

Management's Responsibility for the Financial Statements

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

The preparation of consolidated financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods. District 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 District 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 Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the Districts' consolidated financial statements.

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Chairperson

October 28, 2019

Original Document Signed

Secretary-Treasurer

OCT. 29, 2019

Independent Auditors' Report

To the Board of Trustees of the School District of Whiteshell:

Opinion

We have audited the consolidated financial statements of the School District of Whiteshell (the "School District"), 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 notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the School District as at June 30, 2019, and the results of its consolidated operations, change in net debt and cash flow for the year then ended in accordance with Canadian public sector accounting standards.

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 School District 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 Matter

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements. The supplemental information presented in the attached schedules is presented for the purpose of additional analysis and is not a required part of the consolidated financial statements. Such supplemental information has been subjected only to auditing procedures applied in the audit of 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 the consolidated financial statements in accordance with Canadian public sector accounting standards, 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 School District'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 School District or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the School District'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 School District'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 School District'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 School District 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.

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.

Winnipeg, Manitoba

October 29, 2019

MNP LLP

Chartered Professional Accountants

I hereby certify that this report and the statements and reports referenced herein have been presented to the members of the board of the School District of Whiteshell.

Oct 29, 2019.

DATE

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CHAIRPERSON

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at June 30

Notes		2019	2018
	Financial Assets		
	Cash and Bank	1,502,480	1,267,830
	Due from - Provincial Government	91,055	94,315
	- Federal Government	8,580	31,578
	- Municipal Government	12,258	15,000
	- Other School Divisions	-	-
	- First Nations	-	-
	Accounts Receivable	31,700	-
	Accrued Investment Income	-	-
	Portfolio Investments	-	-
		<u>1,646,073</u>	<u>1,408,723</u>
	Liabilities		
	Overdraft	-	-
	Accounts Payable	23,656	17,496
	Accrued Liabilities	269,518	247,538
	Employee Future Benefits	-	-
	Accrued Interest Payable	-	-
	Due to - Provincial Government	-	-
	- Federal Government	-	-
	- Municipal Government	-	-
	- Other School Divisions	-	-
	- First Nations	-	-
*	Deferred Revenue	178,707	237,426
	Borrowings from the Provincial Government	-	-
	Other Borrowings	-	-
	School Generated Funds Liability	-	-
		<u>471,881</u>	<u>502,460</u>
	Net Assets (Debt)	<u>1,174,192</u>	<u>906,263</u>
	Non-Financial Assets		
*	Net Tangible Capital Assets (TCA Schedule)	890,671	958,141
	Inventories	-	-
	Prepaid Expenses	-	6,534
		<u>890,671</u>	<u>964,675</u>
*	Accumulated Surplus	<u>2,064,863</u>	<u>1,870,938</u>

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	1,438,453	1,449,940
Federal Government	-	-
Municipal Government	2,049,525	1,959,037
- Property Tax		
- Other	-	-
Other School Divisions	32,500	32,500
First Nations	-	-
Private Organizations and Individuals	118,751	39,229
Other Sources	61,282	18,274
School Generated Funds	62,664	69,699
Other Special Purpose Funds	-	-
	<u>3,763,175</u>	<u>3,568,679</u>
Expenses		
Regular Instruction	2,014,907	1,946,508
Student Support Services	355,167	366,022
Adult Learning Centres	-	-
Community Education and Services	101,767	125,658
Divisional Administration	209,992	165,146
Instructional and Other Support Services	132,754	112,895
Transportation of Pupils	91,729	42,261
Operations and Maintenance	453,362	435,684
* Fiscal		
- Interest	1,814	606
- Other	47,113	46,251
Amortization	95,544	98,046
Other Capital Items	-	-
School Generated Funds	65,101	71,725
Other Special Purpose Funds	-	-
	<u>3,569,250</u>	<u>3,410,802</u>
Current Year Surplus (Deficit) before Non-vested Sick Leave	<u>193,925</u>	<u>157,877</u>
Less: Non-vested Sick Leave Expense (Recovery)	<u>0</u>	<u>0</u>
Net Current Year Surplus (Deficit)	<u>193,925</u>	<u>157,877</u>
Opening Accumulated Surplus	1,870,938	1,713,061
Adjustments:		
Tangible Cap. Assets and Accum. Amort.	-	-
Other than Tangible Cap. Assets	-	-
Non-vested sick leave - prior years	-	-
Opening Accumulated Surplus, as adjusted	<u>1,870,938</u>	<u>1,713,061</u>
Closing Accumulated Surplus	<u><u>2,064,863</u></u>	<u><u>1,870,938</u></u>

