the Statement of Financial Position.

r) Financial Instruments

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

Financial instruments consist of cash and cash equivalents, accounts receivable, portfolio investments, accounts payable and accrued liabilities, and capital lease obligations.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

r) Financial Instruments (continued)

Except for portfolio investments in equity instruments quoted in an active market that are recorded at fair value, all financial assets and liabilities are recorded at cost or amortized cost and the associated transactions costs are added to the carrying value of these investments upon initial recognition. Transactions costs are incremental costs directly attributable to the acquisition or issue of a financial asset or a financial liability.

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. Interest and dividends attributable to financial instruments are reported in the statement of operations.

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

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

s) Measurement Uncertainty

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

NOTE 3 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	2017	2016
Benefit Deposit Allowances	$2,234,735	$2,445,824
Federal Grants	962,665	813,347
GST Input Tax Credit	1,141,107	584,952
Interest Income	191,009	188,690
Capital due from third parties	191,724	244,756
Other receivables	826,471	439,199
Allowance for doubtful accounts	(65,000)	(65,000)
Total Other Receivables	$5,482,711	$4,651,768

NOTE 4 PORTFOLIO INVESTMENTS

	2017	2016
Guaranteed investment certificates (GIC's)	10,000,000	10,000,000
Bonds	1,995,000	1,995,000
Total Portfolio Investments	$11,995,000	$11,995,000

$1,000,000 matures in the next year with a yield of 1.70%. $10,995,000 matures over the next three years with yields between 2.10% and 4.40%.

NOTE 5 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES – OTHER

	2017	2016
Trade Payables	$18,188,891	$14,182,758
Salary & Benefits Payable	17,162,087	15,724,281
Balance - Accounts Payable & Accrued Liabilities	$35,350,978	$29,907,039
Asset Retirement Obligations (Note 19)	$ 1,841,371	$ 1,682,961
Accrued Vacation Pay	4,631,754	4,839,793
Other	742,407	766,616
Balance - Total Other Liabilities	$ 7,215,532	$ 7,289,370
Total Accounts Payable and Accrued Liabilities	$42,566,510	$37,196,409

NOTE 6 UNEARNED REVENUE

	2017	2016
Balance, beginning of year	$27,332,518	$22,912,446
Tuition fees received	36,832,481	33,147,144
Tuition fees recognized	(35,426,895)	(28,727,072)
Balance, end of year	$28,738,104	$27,332,518

NOTE 7 DEFERRED REVENUE

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

	2017	2016
Balance, beginning of year	$10,828,267	$10,564,077
Increases:		
Provincial grants	11,935,713	9,068,763
Other	15,549,105	15,102,159
Investment income	29,648	17,581
	27,514,466	24,188,503
Decreases:		
Revenue recognized	(27,011,294)	(23,924,313)
Balance, end of year	$11,331,439	$10,828,267

NOTE 8 DEFERRED CAPITAL REVENUE

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

	2017	2016 (Recast - Note 15)
Deferred capital revenue subject to amortization		
Balance, beginning of year	$275,697,682	$276,907,402
Increases:		
Capital additions	4,298,835	4,860,584
Transfer from work in progress	1,647,661	5,251,178
	5,946,496	10,111,762
Decreases:		
Amortization	11,423,966	11,321,482
Net change for the year	(5,477,470)	(1,209,720)
Balance, end of year	$270,220,212	$275,697,682
Deferred capital revenue - Work in Progress		
Balance, beginning of year	$51,751,013	$30,760,580
Increases: Transfers from deferred capital contributions	31,390,732	27,235,824
Decrease: Transfer to deferred capital contribution subject to amortization	(1,647,661)	(5,251,178)
Prior period adjustment (Note 15)	-	(994,213)
Net change for the year	29,743,071	20,990,433
Balance, end of year	$81,494,084	$51,751,013
Unspent deferred capital revenue	$10,985,343	$9,999,869
Total deferred capital revenue balance, end of year	$362,699,639	$337,448,564

NOTE 9 EMPLOYEE FUTURE BENEFITS

Employee future benefit plan obligations consist of three plans as summarized.

	2017	2016
Employee future benefit plans	$ 28,446,510	$ 26,190,016
Non-Teaching pension plan (asset)	(11,524,000)	(8,164,425)
Non-Teaching retirement benefit plan	16,861,560	35,356,697
Total Employee Future Benefits	$ 33,784,070	$ 53,382,288

NOTE 9 EMPLOYEE FUTURE BENEFITS *(continued)*

a) Employee Future Benefit Plans

Benefits include vested sick leave, early retirement incentive, 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 has provided for the payment of these benefits.

	2017	2016
Reconciliation of accrued benefit obligation:		
Accrued benefit obligation – April 1	$28,638,426	$27,120,333
Service cost	1,962,878	2,067,994
Interest cost	735,893	634,871
Benefits payments	(738,547)	(769,388)
Actuarial (gain) / loss	(2,217,839)	(415,384)
Accrued benefit obligation – March 31	$28,380,811	$28,638,426
Reconciliation of funded status at end of fiscal year:		
Accrued benefit obligation – March 31	$28,380,811	$28,638,426
Funded status – surplus / (deficit)	$(28,380,811)	$(28,638,426)
Employer contributions after measurement date	286,151	224,864
Benefit expense after measurement date	(690,336)	(674,693)
Unamortized net actuarial (gain) / loss	338,486	2,898,239
Accrued benefit asset / (liability) – June 30	$(28,446,510)	$(26,190,016)
Reconciliation of change in accrued benefit liability:		
Accrued benefit liability – July 1	$26,190,016	$23,826,475
Net expense for the year	3,056,328	3,081,177
Employer contributions	(799,834)	(717,636)
Accrued benefit liability – June 30	$28,446,510	$26,190,016
Components of net benefit expense:		
Service Cost	$1,960,528	$2,041,716
Interest Cost	753,887	660,126
Amortization of net actuarial loss	341,913	379,335
Net benefit expense	$3,056,328	$3,081,177

The significant actuarial assumptions adopted for measuring the School District's accrued benefit obligations other than in respect of certain post-retirement benefits for non-teaching employees are:

	2017		2016	
Discount rate – April 1	2.50%		2.25%	
Discount rate – March 31	2.75%		2.50%	
Long term salary growth – April 1	2.50%	+ seniority	2.50%	+ seniority
Long term salary growth – March 31	2.50%	+ seniority	2.50%	+ seniority
EARSL – March 31	11.1	years	11.1	years

NOTE 9 EMPLOYEE FUTURE BENEFITS *(continued)*

b) Non-Teaching Pension Plan

The School District sponsors a defined benefit pension plan available to all non-teaching employees; the Retirement Plan for Non-Teaching Employees of School District No. 43 (Coquitlam). An actuarial valuation of the Retirement Plan for Non-Teaching Employees is conducted every 3 years. The actuarial valuation performed as at December 31, 2016 indicated a funding surplus of $7.1 million and a deficit on a solvency basis of $48.7 million. This valuation with be filed with the regulator in September 2017.

