MANAGEMENT RESPONSIBILITY REPORT

The accompanying consolidated financial statements of Turtle River School Division are the responsibility of the Division management and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles established by the Public Sector Accounting Board of The Chartered Professional Accountants of Canada. A summary of the significant accounting policies is described in Note 3 to the consolidated financial statements.

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

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

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

Original Document Signed

Chairperson	Secretary-Treasurer

October 22, 2019

Independent Auditor's Report

To the Board of Trustees of Turtle River School Division:

Opinion

We have audited the accompanying consolidated financial statements of Turtle River School Division, which comprise the consolidated statement of financial position as at June 30, 2019, and the consolidated statements of revenue, expenses and accumulated surplus, change in net debt and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Turtle River School Division as at June 30, 2019 and the consolidated results of its operations and accumulated surplus, consolidated changes in net debt and its consolidated cash flow for the year then ended in accordance with Canadian generally accepted accounting principles established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

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 Consolidated Financial Statements section of our report. We are independent of the Division in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion

Other Matters

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

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

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian generally accepted accounting principles established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Division's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Division or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Division's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Division's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Division's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Division to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Division to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Brandon, Manitoba
October 22, 2019

MNP LLP
Chartered Professional Accountants

I hereby certify that the preceding report and the statements and reports referenced herein have been presented to the members of the Board of Turtle River School Division.

Original Document Signed

Chairperson of the Board

October 22, 2019
Date

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at June 30

Notes		2019	2018
	Financial Assets		
	Cash and Bank	1,231,350	1,122,581
	Due from - Provincial Government	308,300	340,863
	- Federal Government	43,843	49,485
	- Municipal Government	1,387,421	1,326,400
	- Other School Divisions	2,120	2,105
	- First Nations	-	-
	Accounts Receivable	23,889	2,920
	Accrued Investment Income	-	-
	Portfolio Investments	-	-
		2,996,923	2,844,354
	Liabilities		
	Overdraft	-	-
	Accounts Payable	549,924	325,535
	Accrued Liabilities	753,529	813,048
3f	Employee Future Benefits	58,956	52,749
	Accrued Interest Payable	63,309	68,871
	Due to - Provincial Government	-	-
	- Federal Government	-	-
	- Municipal Government	-	-
	- Other School Divisions	-	-
	- First Nations	-	-
6	Deferred Revenue	149,908	77,607
8	Borrowings from the Provincial Government	3,406,989	3,653,615
	Other Borrowings	-	-
	School Generated Funds Liability	-	-
		4,982,615	4,991,425
	Net Assets (Debt)	(1,985,692)	(2,147,071)
	Non-Financial Assets		
3	Net Tangible Capital Assets (TCA Schedule)	5,571,332	5,698,289
	Inventories	109,661	120,429
	Prepaid Expenses	34,237	65,027
		5,715,230	5,883,745
9	**Accumulated Surplus**	3,729,538	3,736,674

See accompanying notes to the Financial Statements

CONSOLIDATED STATEMENT OF REVENUE, EXPENSES AND ACCUMULATED SURPLUS

For the Year Ended June 30

Notes			2019	2018
	Revenue			
	Provincial Government		9,109,162	9,233,934
	Federal Government		-	21,554
	Municipal Government	- Property Tax	2,747,366	2,610,381
		- Other	-	-
	Other School Divisions		60,450	50,700
	First Nations		4,669	-
	Private Organizations and Individuals		15,739	16,078
	Other Sources		50,655	51,947
	School Generated Funds		317,327	383,506
	Other Special Purpose Funds		-	-
			12,305,368	12,368,100
	Expenses			
	Regular Instruction		6,509,600	6,369,137
	Student Support Services		1,652,257	1,595,923
	Adult Learning Centres		-	-
	Community Education and Services		25,484	20,258
	Divisional Administration		379,797	381,205
	Instructional and Other Support Services		243,848	250,687
	Transportation of Pupils		1,182,386	1,172,742
	Operations and Maintenance		1,139,280	1,186,855
11	Fiscal	- Interest	160,996	172,496
		- Other	174,345	166,994
	Amortization		561,048	554,164
	Other Capital Items		-	-
	School Generated Funds		277,256	418,548
	Other Special Purpose Funds		-	-
			12,306,297	12,289,009
	Current Year Surplus (Deficit) before Non-vested Sick Leave		(929)	79,091
	Less: Non-vested Sick Leave Expense (Recovery)		6,207	10,265
	Net Current Year Surplus (Deficit)		(7,136)	68,826
	Opening Accumulated Surplus		3,736,674	3,667,848
	Adjustments:	Tangible Cap. Assets and Accum. Amort.	-	-
		Other than Tangible Cap. Assets	-	-
		Non-vested sick leave - prior years	-	-
	Opening Accumulated Surplus, as adjusted		3,736,674	3,667,848
	Closing Accumulated Surplus		3,729,538	3,736,674