See accompanying notes to the Financial Statements

* NOTE REQUIRED

CONSOLIDATED STATEMENT OF CHANGE IN NET DEBT

For the Year Ended June 30, 2019

	2019	2018
Net Current Year Surplus (Deficit)	<u>193,925</u>	<u>157,877</u>
Amortization of Tangible Capital Assets	95,544	98,046
Acquisition of Tangible Capital Assets	(28,074)	-
(Gain) / Loss on Disposal of Tangible Capital Assets	-	-
Proceeds on Disposal of Tangible Capital Assets	<u>-</u>	<u>-</u>
	<u>67,470</u>	<u>98,046</u>
Inventories (Increase)/Decrease	-	-
Prepaid Expenses (Increase)/Decrease	<u>6,534</u>	<u>(211)</u>
	<u>6,534</u>	<u>(211)</u>
(Increase)/Decrease in Net Debt	<u>267,929</u>	<u>255,712</u>
Net Debt at Beginning of Year	906,263	650,551
Adjustments Other than Tangible Cap. Assets	<u>-</u>	<u>-</u>
	<u>906,263</u>	<u>650,551</u>
Net Assets (Debt) at End of Year	<u><u>1,174,192</u></u>	<u><u>906,263</u></u>

CONSOLIDATED STATEMENT OF CASH FLOW

For the Year Ended June 30, 2019

	2019	2018
Operating Transactions		
Net Current Year Surplus (Deficit)	193,925	157,877
Non-Cash Items Included in Current Year Surplus/(Deficit):		
Amortization of Tangible Capital Assets	95,544	98,046
(Gain)/Loss on Disposal of Tangible Capital Assets	-	-
Employee Future Benefits Increase/(Decrease)	-	-
Due from Other Organizations (Increase)/Decrease	29,000	34,510
Accounts Receivable & Accrued Income (Increase)/Decrease	(31,700)	-
Inventories and Prepaid Expenses - (Increase)/Decrease	6,534	(211)
Due to Other Organizations Increase/(Decrease)	-	-
Accounts Payable & Accrued Liabilities Increase/(Decrease)	28,140	8,981
Deferred Revenue Increase/(Decrease)	(58,719)	5,844
School Generated Funds Liability Increase/(Decrease)	-	-
Adjustments Other than Tangible Cap. Assets	-	-
	<u>262,724</u>	<u>305,047</u>
Cash Provided by (Applied to) Operating Transactions		
	<u>262,724</u>	<u>305,047</u>
Capital Transactions		
Acquisition of Tangible Capital Assets	(28,074)	-
Proceeds on Disposal of Tangible Capital Assets	-	-
	<u>(28,074)</u>	<u>-</u>
Cash Provided by (Applied to) Capital Transactions		
	<u>(28,074)</u>	<u>-</u>
Investing Transactions		
Portfolio Investments (Increase)/Decrease	-	-
	<u>-</u>	<u>-</u>
Cash Provided by (Applied to) Investing Transactions		
	<u>-</u>	<u>-</u>
Financing Transactions		
Borrowings from the Provincial Government Increase/(Decrease)	-	-
Other Borrowings Increase/(Decrease)	-	-
	<u>-</u>	<u>-</u>
Cash Provided by (Applied to) Financing Transactions		
	<u>-</u>	<u>-</u>
Cash and Bank / Overdraft (Increase)/Decrease	234,650	305,047
Cash and Bank (Overdraft) at Beginning of Year	<u>1,267,830</u>	<u>962,783</u>
Cash and Bank (Overdraft) at End of Year	<u><u>1,502,480</u></u>	<u><u>1,267,830</u></u>

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	3,561,137	-	-	-	-	83,007	15,400	-	-	3,659,544	3,659,544
Adjustments	-	-	-	-	-	-	-	-	-	-	-
Opening Cost adjusted	3,561,137	-	-	-	-	83,007	15,400	-	-	3,659,544	3,659,544
Add:											
Additions during the year	-	-	-	-	-	28,074	-	-	-	28,074	-
Less:											
Disposals and write downs	-	-	-	-	-	-	-	-	-	-	-
Closing Cost	3,561,137	-	-	-	-	111,081	15,400	-	-	3,687,618	3,659,544
Accumulated Amortization											
Opening, as previously reported	2,618,396	-	-	-	-	83,007		-		2,701,403	2,603,357
Adjustments	-	-	-	-	-	-		-		-	-
Opening adjusted	2,618,396	-	-	-	-	83,007		-		2,701,403	2,603,357
Add:											
Current period Amortization	92,035	-	-	-	-	3,509		-		95,544	98,046
Less:											
Accumulated Amortization on Disposals and Writedowns		-	-	-	-	-		-		-	-
Closing Accumulated Amortization	2,710,431	-	-	-	-	86,516		-		2,796,947	2,701,403
Net Tangible Capital Asset	850,706	-	-	-	-	24,565	15,400	-	-	890,671	958,141
Proceeds from Disposal of Capital Assets	-	-	-	-	-	-				-	-

* Includes network infrastructure.