Solvency funding relief was prospectively provided by the Province through an Order in Council (OIC) dated October 23, 2014 with an expiry date of October 26, 2017. The OIC did not address the pre-OIC period in which an estimated $18.1 million of special payments would have been due resulting from the December 31, 2011 valuation, a further $8 million resulting from the December 31, 2013 valuation, and nominal interest of $3.3 million for a total of $29.4 million. The School District has obtained from a Canadian financial institution an unsecured letter of credit in the maximum amount of $30 million to meet this obligation. This Letter of Credit expires on October 20, 2017 and the School District is currently in the process of extending it. Subsequent interest payments will be made into a Solvency Reserve Account of the School District.

On October 24, 2016, the Province issued OIC 751 which provides for an extension of the solvency deficiency payment period from 5 to 10 years to all pension plans. The School District intends to rely on this OIC with respect to the solvency deficiency arising from the December 31, 2016 actuarial valuation that is in excess of the letter of credit. Annual payments will be made into the Solvency Reserve Account.

The School District has set aside $2,502,922 (2016 - $1,115,000) which has been recorded as a liability as at June 30, 2017 related to required solvency liability interest payments associated with the pre-October 23, 2014 OIC period covered by the letter of credit and additional required solvency deficiency payment obligations utilizing the aforementioned OIC 751 from the December 31, 2016 actuarial valuation.

NOTE 9 EMPLOYEE FUTURE BENEFITS *(continued)*

b) Non-Teaching Pension Plan *(continued)*

	2017	2016
Reconciliation of accrued benefit obligation:		
Accrued benefit obligation – Beginning of Year	$147,205,000	$140,770,000
Service cost	5,321,000	5,806,000
Interest cost	8,414,000	8,048,000
Transfers into the plan	355,000	-
Benefit payments	(7,440,000)	(7,049,000)
Actuarial (gains)/losses	5,971,000	-
Accrued benefit obligation – end of year	$159,826,000	$147,205,000
Reconciliation of funded status at end of fiscal year:		
Accrued benefit obligation – March 31st	$(159,826,000)	$(147,205,000)
Market value of plan assets – March 31st	169,629,000	156,334,000
Funded status – surplus / (deficit)	$9,803,000	$9,129,000
Funded status – surplus / (deficit)	$9,803,000	$9,129,000
Net change in 2nd quarter expenses	697,000	451,000
Unamortized net actuarial (gain) / loss	1,024,000	(1,415,575)
Accrued benefit asset / (liability) – June 30th	$11,524,000	$8,164,425
Current service cost – net of employee's contributions	$3,402,000	$3,614,000
Interest cost	8,414,000	8,048,000
Actual return on plan assets	(8,984,000)	(9,264,000)
Actuarial (gains) / losses	(180,000)	(1,501,000)
Defined benefit costs recognized	$2,652,000	$897,000
Change in plan assets:		
Market value – beginning of year	$156,334,000	$161,933,000
Actual return on plan assets	13,488,000	(3,943,000)
Employer's contributions	5,269,000	3,709,000
Employee's contributions	1,978,000	2,054,000
Benefits paid	(7,440,000)	(7,419,000)
Market value – end of year	$169,629,000	$156,334,000
Plan assets at end of year consist of:		
Equity securities	51%	48%
Debt securities	34%	35%
Mortgages	5%	5%
Real estate	10%	12%
	100%	100%
Discount Rate	5.25%	5.75%
Expected long-term rate of return on plan assets	5.25%	5.75%
EARSL	9.5 years	10.5 years
Rate of compensation increase	2.5%	2.5%

NOTE 9 EMPLOYEE FUTURE BENEFITS *(continued)*

c) Post-Retirement Health and Dental Benefits (Non-Pension Benefits)

In addition to the Retirement for Non-Teaching Employees, there is also a non-pension benefit obligation that represents the Board's share of premiums payable in respect of current and future retirees for the Medical Services Plan, Extended Health Benefits and Dental Benefits for non-teaching staff only. As at June 30, 2016 no funds have been internally designated to fund this liability.

Effective September 1, 2014 the Board's share of premium obligations changed for all current and future retirees from a 50% contribution to a 40% contribution.

Effective December 31, 2017, this Plan will be closed to new enrollees, in accordance with the Board resolution passed in February 2017 and reaffirmed during the 2017/18 public budget deliberations in April 2017. This action invokes section PS 3250.74 'plan curtailment' which results in the immediate recognition of unamortized net actuarial losses and the release of liabilities associated with employees who will no longer have access to this benefit. The resulting plan curtailment gain is recognized in District Administration expenses.

	2017	2016
Reconciliation of accrued benefit obligation:		
Accrued benefit obligation – April 1st	$47,314,000	$44,903,000
Service Cost	963,000	1,613,000
Interest Cost	1,187,000	1,022,000
Benefit payments	(622,000)	(564,000)
Curtailment (decrease in obligations)	(19,959,000)	-
Actuarial (gains)/losses	(13,485,000)	340,000
Accrued benefit obligation – March 31st	$15,398,000	$47,314,000
Reconciliation of funded status at end of fiscal year:		
Accrued benefit obligation – March 31st	$(15,398,000)	$(47,314,000)
Funded status – surplus / (deficit)	$(15,398,000)	$(47,314,000)
Funded status – surplus / (deficit)	$(15,398,000)	$(47,314,000)
Net change in 2nd quarter expenses	(375,000)	(510,000)
Unamortized net actuarial (gain) / loss	(1,088,560)	12,467,303
Accrued benefit asset / (liability) – June 30th	$(16,861,560)	$(35,356,697)
Current service cost – net of employee's contributions	$842,000	$1,693,000
Interest cost	1,187,000	1,022,000
Recognition of curtailment gain	(21,344,000)	-
Amortize actuarial (gains) / losses	1,587,000	1,549,000
Defined benefit costs recognized	$(17,728,000)	$4,264,000

NOTE 9 EMPLOYEE FUTURE BENEFITS *(continued)*

c) Post-Retirement Health and Dental Benefits (Non-Pension Benefits)

	2017	2016
Discount Rate	2.75%	2.50%
Expected long-term rate of return on plan assets	N/A	N/A
MSP	0% for one year	4.0% for one year
Dental	4.00% for one year	4.0% for one year
Extended Health	8% per year for three years then grading down to 5.0% in 0.5% decrements.	8.0% per year for three years then grading down to 5.0% in 0.5% decrements.
Estimated annual claim cost		
MSP Premium costs – couple	$1,800	$1,632
MSP Premium costs - single	$900	$900
Extended Health – couple	$1,540	$1,564
Extended Health - single	$770,	$783
Dental – couple	$906	$859
Dental – single	$453	$428
Amortization period	18.2 years	9.0 years

d) BC Teachers Pension Plan

The School District and its employees contribute to the Teachers' Pension Plan, jointly trusteed pension plan. The board of trustees for this plan representing plan members and employers are responsible for administering the pension plan including investing assets and administrating benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As December 31, 2015, the Teachers' Pension Plan has about 45,000 active members from School Districts, and approximately 36,000 retired members from School Districts.