See accompanying notes to the Financial Statements

CONSOLIDATED STATEMENT OF CHANGE IN NET DEBT

For the Year Ended June 30, 2019

	2019	2018
Net Current Year Surplus (Deficit)	(7,136)	68,826
Amortization of Tangible Capital Assets	561,048	554,164
Acquisition of Tangible Capital Assets	(434,091)	(784,762)
(Gain) / Loss on Disposal of Tangible Capital Assets	-	-
Proceeds on Disposal of Tangible Capital Assets	-	-
	126,957	(230,598)
Inventories (Increase)/Decrease	10,768	(11,101)
Prepaid Expenses (Increase)/Decrease	30,790	11,432
	41,558	331
(Increase)/Decrease in Net Debt	161,379	(161,441)
Net Debt at Beginning of Year	(2,147,071)	(1,985,630)
Adjustments Other than Tangible Cap. Assets	-	-
	(2,147,071)	(1,985,630)
Net Assets (Debt) at End of Year	(1,985,692)	(2,147,071)

CONSOLIDATED STATEMENT OF CASH FLOW

For the Year Ended June 30, 2019

	2019	2018
Operating Transactions		
Net Current Year Surplus (Deficit)	(7,136)	68,826
Non-Cash Items Included in Current Year Surplus/(Deficit):		
Amortization of Tangible Capital Assets	561,048	554,164
(Gain)/Loss on Disposal of Tangible Capital Assets	-	-
Employee Future Benefits Increase/(Decrease)	6,207	10,266
Due from Other Organizations (Increase)/Decrease	(22,831)	(25,883)
Accounts Receivable & Accrued Income (Increase)/Decrease	(20,969)	(2,581)
Inventories and Prepaid Expenses - (Increase)/Decrease	41,558	331
Due to Other Organizations Increase/(Decrease)	-	-
Accounts Payable & Accrued Liabilities Increase/(Decrease)	159,308	173,275
Deferred Revenue Increase/(Decrease)	72,301	(82,841)
School Generated Funds Liability Increase/(Decrease)	-	-
Adjustments Other than Tangible Cap. Assets	-	-
Cash Provided by (Applied to) Operating Transactions	789,486	695,557
Capital Transactions		
Acquisition of Tangible Capital Assets	(434,091)	(784,762)
Proceeds on Disposal of Tangible Capital Assets	-	-
Cash Provided by (Applied to) Capital Transactions	(434,091)	(784,762)
Investing Transactions		
Portfolio Investments (Increase)/Decrease	-	-
Cash Provided by (Applied to) Investing Transactions	-	-
Financing Transactions		
Borrowings from the Provincial Government Increase/(Decrease)	(246,626)	(268,441)
Other Borrowings Increase/(Decrease)	-	-
Cash Provided by (Applied to) Financing Transactions	(246,626)	(268,441)
Cash and Bank / Overdraft (Increase)/Decrease	108,769	(357,646)
Cash and Bank (Overdraft) at Beginning of Year	1,122,581	1,480,227
Cash and Bank (Overdraft) at End of Year	1,231,350	1,122,581

Turtle River School Division

SCHEDULE OF TANGIBLE CAPITAL ASSETS

at June 30, 2019

	Buildings and Leasehold Improvements		School Buses	Other Vehicles	Furniture / Fixtures & Equipment	Computer Hardware & Software *	Land	Land Improvements	Assets Under Construction	2019 TOTALS	2018 TOTALS
	School	Non-School									
Tangible Capital Asset Cost											
Opening Cost, as previously reported	11,832,639	411,192	3,529,478	157,035	301,669	221,541	36,325	-	297,846	16,787,725	16,060,998
Adjustments	-	-	-	-	-	-	-	-	-	-	-
Opening Cost adjusted	11,832,639	411,192	3,529,478	157,035	301,669	221,541	36,325	-	297,846	16,787,725	16,060,998
Add:											
Additions during the year	-	-	-	69,416	52,772	-	-	-	311,903	434,091	784,762
Less:											
Disposals and write downs	-	-	-	-	-	-	-	-	-	-	58,035
Closing Cost	11,832,639	411,192	3,529,478	226,451	354,441	221,541	36,325	-	609,749	17,221,816	16,787,725
Accumulated Amortization											
Opening, as previously reported	7,885,956	411,192	2,259,687	142,009	193,423	197,169		-		11,089,436	10,593,307
Adjustments	-	-	-	-	-	-		-		-	-
Opening adjusted	7,885,956	411,192	2,259,687	142,009	193,423	197,169		-		11,089,436	10,593,307
Add:											
Current period Amortization	295,975	-	198,385	12,952	35,958	17,778		-		561,048	554,164
Less:											
Accumulated Amortization on Disposals and Writedowns	-	-	-	-	-	-		-		-	58,035
Closing Accumulated Amortization	8,181,931	411,192	2,458,072	154,961	229,381	214,947		-		11,650,484	11,089,436
Net Tangible Capital Asset	3,650,708	-	1,071,406	71,490	125,060	6,594	36,325	-	609,749	5,571,332	5,698,289
Proceeds from Disposal of Capital Assets	-	-	-	-	-	-				-	-