1. Nature of Organization and Economic Dependence

The School District of Whiteshell (the "District") is a public body that provides education services to residents within its geographic location. The District is funded mainly by grants from the Province of Manitoba (the "Province"), and a special levy on the property assessment included in the District's boundaries. The District is exempt from income tax.

The District is economically dependent on the Province for a significant portion its revenue and capital financing requirements. Without this funding, the District would not be able to continue its operations.

2. Significant Accounting Policies

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

a) Reporting Entity and Consolidation

The consolidated financial statements reflect the assets, liabilities, revenues and expenses of the Operating Fund, Capital Fund, and Special Purpose Fund of the District.

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 District 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 tangible capital assets. The Special Purpose Fund is used to account for school generated funds and charitable foundations controlled by the District.

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 District 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.

Year 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 student council funds, yearbook funds, graduation funds and specified sports and cultural funds. Revenues and expenses of uncontrolled school generated funds are not included in the consolidated financial statements.

2. Significant Accounting Policies - Continued

e) Tangible Capital Assets

Tangible capital assets are non-financial assets that are used by the District 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 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.

Asset Description	Capitalization Threshold (\$)	Estimated Useful Life (years)
Land Improvements	25,000	10
Buildings - bricks, mortar and steel	25,000	40
Buildings - wood frame	25,000	25
School buses	20,000	10
Vehicles	10,000	5
Equipment	5,000	5
Network Infrastructure	25,000	10
Computer Hardware, Servers & Peripherals	5,000	4
Computer Software	10,000	4
Furniture and Fixtures	5,000	10
Leasehold Improvements	25,000	Over term of lease

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

With the exception of land and buildings acquired before June 30, 1995, 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.

All land acquired prior to June 30, 1995 has been valued using information provided by the Crown Lands and Property Agency and adjusted by the District where further information was available.

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 tangible capital assets, except for land and assets under construction, are amortized on a straight-line basis over their estimated useful lives. 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) 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.

g) Employee Future Benefits

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

However, the District provides other future benefits to its employees. These benefits include supplemental employment benefits and sick leave. These benefits are event driven and the costs are recognized when the event becomes known.

2. Significant Accounting Policies - Continued

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.

Accounts receivable are stated after evaluation as to their collectability, and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization of tangible capital assets is based on their estimated useful lives. Non-vested sick leave benefits are measured based on management's best estimate of projected future utilization of sick time in a given year over sick time earned in that year.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

i) Financial instruments

Fair values:

Financial assets and financial liabilities are initially recognized at fair value and their subsequent measurement is dependent on their classification as described below. Their classification depends on the purpose for which the financial instruments were acquired or issued, their characteristics and the Institution's designation of such instruments.

Classification:

Cash	Held-for-trading
Accounts receivable	Loans and receivables
Accounts payable and accrued liabilities	Other financial liabilities

Held for trading:

Held-for-trading financial assets are typically acquired for resale prior to maturity or are designated as held-for-trading. They are measured at fair value at the balance sheet date. Fair value fluctuations including interest earned, interest accrued, gains and losses realized on disposal and unrealized gains and losses are included in investment income.

Loans and receivables:

Financial assets designated as loans and receivables are recorded at amortized cost using the effective interest method. Given the short-term nature of accounts receivable, their carrying value approximates fair value.

Other financial liabilities:

Other liabilities are recorded at amortized cost using the effective interest method and include all financial liabilities. Given the short-term nature of accounts payable and accrued liabilities, their carrying value approximates fair value.

Interest, currency and credit risk:

It is management's opinion that the District is not exposed to significant currency, credit or interest rate risk from financial instruments. The District is exposed to some credit risk from the potential non-payment of accounts receivable, however as the majority of the receivables are from local, provincial and federal governments, credit risk is minimal.

2. Significant Accounting Policies - Continued

j) Liability for contaminated sites

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the District is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activity and is reduced by expected net recoveries based on information available at June 30, 2019.

At each financial reporting date, the District reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The District continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

3. Overdraft

The District has an authorized line of credit with the Sunova Credit Union of \$250,000 by way of overdrafts and is repayable on demand at prime plus 0.50%, with interest paid monthly. \$250,000 remains available on this line of credit. Overdrafts are secured by temporary borrowing by-laws.