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

NOTE 9 EMPLOYEE FUTURE BENEFITS *(continued)*

d) BC Teachers Pension Plan

The most recent actuarial valuation of the Teachers' Pension Plan as at December 31, 2014 indicated a $449 million surplus for basic pension benefits on a going concern basis.

School District 43 (Coquitlam) paid $19,675,203 (2016 - $21,453,009) for employer contributions to this plan in the year ended June 30, 2017.

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

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

e) Unfunded Accrued Employee Future Benefits

In reference to notes 9a and 9c, the unfunded liability for accrued employee future benefits that arose upon adoption of accrual accounting and PSA standards was eliminated in the current year as an outcome of curtailment and the release of liabilities resulting from the closure of the post retirement group benefit plan at December 31, 2017.

Unfunded liability, as at July 1, 2016	$ 23,239,888
Reductions during the year	23,239,888
Unfunded liability, as at June 30, 2017	$ -

NOTE 10 CAPITAL LEASE OBLIGATIONS

The School District leases several assets under capital leases. The leases expire on various dates through 2016 to 2019. All capital leases provide for a transfer of ownership of the asset to the School District through a bargain purchase option, or after the last lease payment has been made. The interest rates implicit in the leases vary from 3.31% to 5.00%. The School District has certain other leasing agreements with third parties; assets under these other agreements and respective liabilities are not material.

Total future minimum lease payments are as follows:	2017	2016
2016-17	-	78,597
2017-18	6,199	6,199
2018-19	5,427	5,427
2019-20	-	-
Total minimum lease payments	$11,626	$90,223
Less interest at the average implicit interest rate of 3.65%	$423	$2,785
Net present value of lease obligations	$11,203	$87,438

Total interest on leases for the year was $2,332 (2016: $23,575).

NOTE 11 TANGIBLE CAPITAL ASSETS

Net Book Value:	Net Book Value 2017	Net Book Value 2016
Sites	$112,508,685	$112,509,233
Buildings	373,692,431	346,009,441
Furniture & Equipment	1,655,665	2,437,440
Vehicles	474,566	414,696
Computer Hardware	3,423,262	1,240,801
	$491,754,609	$462,611,611

June 30, 2017

Costs:	Balance at June 30, 2016	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2017
Sites	$112,509,233	$0	$548	$-	$112,508,685
Buildings	510,933,687	4,275,595	-	3,288,915	518,498,197
Furniture & Equipment	8,615,700	83,995	1,287,449	-	7,412,246
Vehicles	952,060	163,238	108,490	-	1,006,808
Computer Hardware	3,081,777	3,109,796	-	-	6,191,573
	$636,092,457	$7,632,624	$1,396,487	$3,288,915	645,617,509
Work in progress	52,745,226	35,129,050	-	(3,288,915)	84,585,361
	688,837,683	42,761,674	1,396,487	-	730,202,870

NOTE 11 TANGIBLE CAPITAL ASSETS *(continued)*

Accumulated Amortization:	Balance at June 30, 2016	Additions	Disposals	Balance at June 30, 2017
Buildings	$217,669,472	11,721,655	-	$229,391,127
Furniture & Equipment	6,178,260	865,770	1,287,449	5,756,581
Vehicles	537,364	103,368	108,490	532,242
Computer Hardware	1,840,976	927,335	-	2,768,311
	$226,226,072	13,618,128	1,395,939	$238,448,261

June 30, 2016

Costs:	Balance at June 30, 2015	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2016
Sites	$112,511,146	$ -	$ 1,913	$ -	$112,509,233
Buildings	500,950,112	4,860,584	-	5,122,991	510,933,687
Furniture & Equipment	8,480,696	149,228	142,411	128,187	8,615,700
Vehicles	1,413,946	149,419	611,306	-	952,060
Computer Hardware	2,736,908	438,505	93,636	-	3,081,777
	$626,092,808	$5,597,737	$849,266	$5,251,178	$636,092,457
Work in progress	30,760,580	27,235,824	-	(5,251,178)	52,745,226
	$656,853,388	32,833,561	849,266	-	688,837,683

Accumulated Amortization:	Balance at July 1, 2015	Additions	Disposals	Balance at June 30, 2016
Buildings	$206,135,717	11,533,755	-	$217,669,472
Furniture & Equipment	5,465,140	855,531	142,411	6,178,260
Vehicles	999,804	148,866	611,306	537,364
Computer Hardware	1,343,379	591,233	93,636	1,840,976
	$213,944,040	13,129,385	847,353	$226,226,072

Included in Capital Assets is equipment under Capital Lease with a cost of $3,343,857 (2016 - $3,217,002) and accumulated amortization of $2,933,726 (2016 - $2,231,108).

NOTE 12 DISPOSAL OF SITES AND BUILDINGS

During the year the School District disposed of .27 acres of land adjacent Leigh Elementary School to the City of Coquitlam for road enhancements for $405,876. A net gain of $396,869 was recorded of which $357,182 (90%) was recorded in local capital reserve and $39,687 (10%) was recorded in restricted capital.

NOTE 13 INTERFUND TRANSFERS

Interfund transfers between the operating and capital funds for the year ended June 30, 2017 were $76,235 (2016 – $568,581) related to capital leases.

NOTE 14 RELATED PARTY TRANSACTIONS

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

NOTE 15 PRIOR PERIOD ADJUSTMENT

During fiscal 2017, the School District determined that WIP funded from Local Capital should have been presented as a transfer from Local Capital to Invested in Capital Assets. The School District has made the adjustment on a retroactive basis restating the 2016 comparative financial statements. This adjustment had the impact of decreasing 2016 Expenses – Operations and Maintenance by $994,213, increasing 2016 Surplus for the year by $994,213, decreasing 2016 Deferred Capital Revenue by $994,213 and increasing the Accumulated Surplus by $994,213.

Statement of Operations	
Expenses – Operations and Maintenance for the year ended June 30, 2016, as previously reported	$43,062,792
Adjustment	(994,213)
Expenses – Operations and Maintenance for the year ended June 30, 2016, as restated	$42,068,579
Statement of Operations	
Surplus (Deficit) for the year ended June 30, 2016, as previously reported	$33,357,834
Adjustment	994,213
Accumulated Surplus (Deficit) for the year ended June 30, 2016, as restated	$34,352,047
Statement of Financial Position	
Deferred Capital Revenue for the year ended June 30, 2016, as previously reported	$338,442,777
Adjustment	(994,213)
Deferred Capital Revenue for the year ended June 30, 2016, as restated	$337,448,564
Statement of Financial Position	
Accumulated Surplus (Deficit) for the year ended June 30, 2016, as previously reported	$148,609,212
Adjustment	994,213
Accumulated Surplus (Deficit) for the year ended June 30, 2016, as restated	$149,603,425

NOTE 16 CONTRACTUAL OBLIGATIONS

a) The School District has committed to capital expenditures to construct new facilities and upgrade current facilities. The outstanding capital commitments as at June 30, 2017 are $52,923,780 (2016 - $76,598,060). These contractual obligations will become liabilities in the future when the terms of the contracts are met. Disclosure relates to the unperformed portion of the contracts.