* Includes network infrastructure.

1. Nature of Organization and Economic Dependence

The Turtle River School Division is a public body that provides education services to residents within its geographic location. The division is funded mainly by grants from the Province of Manitoba, and a special levy on the property assessment included in the Division's boundaries. The Division is exempt from income tax and is a registered charity under the Income Tax Act.

The Division is economically dependent on the Province for the majority of its revenue and capital financing requirements. Without this funding, the Division would not be able to continue its operations.

2. Additional Information

a) Public Sector Accounting Board (PSAB)

The Division adopted Public Sector Accounting Board (PSAB) standards during the 2006/07 fiscal year. Previous to the 2006/07 year Financial Statements were presented in accordance with FRAME, the prescribed method of accounting that the Division followed prior to implementation of PSAB.

b) PS 3260 Liability for Contaminated Sites

Effective July 1, 2014, the division has adopted the new Public Sector Accounting Board accounting standard – Liability for Contaminated Sites, Section PS3260. The standard was applied on a retroactive basis to July 1, 2013 and did not result in any adjustments to financial liabilities, tangible capital assets or accumulated surplus of the division.

3. Significant Accounting Policies

The consolidated financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles established by PSAB of the Chartered Professional Accountants of Canada (CPA).

a) Reporting Entity and Consolidation

The consolidated financial statements reflect the assets, liabilities, revenues and expenses of the operating fund, capital fund, and special purpose fund of the Division. The Division reporting entity includes school generated funds.
All inter-fund accounts and transactions are eliminated upon consolidation.

b) Basis of Accounting

Revenues and expenses are reported on the accrual basis of accounting except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable. The accrual basis of accounting recognizes revenues as they are earned and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay. Expenses also include the amortization of tangible capital assets.

c) Fund Accounting

The fund method of accounting is employed by the Division to record financial transactions in separate funds as defined by Financial Reporting and Accounting in Manitoba Education (FRAME) in accordance with the purpose for which the funds have been created.

The Operating Fund is maintained to record all the day to day operating revenues and expenses. The Capital Fund is used to account for the acquisition, amortization, disposal and financing of capital assets. The Special Purpose Fund is used to account for school generated funds held by the Division.

d) School Generated Funds

School generated funds are moneys raised by the school, or under the auspices of the school, through extra-curricular activities for the sole use of the school that the principal of each school, subject to the rules of the school board, may raise, hold, administer and expend for the purposes of the school.

Only revenue and expenses of school generated funds controlled by the Division are included in the Consolidated Statement of Revenue, Expenses and Accumulated Surplus. To be deemed as controlled, a school must have the unilateral authority to make the decisions as to when, how and on what the funds are to be spent.

Period end cash balances of all school generated funds are included in the Consolidated Statement of Financial Position. The uncontrolled portion of this amount is reflected in the School Generated Funds Liability account. Examples of uncontrolled school generated funds are parent council funds, other parent group funds, student council funds and travel club funds. Revenues and expenses of uncontrolled school generated funds are not included in the consolidated financial statements.

e) Tangible Capital Assets

Tangible capital assets are non-financial assets that are used by the Division to provide services to the public and have an economic life beyond one fiscal year. Tangible capital assets include land, buildings, buses, other vehicles, furniture and equipment, computers, capital leases, leasehold improvements, and assets under construction.

To be classified as tangible capital assets, each asset other than land must individually meet the capitalization threshold for its class as prescribed by FRAME.