4. Deferred Revenue

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

	Balance as at June 30, 2018	Additions in period	Revenue recognized in period	Balance as at June 30, 2019
Education Property Tax Credit (EPTC)	\$ 172,835	\$ 178,707	\$ 172,835	\$ 178,707
LGD Special Requirement	64,591	-	64,591	-
	<u>237,426</u>	<u>178,707</u>	<u>237,426</u>	<u>178,707</u>

5. Net Tangible Capital Assets

The Schedule of Tangible Capital Assets (TCA), page 23 of the audited financial statements, provides a breakdown of cost, accumulated amortization and net book value by class.

	<u>Gross Amount</u>	<u>Accumulated Amortization</u>	<u>2019 Net Book Value</u>	<u>2018 Net Book Value</u>
Owned-tangible capital assets	\$ 3,687,618	\$ 2,796,947	\$ 890,671	\$ 958,141

School District of Whiteshell
Notes to Consolidated Financial Statement
For the year ended June 30, 2019

6. Accumulated Surplus

The consolidated accumulated surplus is comprised of the following:

	<u>2019</u>	<u>2018</u>
Operating Fund		
Undesignated Surplus	\$ <u>526,564</u>	\$ <u>385,680</u>
Capital Fund		
Reserve Accounts	623,070	509,978
Equity in Tangible Capital Assets	<u>904,542</u>	<u>962,156</u>
	<u>1,527,612</u>	<u>1,472,134</u>
Special Purpose Fund		
School Generated Funds	<u>10,687</u>	<u>13,124</u>
Total Accumulated Surplus	<u>\$ 2,064,863</u>	<u>\$ 1,870,938</u>

School Generated Funds are externally restricted moneys for school use, scholarship awards and donations for school projects.

7. Municipal Government - Property Tax and related Due from Municipal Government

Education property tax or Special Levy is raised as the District's contribution to the cost of providing public education for the students resident in the district. The Municipal Government-Property Tax shown on the consolidated revenue and expense is raised over the two calendar (tax) years; 56% from 2018 tax year and 44% from 2019 tax year. Below is the related revenue amount:

	<u>2019</u>	<u>2018</u>
Revenue-Municipal Government-Property Tax	\$ <u>2,049,525</u>	\$ <u>1,959,037</u>
Receivable-Municipal Government-Cleaning Supplies	\$ <u>12,258</u>	\$ <u>15,000</u>

8. Interest Received and Paid

The District received interest during the year of \$20,418 (2018 - \$10,909); interest paid during the year was \$1,814 (2018 - \$606).

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

	<u>2019</u>	<u>2018</u>
Operating Fund		
Fiscal-short term loan, interest and bank charges	\$ 1,814	\$ 606
Capital Fund		
Debenture debt interest	-	-
Other Interest	<u>-</u>	<u>-</u>
	<u>\$ 1,814</u>	<u>\$ 606</u>

9. 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 <u>2019</u>	(Unaudited) Budget <u>2019</u>	Actual <u>2018</u>
Salaries	\$ 2,409,236	\$ 2,490,400	\$ 2,357,681
Employees benefits and allowances	162,769	153,800	153,135
Services	546,999	605,751	551,842
Supplies, materials and minor equipment	229,282	294,484	127,616
Interest	1,814	-	606
Payroll tax	58,505	62,647	50,151
Amortization	95,544	-	98,046
School generated funds	65,101	-	71,725
	<u>\$ 3,569,250</u>	<u>\$ 3,607,082</u>	<u>\$ 3,410,802</u>

10. Employee Future Benefits

The District provides retirement and other future benefits to its administrative and support staff as a defined contribution plan, run by MSBA. The defined contribution plan is provided to support staff employees based on their age at the beginning of the year and rates of pay. Each age group under the MSBA pension plan has a specific percentage for the employees to contribute. The District contributions equal the employee contributions to the plan. No pension liability is included in the financial statements.

The employee future benefit expense is a part of the Employee Benefits and Allowances expense account. It includes the District's contribution of \$19,754 in 2019 (2018 - \$20,152).

11. Non Financial Information

The 2019 student enrolments (FRAME) and transportation statistics, full time equivalent personnel, and senior staff allocations are unaudited and have been presented for information purposes only.

12. Capital Management

Operating and special purpose funds

The District's objective when managing capital is to ensure that its expenditures closely match their revenues. Capital consists of the two fund balances in the amount of \$537,251 (2018 - \$398,804).

Capital fund

The capital fund is managed with the long-term objective of acquiring and maintaining the capital assets acquired to facilitate the District's operations. Capital consists of the various fund balances in the amount of \$1,527,612 (2018 - \$1,472,134).

The District is not subject to externally imposed capital requirements. There have been no changes in the District's approach to capital management during the year.