Funding approval for these committed projects has been received from the Ministry of Education, the expenditures will be funded from available Capital Funds, and the proceeds of new capital funding will be provided by the Ministry.

Contractual Obligation	2018	2019	2020	2021	Thereafter	Total
Banting	$ 10,800,000	7,979,235	-	-	-	$18,779,235
Smiling Creek	13,853,281	-	-	-	-	13,853,281
Centennial	9,200,000	2,296,657	-	-	-	11,496,657
Glen	1,079,209	-	-	-	-	1,079,209
Blakeburn	360,805	-	-	-	-	360,805
Westwood	262,000	-	-	-	-	262,000
Moody Middle	6,092,593	1,000,000	-	-	-	7,092,593
Total:	41,647,888	11,275,892	-	-	-	$ 52,923,780

b) The School District has no significant operating leases.

c) The collective agreement between the School District and the Coquitlam Teachers' Association allows teachers to elect to be paid over 12 months. As at June 30, 2017 the amount held by the School District and included in cash and accounts payable was $6,439,218 (2016 - $6,109,485).

NOTE 17 CONTINGENCIES

In the ordinary course of operations, the School District has legal proceedings brought against it and provisions have been included in liabilities where appropriate. It is the opinion of management that final determination of these claims will not have a material effect on the financial position or operations of the School District.

NOTE 18 BUDGET FIGURES

Budget figures included in the financial statements were approved by the Board through the adoption of an amended annual budget bylaw on February 7, 2017 and reflect more current estimates on student enrolment, revenues and expenditures.

	Original Budget	Amended Budget	Change
Revenue			
Provincial Grants			
Ministry of Education	$271,095,903	$274,033,540	$ 2,937,637
Other	72,560	62,560	(10,000)
Federal Grants	2,200,000	2,390,000	190,000
Tuition	24,139,187	31,758,336	7,619,149
Other Revenue	11,832,018	13,956,434	2,124,416
Rentals and Leases	2,162,875	2,162,875	-
Investment Income	1,300,000	1,700,000	400,000
Gain on Disposal of Tangible Asset	-	533,051	533,051
Amortization of Deferred Capital Revenue	12,250,000	11,713,000	(537,000)
Total Revenue	$325,052,543	$338,309,796	$13,257,253
Expenses			
Instruction	$272,306,587	$279,361,101	$ 7,054,514
District Administration	9,636,942	10,535,811	898,869
Operations and Maintenance	42,558,072	48,620,676	6,062,604
Transportation and Housing	475,942	484,907	8,965
Debt Services	2,325	2,325	-
Total Expense	$324,979,868	$339,004,820	$14,024,952
Prior Year Surplus Appropriation	$1,350,000	$ 2,192,750	$ 842,750
Retirement of Deficit	(1,250,000)	(1,250,000)	-
Reduction of Unfunded Employee Future Benefits	(500,000)	(1,604,000)	(1,104,000)
Budgeted Surplus (Deficit) for the Year	-	-	-
Capital Fund Surplus (Deficit)	$(327,325)	$(1,356,274)	$(1,028,949)
Budgeted Surplus (Deficit) for the year	$(327,325)	$(1,356,274)	$(1,028,949)

Changes between the preliminary budget and the amended budget primarily result from: a) student enrolment and composition and the resulting grant revenue and staffing requirements; b) increased international education student enrolment, corresponding tuition revenues, and resulting staffing requirements; and c) recognition of the gain of a land sale (Note 12).

NOTE 19 ASSET RETIREMENT OBLIGATION

As at June 30, 2017 there is a liability of $1,841,371 (2016 - $1,682,961) related to environmental obligations. The associated environmental costs relate to the betterment of schools and are capitalized as part of the carrying value of the long-lived asset and subsequently amortized over the asset's useful life. This amount is considered to approximate fair value of the liability as the School District is expected to complete the upgrades to the related schools within the next major maintenance cycle of three to five years. There may be additional environmental costs that cannot be estimated at this point in time.

NOTE 20 EXPENSE BY OBJECT

	2017	2016 (Recast – Note 15)
Salaries and benefits	$250,968,633	$264,550,915
Services and supplies	44,039,366	41,934,591
Amortization	13,618,128	13,129,385
Debt Servicing	2,333	23,575
Total	$308,628,460	$319,638,466

NOTE 21 INTERNALLY RESTRICTED FUNDS

a) Operating Fund

The School District attributes a portion of the accumulated surplus to an internal operating fund and internally restricts a portion of the balance. The detail of the restricted operating surplus is as follows:

Student Learning Grant	$ 141,914
Aboriginal Education	43,534
School Carryforward	1,040,686
Future Year's Educational Stabilization Provision	10,825,715
Contingency Reserve	1,150,964
Employee Benefits (Pension Solvency Provision)	3,200,000
Facilities and Maintenance	2,949,155
Technology	1,949,155
Total Internally Restricted Items	$21,301,123

b) Capital Fund

The School District internally restricts a portion of its capital surplus in the local capital reserve account for future capital requirements including facility additions, capital improvements, and other capital infrastructure requirements. At June 30, 2017, $22,420,164 was restricted (2016 - $24,180,000).

NOTE 22 ECONOMIC DEPENDENCE

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

NOTE 23 RISK MANAGEMENT

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

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

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

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

It is management's opinion that the School District is not exposed to significant credit risk associated with its cash deposits and portfolio investments as they are placed in recognized British Columbia institutions and the School District invests solely in guaranteed investment certificates, term deposits, and bonds. Cash and cash equivalents consist of term deposits held with a chartered bank and the Provincial Central Deposit Program.

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

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

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The School District is exposed to interest rate risk through its investments. It is management's opinion that the School District is not exposed to significant interest rate risk as they invest solely in guaranteed investment certificates, term deposits, and bonds that have a maturity date of no more than 5 years.

NOTE 23 RISK MANAGEMENT *(continued)*

(c) Liquidity risk

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

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

Risk Management and insurance services for all School Districts in British Columbia are provided by the Risk Management Branch of the Ministry of Finance.

NOTE 24 COMPARATIVE INFORMATION

Certain comparative information has been reclassified to conform with the financial statement presentation adopted for the current year.