Asset Description	Capitalization Threshold ($)	Estimated Useful Life (years)
Land	N/A	N/A
Land Improvements **(1)**	50,000	10
Buildings - bricks, mortar and steel	50,000	40
Buildings - wood frame	50,000	25
School buses	50,000	10
Vehicles **(2)**	10,000	5
Equipment **(3)**	10,000	5
Network Infrastructure **(4)**	25,000	10
Computer Hardware, Servers & Peripherals **(5)**	10,000	4
Computer Software **(6)**	10,000	4
Furniture & Fixtures	10,000	10
Leasehold Improvements	25,000	Over term of lease

NB: All amortization is on a straight line basis with no residual value. The Estimated Useful Life above is based on the acquisition of new assets. If used assets are acquired, a reasonable estimate of the remaining useful life must be determined.

Grouping of assets is not permitted except for computer work stations.

With the exception of land, donated capital assets and capital leases, all tangible capital assets, are recorded at historical cost, which includes purchase price, installation costs and other costs incurred to put the asset into service.

Buildings are recorded at historical cost when known. For buildings acquired prior to June 30, 2005 where the actual cost was not known, the replacement value for insurance purposes as at June 30, 2005 was regressed to the date of acquisition using a regression index based on Southam and CanaData construction cost indices.

All land acquired prior to June 30, 2006 has been valued by the Crown Lands and Property Agency.

All tangible capital assets, except for land, capital leases, and assets under construction, are amortized on a straight-line basis over their estimated useful lives as prescribed by FRAME. Land is not amortized. One-half of the annual amortization is charged in the year of acquisition and in the year of disposal if not fully amortized. Assets under construction are not amortized until the date of substantial completion. Interest on funds used to finance school buildings under construction is capitalized for the periods preceding the date of substantial completion.

f) Employee Future Benefits

The Province of Manitoba pays the employer portion of the Teachers' Retirement Allowances Fund (TRAF), the pension plan for all certified teachers of the Division. The Division does not contribute to TRAF, and no costs relating to this plan are included in the Division's financial statements.

However, the Division provides a defined contribution pension plan to all eligible non teachers in the Division. There is no future liability or benefit to be recorded for this type of pension plan. The Division participates in the MSBA (Manitoba School Boards Association, formerly the Manitoba Association of School Trustees) Pension Plan. The terms and conditions of this pension plan are administered by a provincial committee consisting of school trustees, employee and division management representative. The Division participates in the plan by virtue of a trust agreement. Participating employees in the plan contribute 8% of earnings to the plan. The Division matches this contribution and remits both contributions monthly.

Expected future payment of non-vested accumulated sick leave benefits for employees based on estimated sick days that will be used over earned per year has been set up as a future benefit. Employee future benefits are benefits earned by employees in the current period, but will not be paid out until a future period.

g) Capital Reserve

Certain amounts, as approved by the Board of Trustees and the Public Schools Finance Board (PSFB), have been set aside in reserve accounts for future capital purposes. These Capital Reserve accounts are internally restricted funds that form part of the Accumulated Surplus presented in the Consolidated Statement of Financial Position. The Division has a reserve for school bus purchases in the amount of $1,104,812, a reserve for a project to upgrade the wide area network wireless computer communication system in the amount of $72,750, a reserve for a project to upgrade playgrounds in the amount of $10,840, a reserve for a project to upgrade school canteens in the amount of $78,505 and a reserve for a HVAC system in the amount of $340,000.

h) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

i) Financial instruments

There are no significant terms and conditions related to financial instruments (cash, accounts receivable, investments, bank indebtedness, accounts payable and long-term debt) that may affect the amount, timing and certainty of future cash flows. The Division is exposed to credit risk from the potential non-payment of accounts receivable. However, the majority of the receivables are from local, provincial and federal governments, and therefore, the credit risk is minimal. The carrying amounts of the financial instruments approximate their carrying values, unless otherwise noted.

4. Conversion to PSAB

Commencing with the 2006/07 fiscal year, the Board has adopted generally accepted accounting principles established by PSAB.

The following changes have been implemented to comply with the PSAB standard:

(i) Tangible capital assets were restated and amortized over their useful lives to reflect net book value. Amortization of tangible capital assets and gain or loss on disposal of capital assets are recorded in the Statement of Revenue, Expenses and Accumulated Surplus.

(ii) The Operating Fund, Capital Fund and Special Purpose Fund are consolidated in the financial statements. The Special Purpose Fund was created to include school generated funds and charitable foundations controlled by the Division.

(iii) The Employee Future Benefits Liability was established to account for the Division's commitment to pay vested future benefits to its employees.

(iv) Accrued Interest Payable was established to account for accrual of interest on Debenture Debt and Other Borrowings from the last payment date. An equal amount is set up as due from the Province to offset the accrued interest payable on debenture.