School District No. 43 (Coquitlam)
Schedule of Changes in Accumulated Surplus (Deficit) by Fund
Year Ended June 30, 2017

	Operating Fund	Special Purpose Fund	Capital Fund	2017 Actual	2016 Actual (Recast - Note 15)
	$	$	$	$	$
Accumulated Surplus (Deficit), beginning of year	(14,358,612)		163,962,037	**149,603,425**	115,251,378
Changes for the year					
Surplus (Deficit) for the year	39,069,759		(562,403)	**38,507,356**	34,352,047
Interfund Transfers					
Tangible Capital Assets Purchased	(3,333,789)		3,333,789	-	
Other	(76,235)		76,235	-	
Net Changes for the year	**35,659,735**	-	**2,847,621**	**38,507,356**	**34,352,047**
Accumulated Surplus (Deficit), end of year - Statement 2	**21,301,123**	-	**166,809,658**	**188,110,781**	149,603,425

School District No. 43 (Coquitlam)

Schedule 2 (Unaudited)

Schedule of Operating Operations
Year Ended June 30, 2017

	2017 Budget (Note 17)	2017 Actual	2016 Actual (Recast - Note 15)
	$	$	$
Revenues			
Provincial Grants			
Ministry of Education	264,818,821	**267,168,011**	261,484,800
Other	42,560	**51,072**	51,072
Tuition	31,758,336	**35,426,895**	28,727,072
Other Revenue	769,856	**959,701**	570,138
Rentals and Leases	1,582,875	**1,717,090**	1,660,507
Investment Income	1,500,000	**1,618,215**	1,183,254
Total Revenue	300,472,448	**306,940,984**	293,676,843
Expenses			
Instruction	256,036,434	**254,593,891**	245,903,193
District Administration	10,535,811	**(17,629,958)**	8,493,658
Operations and Maintenance	31,259,046	**30,450,058**	27,397,232
Transportation and Housing	484,907	**457,234**	461,778
Total Expense	298,316,198	**267,871,225**	282,255,861
Operating Surplus (Deficit) for the year	2,156,250	**39,069,759**	11,420,982
Budgeted Appropriation (Retirement) of Surplus (Deficit)	942,750		
Budgeted Reduction of Unfunded Accrued Employee Future Benefits	(1,604,000)		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(616,440)	**(3,333,789)**	(737,153)
Local Capital	(800,000)		
Other	(78,560)	**(76,235)**	(568,581)
Total Net Transfers	(1,495,000)	**(3,410,024)**	(1,305,734)
Total Operating Surplus (Deficit), for the year	-	**35,659,735**	10,115,248
Operating Surplus (Deficit), beginning of year		**(14,358,612)**	(24,473,860)
Operating Surplus (Deficit), end of year		**21,301,123**	(14,358,612)
Operating Surplus (Deficit), end of year			
Internally Restricted		**21,301,123**	11,363,564
Unrestricted		**-**	(2,482,288)
Unfunded Accrued Employee Future Benefits		**-**	(23,239,888)
Total Operating Surplus (Deficit), end of year		**21,301,123**	(14,358,612)

School District No. 43 (Coquitlam)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source
Year Ended June 30, 2017

	2017 Budget (Note 17)	2017 Actual	2016 Actual (Recast - Note 15)
	$	$	$
Provincial Grants - Ministry of Education			
Operating Grant, Ministry of Education	261,444,247	**261,475,488**	259,318,957
Other Ministry of Education Grants			
Pay Equity	706,353	**706,353**	706,353
Funding for Graduated Adults	1,002,367	**1,228,711**	1,073,261
Transportation Supplement	81,641	**81,641**	
Economic Stability Dividend		**167,438**	233,186
Return of Administrative Savings	1,338,556	**1,338,556**	
Carbon Tax Grant	200,000	**406,689**	
Student Learning Grant		**1,588,175**	
Skills Assessment - FSA Monitoring	30,657	**30,656**	32,437
PLNet, Social Media Grant,Shoulder Tappers	15,000	**144,304**	32,500
Curriculum Implementation Grant		**-**	47,950
PLNet Recovery Funding		**-**	40,156
Total Provincial Grants - Ministry of Education	264,818,821	**267,168,011**	261,484,800
Provincial Grants - Other	42,560	**51,072**	51,072
Tuition			
Continuing Education	1,199,616	**1,226,215**	1,128,265
International and Out of Province Students	30,558,720	**34,200,680**	27,598,807
Total Tuition	31,758,336	**35,426,895**	28,727,072
Other Revenues			
Miscellaneous			
Miscellaneous	769,856	**959,701**	570,138
Total Other Revenue	769,856	**959,701**	570,138
Rentals and Leases	1,582,875	**1,717,090**	1,660,507
Investment Income	1,500,000	**1,618,215**	1,183,254
Total Operating Revenue	300,472,448	**306,940,984**	293,676,843

School District No. 43 (Coquitlam)

Schedule of Operating Expense by Object
Year Ended June 30, 2017

	2017 Budget (Note 17)	**2017 Actual**	2016 Actual (Recast - Note 15)
	$	$	$
Salaries			
Teachers	140,753,921	**140,664,251**	135,745,712
Principals and Vice Principals	13,394,413	**13,191,056**	12,103,981
Educational Assistants	15,077,629	**14,388,420**	12,978,783
Support Staff	22,619,483	**22,296,253**	22,178,628
Other Professionals	5,192,757	**5,383,801**	4,718,830
Substitutes	9,864,674	**9,266,736**	8,883,127
Total Salaries	206,902,877	**205,190,517**	196,609,061
Employee Benefits	60,353,453	**33,020,623**	58,097,236
Total Salaries and Benefits	267,256,330	**238,211,140**	254,706,297
Services and Supplies			
Services	9,427,617	**8,694,544**	8,113,786
Student Transportation	436,138	**408,194**	418,206
Professional Development and Travel	2,027,713	**1,712,556**	1,640,273
Rentals and Leases	100,616	**296,670**	207,015
Dues and Fees	1,506,345	**2,165,435**	1,912,883
Insurance	2,324,245	**1,563,558**	2,076,414
Supplies	10,161,935	**9,599,164**	8,443,185
Utilities	5,075,259	**5,219,964**	4,737,802
Total Services and Supplies	31,059,868	**29,660,085**	27,549,564
Total Operating Expense	298,316,198	**267,871,225**	282,255,861

School District No. 43 (Coquitlam)

Operating Expense by Function, Program and Object

Year Ended June 30, 2017

	Teachers Salaries	Principals and Vice Principals Salaries	Educational Assistants Salaries	Support Staff Salaries	Other Professionals Salaries	Substitutes Salaries	Total Salaries
	$	$	$	$	$	$	$
1 Instruction							
1.02 Regular Instruction	99,918,783	2,495,903	193,053	4,244,434	64,099	5,049,816	**111,966,088**
1.03 Career Programs	146,865	-	45,612	-	-	8,746	**201,223**
1.07 Library Services	-	-	341,963	-	-	19,110	**361,073**
1.08 Counselling	4,290,461	-	-	-	-	194,401	**4,484,862**
1.10 Special Education	18,644,651	132,611	13,117,638	129,790	-	1,664,275	**33,688,965**
1.30 English Language Learning	4,392,137	-	-	-	-	199,056	**4,591,193**
1.31 Aboriginal Education	422,497	130,516	490,694	100,279	-	9,843	**1,153,829**
1.41 School Administration	-	9,728,109	-	2,842,095	-	343,364	**12,913,568**
1.60 Summer School	1,005,673	-	-	66,674	-	61,149	**1,133,496**
1.61 Continuing Education	1,728,218	337,967	18,543	475,486	132,077	77,329	**2,769,620**
1.62 International and Out of Province Students	9,975,809	127,361	128,824	274,672	297,712	506,958	**11,311,336**
1.64 Other	139,157	111,104	52,093	32,069	-	-	**334,423**
Total Function 1	**140,664,251**	**13,063,571**	**14,388,420**	**8,165,499**	**493,888**	**8,134,047**	**184,909,676**
4 District Administration							
4.11 Educational Administration	-	-	-	83,381	868,806	7,482	**959,669**
4.40 School District Governance	-	-	-	-	407,116	-	**407,116**
4.41 Business Administration	-	127,485	-	1,490,162	2,351,002	79,359	**4,048,008**
Total Function 4	**-**	**127,485**	**-**	**1,573,543**	**3,626,924**	**86,841**	**5,414,793**
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	-	-	-	329,224	939,870	32,079	**1,301,173**
5.50 Maintenance Operations	-	-	-	11,430,453	299,664	880,727	**12,610,844**
5.52 Maintenance of Grounds	-	-	-	786,035	-	132,509	**918,544**
5.56 Utilities	-	-	-	-	-	-	**-**
Total Function 5	**-**	**-**	**-**	**12,545,712**	**1,239,534**	**1,045,315**	**14,830,561**
7 Transportation and Housing							
7.41 Transportation and Housing Administration	-	-	-	11,499	23,455	533	**35,487**
7.70 Student Transportation	-	-	-	-	-	-	**-**
Total Function 7	**-**	**-**	**-**	**11,499**	**23,455**	**533**	**35,487**
9 Debt Services							
Total Function 9	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Functions 1 - 9	**140,664,251**	**13,191,056**	**14,388,420**	**22,296,253**	**5,383,801**	**9,266,736**	**205,190,517**

School District No. 43 (Coquitlam)

Operating Expense by Function, Program and Object

Year Ended June 30, 2017

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2017 Actual	2017 Budget (Note 17)	2016 Actual (Recast - Note 15)
	$	$	$	$	$	$	$
1 Instruction							
1.02 Regular Instruction	111,966,088	29,497,887	141,463,975	8,817,111	150,281,086	150,013,046	146,423,617
1.03 Career Programs	201,223	55,417	256,640	59,697	316,337	322,698	269,749
1.07 Library Services	361,073	135,791	496,864	316,426	813,290	869,396	890,440
1.08 Counselling	4,484,862	1,176,743	5,661,605	-	5,661,605	5,671,164	5,782,793
1.10 Special Education	33,688,965	10,797,093	44,486,058	417,936	44,903,994	46,207,919	42,489,158
1.30 English Language Learning	4,591,193	1,204,630	5,795,823	26,196	5,822,019	5,822,555	5,564,982
1.31 Aboriginal Education	1,153,829	260,998	1,414,827	136,918	1,551,745	1,589,775	1,598,216
1.41 School Administration	12,913,568	3,455,780	16,369,348	2,328,346	18,697,694	19,327,113	19,023,443
1.60 Summer School	1,133,496	160,144	1,293,640	66,568	1,360,208	1,407,400	1,296,991
1.61 Continuing Education	2,769,620	589,359	3,358,979	857,867	4,216,846	4,227,182	3,904,338
1.62 International and Out of Province Students	11,311,336	3,393,746	14,705,082	5,682,860	20,387,942	19,863,425	17,982,054
1.64 Other	334,423	76,150	410,573	170,552	581,125	714,761	677,412
Total Function 1	184,909,676	50,803,738	235,713,414	18,880,477	254,593,891	256,036,434	245,903,193
4 District Administration							
4.11 Educational Administration	959,669	(22,903,833)	(21,944,164)	260,615	(21,683,549)	1,656,983	1,362,301
4.40 School District Governance	407,116	9,769	416,885	121,899	538,784	566,836	524,129
4.41 Business Administration	4,048,008	468,902	4,516,910	(1,002,103)	3,514,807	8,311,992	6,607,228
Total Function 4	5,414,793	(22,425,162)	(17,010,369)	(619,589)	(17,629,958)	10,535,811	8,493,658
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	1,301,173	273,526	1,574,699	799,698	2,374,397	2,204,378	2,060,648
5.50 Maintenance Operations	12,610,844	4,034,687	16,645,531	3,414,994	20,060,525	20,631,877	18,562,378
5.52 Maintenance of Grounds	918,544	242,178	1,160,722	1,502,871	2,663,593	3,181,358	1,970,671
5.56 Utilities	-	78,103	78,103	5,273,440	5,351,543	5,241,433	4,803,535
Total Function 5	14,830,561	4,628,494	19,459,055	10,991,003	30,450,058	31,259,046	27,397,232
7 Transportation and Housing							
7.41 Transportation and Housing Administration	35,487	13,553	49,040	-	49,040	48,769	43,572
7.70 Student Transportation	-	-	-	408,194	408,194	436,138	418,206
Total Function 7	35,487	13,553	49,040	408,194	457,234	484,907	461,778
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	205,190,517	33,020,623	238,211,140	29,660,085	267,871,225	298,316,198	282,255,861

School District No. 43 (Coquitlam)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations
Year Ended June 30, 2017

	2017 Budget (Note 17)	2017 Actual	2016 Actual (Recast - Note 15)
	$	$	$
Revenues			
Provincial Grants			
Ministry of Education	9,214,719	**11,750,084**	9,577,822
Other	20,000	**2,124**	20,717
Federal Grants	2,390,000	**2,962,205**	2,348,897
Other Revenue	12,936,578	**12,296,881**	11,976,877
Total Revenue	24,561,297	**27,011,294**	23,924,313
Expenses			
Instruction	23,324,667	**25,774,664**	22,687,683
Operations and Maintenance	1,236,630	**1,236,630**	1,236,630
Total Expense	24,561,297	**27,011,294**	23,924,313
Special Purpose Surplus (Deficit) for the year	-	-	-
Total Special Purpose Surplus (Deficit) for the year	-	-	-
Special Purpose Surplus (Deficit), beginning of year			
Special Purpose Surplus (Deficit), end of year		-	-

School District No. 43 (Coquitlam)