5. Overdraft

The Division has an operating $2,500,000 line of credit with the Royal Bank of Canada by way of overdraft. (By-Law #176).

In addition small capital projects are funded out of the operating fund.

6. Deferred Revenue

The deferral method of accounting is used for revenues received that, pursuant to legislation, regulation or agreement, may only be used for specific purposes. These amounts are recognized as revenue in the fiscal year the related expenses are incurred or services performed. The following is a breakdown of the account balance:

	Balance as at June 30, 2018	Additions in the period	Revenue recognized in the period	Balance as at June 30, 2019
Education Property Tax Credit	$ 77,607	$ 149,908	$ 77,607	$ 149,908
	$ 77,607	$ 149,908	$ 77,607	$ 149,908

7. School Generated Funds Liability & Revenue/Expense Presentation

School generated funds revenue and expenses reported in the Consolidated Statement of Revenue, Expenses and Accumulated Surplus as at June 30, 2019 covers a period of twelve months from July 1, 2018 to June 30, 2019

8. Borrowings from the Provincial Government

The debenture and promissory note debt of the Division is in the form of twelve debentures and one promissory note payable, principal and interest, in twenty equal yearly installments and maturing at various dates from 2020 to 2036. Payment of principal and interest is funded entirely by grants from the Province of Manitoba. The debentures and promissory note carry interest rates that range from 3.50% to 6.875%. Debenture and promissory note interest expense payable as at June 30, 2019, is accrued and recorded in Accrued Interest Payable, and a grant in an amount equal to the interest accrued on provincially funded borrowing is recorded in Due from the Provincial Government. The debenture and promissory note principal and interest repayments in the next five years are:

	Principal	Interest	Total
2020	259,136	150,807	409,943
2021	270,449	137,624	408,073
2022	284,214	123,859	408,073
2023	224,874	109,352	334,226
2024	235,089	99,137	334,226
	1,273,762	620,779	1,894,541

9. Accumulated Surplus

The consolidated accumulated surplus is comprised of the following:

	2019
Operating Fund	
Designated Surplus	-
Undesignated Surplus	396,443
	396,443
Capital Fund	
Reserve Accounts	1,606,907
Equity in Tangible Capital Assets	1,554,594
	3,161,501
Special Purpose Fund	
School Generated Funds	171,594
Other Special Purpose Funds	-
	171,594
Total Accumulated Surplus	$ 3,729,538

Reserve Accounts under the Capital Fund represent internally restricted reserves for specific purposes approved by the Board of Trustees and PSFB. A Schedule of Capital Reserve Accounts is provided on page 24 of the audited financial statements.

	2019
Bus reserve	1,104,812
Other reserves	502,095
Capital Reserve	$ 1,606,907

10. Municipal Government – Property Tax and related Due from Municipal Government

Education property tax or Special Levy is raised as the Division's contribution to the cost of providing public education for the students resident in the division. The Municipal Government-Property Tax shown on the consolidated statement of revenue and expense is raised over the two calendar (tax) years; 50% from 2018 tax year and 50% from 2019 tax year. Below are the related revenue and receivable amounts:

	2019	2018
Revenue-Municipal Government-Property Tax	$ 2,747,366	$ 2,610,381
Receivable-Due from Municipal-Property Tax	$ 1,387,421	$ 1,326,400

11. Interest Received and Paid

The Division received interest during the year of $18,655.

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

		2019
Operating Fund		
Fiscal-short term loan, interest and bank charges	$	3,241
Capital Fund		
Debenture and promissory note debt interest		157,755
Other interest		-
	$	160,996

The accrual portion of debenture and promissory note debt interest expense of $63,309. included under the Capital Fund- Interest on borrowings from the Provincial Government is offset by an accrual of the debt servicing grant from the Province of Manitoba.

12. Expenses by object

Expenses in the consolidated statement of revenue, expenses and accumulated surplus are reported by function as defined by FRAME. Below is the detail of expenses by object:

	Actual 2019	Budget 2019	Actual 2018
Salaries	$ 8,269,989	$ 8,203,878	$ 7,999,341
Employees benefits & allowances	649,468	670,856	625,730
Services	1,135,612	1,211,587	1,170,426
Supplies, materials & minor equipment	913,420	1,013,720	997,802
Interest	160,996	3,000	172,496
Transfers	164,163	183,436	183,508
Payroll tax	174,345	179,535	166,994
Amortization	561,048	-	554,164
Other capital items	-	-	-
School generated funds	277,256	-	418,548
Other special purpose funds	-	-	-
	$ 12,306,297	$ 11,466,012	$ 12,289,009