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2017

	Annual Facility Grant	Learning Improvement Fund	Special Education Equipment	Scholarships and Bursaries	Service Delivery Transformation	Special Education Technology	School Generated Funds	Strong Start	Ready, Set, Learn
	$	$	$	$	$	$	$	$	$
Deferred Revenue, beginning of year	-	-	19,638	571,625	194,996		6,257,726	27,295	31,711
Add: Restricted Grants									
Provincial Grants - Ministry of Education	1,236,630	5,355,493	-	-	-		-	419,190	110,250
Federal Grants			-	-	-		-	-	-
Other	-	-	-	11,753	-		11,695,739	-	-
Investment Income	-	-	-	10,568	-		-	-	-
	1,236,630	5,355,493	-	22,321	-	-	11,695,739	419,190	110,250
Less: Allocated to Revenue	1,236,630	5,355,493	17,841	24,775	-	-	11,366,229	426,502	108,454
Deferred Revenue, end of year	**-**	**-**	**1,797**	**569,171**	**194,996**	**-**	**6,587,236**	**19,983**	**33,507**
Revenues									
Provincial Grants - Ministry of Education	1,236,630	5,355,493	17,841	-	-		-	426,502	108,454
Provincial Grants - Other	-	-	-	-	-		-	-	-
Federal Grants	-	-	-	-	-		-	-	-
Other Revenue	-	-	-	24,775	-	-	11,366,229	-	-
	1,236,630	5,355,493	17,841	24,775	-	-	11,366,229	426,502	108,454
Expenses									
Salaries									
Teachers	-	3,196,000	-	-	-		-	43,626	43,626
Principals and Vice Principals	-	-	-	-	-		-	-	-
Educational Assistants	-	795,905	-	-	-		-	-	-
Support Staff	-	-	-	-	-		-	278,115	-
Other Professionals	-	-	-	-	-		-	-	-
Substitutes	-	-	-	-	-		-	-	-
	-	3,991,905	-	-	-	-	-	321,741	43,626
Employee Benefits	-	1,363,588	-	-	-		-	31,922	14,247
Services and Supplies	1,236,630	-	17,841	24,775	-		11,366,229	72,839	50,581
	1,236,630	5,355,493	17,841	24,775	-	-	11,366,229	426,502	108,454
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers									
	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 43 (Coquitlam)

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2017

	OLEP	CommunityLINK	Coding and Curriculum Implementation	Priority Measures	Day Treatment	Sudnry Programs	Staff Development	Sick Leave Trust	Contractual Reserve
	$	$	$	$	$	$	$	$	$
Deferred Revenue, beginning of year	112,663	1,578	-	-	-	211,784	208,719	298,523	2,328,364
Add: Restricted Grants									
Provincial Grants - Ministry of Education	395,502	1,434,884	200,091	2,659,326	124,347	-	-	-	-
Federal Grants	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	78,403	20,154	249,817	224,624
Investment Income	-	-	-	-	-	-	-	1,401	17,679
	395,502	1,434,884	200,091	2,659,326	124,347	78,403	20,154	251,218	242,303
Less: Allocated to Revenue	381,105	1,434,884	5,502	2,659,326	124,347	133,320	24,706	303,565	94,538
Deferred Revenue, end of year	**127,060**	**1,578**	**194,589**	**-**	**-**	**156,867**	**204,167**	**246,176**	**2,476,129**
Revenues									
Provincial Grants - Ministry of Education	381,105	1,434,884	5,502	2,659,326	124,347	-	-	-	-
Provincial Grants - Other	-	-	-	-	-	-	-	-	-
Federal Grants	-	-	-	-	-	-	-	-	-
Other Revenue	-	-	-	-	-	133,320	24,706	303,565	94,538
	381,105	1,434,884	5,502	2,659,326	124,347	133,320	24,706	303,565	94,538
Expenses									
Salaries									
Teachers	40,494	99,867	-	1,879,037	87,228	-	-	-	-
Principals and Vice Principals	-	-	-	-	-	-	-	-	-
Educational Assistants	-	640,000	-	-	-	-	-	-	-
Support Staff	-	232,563	-	-	-	-	-	80,585	-
Other Professionals	-	-	-	-	-	67,289	-	-	-
Substitutes	-	-	-	107,147	-	-	-	-	
	40,494	972,430	-	1,986,184	87,228	67,289	-	80,585	-
Employee Benefits	11,479	351,309	-	673,142	29,882	9,984	-	222,183	-
Services and Supplies	329,132	111,145	5,502	-	7,237	56,047	24,706	797	94,538
	381,105	1,434,884	5,502	2,659,326	124,347	133,320	24,706	303,565	94,538
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers									
	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 43 (Coquitlam)

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2017

	Apprenticeship Program	Settlement Workers (Prov)	ELSA/LINC	Settlement Workers (Fed)	Comm Link Lunch Program	TOTAL
	$	$	$	$	$	$
Deferred Revenue, beginning of year	314,824	248,821	-	-	-	10,828,267
Add: Restricted Grants						
Provincial Grants - Ministry of Education	-	-	-	-	-	11,935,713
Federal Grants	-	-	2,139,996	822,209		2,962,205
Other	246,765	200	-	-	59,445	12,586,900
Investment Income	-	-	-	-	-	29,648
	246,765	200	2,139,996	822,209	59,445	27,514,466
Less: Allocated to Revenue	297,601	2,124	2,139,996	822,209	52,147	27,011,294
Deferred Revenue, end of year	**263,988**	**246,897**	**-**	**-**	**7,298**	**11,331,439**
Revenues						
Provincial Grants - Ministry of Education	-	-	-	-	-	11,750,084
Provincial Grants - Other	-	2,124	-	-	-	2,124
Federal Grants	-	-	2,139,996	822,209	-	2,962,205
Other Revenue	297,601	-	-	-	52,147	12,296,881
	297,601	2,124	2,139,996	822,209	52,147	27,011,294
Expenses						
Salaries						
Teachers	148,948	-	882,673	-	-	6,421,499
Principals and Vice Principals	-	-	64,185	57,012	-	121,197
Educational Assistants	-	-	-	-	-	1,435,905
Support Staff	-	-	193,939	571,953	-	1,357,155
Other Professionals	-	-	11,084	2,297	-	80,670
Substitutes	-		40,274	-	-	147,421
	148,948	-	1,192,155	631,262	-	9,563,847
Employee Benefits	47,597	-	281,184	157,129	-	3,193,646
Services and Supplies	101,056	2,124	666,657	33,818	52,147	14,253,801
	297,601	2,124	2,139,996	822,209	52,147	27,011,294
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-
Interfund Transfers						
	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-

School District No. 43 (Coquitlam)

Schedule of Capital Operations
Year Ended June 30, 2017

	2017 Budget (Note 17)	2017 Actual Invested in Tangible Capital Assets	2017 Actual Local Capital	2017 Actual Fund Balance	2016 Actual (Recast - Note 15)
	$	$	$	$	$
Revenues					
Other Revenue	250,000	-	354,769	354,769	-
Rentals and Leases	580,000		576,791	576,791	884,729
Investment Income	200,000		470,830	470,830	334,085
Gain (Loss) on Disposal of Tangible Capital Assets	533,051	357,182		357,182	23,849,061
Amortization of Deferred Capital Revenue	11,713,000	11,423,966		11,423,966	11,321,482
Total Revenue	13,276,051	11,781,148	1,402,390	13,183,538	36,389,357
Expenses					
Operations and Maintenance	2,600,000	-	125,480	125,480	305,332
Amortization of Tangible Capital Assets					
Operations and Maintenance	13,525,000	13,618,128		13,618,128	13,129,385
Debt Services					
Capital Lease Interest	2,325		2,333	2,333	23,575
Total Expense	16,127,325	13,618,128	127,813	13,745,941	13,458,292
Capital Surplus (Deficit) for the year	(2,851,274)	(1,836,980)	1,274,577	(562,403)	22,931,065
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	616,440	3,333,789		3,333,789	737,153
Local Capital	800,000			-	-
Capital Lease Payment	78,560		76,235	76,235	568,581
Total Net Transfers	1,495,000	3,333,789	76,235	3,410,024	1,305,734
Other Adjustments to Fund Balances					
District Portion of Proceeds on Disposal		(357,182)	357,182	-	
Tangible Capital Assets Purchased from Local Capital		1,641,254	(1,641,254)	-	
Tangible Capital Assets WIP Purchased from Local Capital		2,097,064	(2,097,064)	-	
Principal Payment					
Capital Lease		76,235	(76,235)	-	
Total Other Adjustments to Fund Balances		3,457,371	(3,457,371)	-	
Total Capital Surplus (Deficit) for the year	(1,356,274)	4,954,180	(2,106,559)	2,847,621	24,236,799
Capital Surplus (Deficit), beginning of year		136,669,117	27,292,920	163,962,037	139,725,238
Capital Surplus (Deficit), end of year		141,623,297	25,186,361	166,809,658	163,962,037

School District No. 43 (Coquitlam)

Tangible Capital Assets
Year Ended June 30, 2017

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	$	$	$	$	$	$	$
Cost, beginning of year	112,509,233	510,933,687	8,615,700	952,060	-	3,081,777	**636,092,457**
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw	-	4,275,595	-	-	-	-	**4,275,595**
Deferred Capital Revenue - Other	-	-	23,240	-	-	-	**23,240**
Operating Fund	-	-	60,755	163,238	-	3,109,796	**3,333,789**
Local Capital	-	1,641,254	-	-	-	-	**1,641,254**
Transferred from Work in Progress		1,647,661					**1,647,661**
	-	7,564,510	83,995	163,238	-	3,109,796	**10,921,539**
Decrease:							
Disposed of	548	-	-	-	-	-	**548**
Deemed Disposals			1,287,449	108,490	-	-	**1,395,939**
	548	-	1,287,449	108,490	-	-	**1,396,487**
Cost, end of year	112,508,685	518,498,197	7,412,246	1,006,808	-	6,191,573	**645,617,509**
Work in Progress, end of year		84,585,361					**84,585,361**
Cost and Work in Progress, end of year	112,508,685	603,083,558	7,412,246	1,006,808	-	6,191,573	**730,202,870**
Accumulated Amortization, beginning of year		217,669,472	6,178,260	537,364	-	1,840,976	**226,226,072**
Changes for the Year							
Increase: Amortization for the Year		11,721,655	865,770	103,368	-	927,335	**13,618,128**
Decrease:							
Deemed Disposals			1,287,449	108,490	-	-	**1,395,939**
		-	1,287,449	108,490	-	-	**1,395,939**
Accumulated Amortization, end of year		229,391,127	5,756,581	532,242	-	2,768,311	**238,448,261**
Tangible Capital Assets - Net	**112,508,685**	**373,692,431**	**1,655,665**	**474,566**	**-**	**3,423,262**	**491,754,609**

School District No. 43 (Coquitlam)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress
Year Ended June 30, 2017

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	$	$	$	$	$
Work in Progress, beginning of year	52,745,226	-	-	-	**52,745,226**
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	29,306,958	-	-	-	**29,306,958**
Deferred Capital Revenue - Other	2,083,774	-	-	-	**2,083,774**
Local Capital	2,097,064				**2,097,064**
	33,487,796	-	-	-	**33,487,796**
Decrease:					
Transferred to Tangible Capital Assets	1,647,661	-	-	-	**1,647,661**
Transferred to Tangible Capital Assets from Local Capital		-	-	-	**-**
	1,647,661	-	-	-	**1,647,661**
Net Changes for the Year	31,840,135	-	-	-	**31,840,135**
Work in Progress, end of year	**84,585,361**	-	-	-	**84,585,361**

School District No. 43 (Coquitlam)

Schedule 4C (Unaudited)

Deferred Capital Revenue
Year Ended June 30, 2017

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	$	$	$	$
Deferred Capital Revenue, beginning of year	274,195,264	1,257,474	244,944	**275,697,682**
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	4,275,595	23,240		**4,298,835**
Transferred from Work in Progress	1,647,661			**1,647,661**
	5,923,256	23,240	-	**5,946,496**
Decrease:				
Amortization of Deferred Capital Revenue	11,356,204	34,262	33,500	**11,423,966**
	11,356,204	34,262	33,500	**11,423,966**
Net Changes for the Year	(5,432,948)	(11,022)	(33,500)	**(5,477,470)**
Deferred Capital Revenue, end of year	268,762,316	1,246,452	211,444	**270,220,212**
Work in Progress, beginning of year	49,934,817	1,816,196	994,213	**52,745,226**
Prior Period Adjustments				
Local Capital - WIP			(994,213)	**(994,213)**
Work in Progress, beginning of year, as restated	49,934,817	1,816,196	-	**51,751,013**
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	29,306,958	2,083,774	-	**31,390,732**
	29,306,958	2,083,774	-	**31,390,732**
Decrease				
Transferred to Deferred Capital Revenue	1,647,661	-	-	**1,647,661**
	1,647,661	-	-	**1,647,661**
Net Changes for the Year	27,659,297	2,083,774	-	**29,743,071**
Work in Progress, end of year	77,594,114	3,899,970	-	**81,494,084**
Total Deferred Capital Revenue, end of year	**346,356,430**	**5,146,422**	**211,444**	**351,714,296**

School District No. 43 (Coquitlam)

Changes in Unspent Deferred Capital Revenue
Year Ended June 30, 2017

	Bylaw Capital	MEd Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	$	$	$	$	$	$
Balance, beginning of year	-	5,671,915	-	4,327,954	-	9,999,869
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	35,573,745					**35,573,745**
Provincial Grants - Other		-	88,130	-	-	**88,130**
Other		-		864,187	-	**864,187**
Investment Income	-	95,973	-	13,319	-	**109,292**
MEd Restricted Portion of Proceeds on Disposal		39,687				**39,687**
Transfer project surplus to MEd Restricted (from) Bylaw	(1,991,192)	1,991,192				**-**
	33,582,553	2,126,852	88,130	877,506	-	**36,675,041**
Decrease:						
Transferred to DCR - Capital Additions	4,275,595	-	23,240		-	**4,298,835**
Transferred to DCR - Work in Progress	29,306,958	2,083,774	-		-	**31,390,732**
	33,582,553	2,083,774	23,240	-	-	**35,689,567**
Net Changes for the Year	-	43,078	64,890	877,506	-	**985,474**
Balance, end of year	-	**5,714,993**	**64,890**	**5,205,460**	-	**10,985,343**