

**NEWFOUNDLAND AND LABRADOR ENGLISH SCHOOL DISTRICT**

**AUDITOR'S REPORT  
NON-CONSOLIDATED FINANCIAL STATEMENTS**

**June 30, 2018**

## TABLE OF CONTENTS

	<u>Page</u>
Management Report	
Independent Auditor's Report	1
Financial Statements:	
Non-Consolidated - Statement of Financial Position	2
Non-Consolidated - Statement of Operations	3
Non-Consolidated - Statement of Changes in Net Debt	4
Non-Consolidated - Statement of Cash Flows	5
Notes to Financial Statements:	
1. Significant Accounting Policies	6
2. Bond Coverage	8
3. Cash	8
4. Short Term Investments	9
5. Accounts Receivable	9
6. Due from Government Entities	9
7. Prepaid Expenses	9
8. Bank Indebtedness	9
9. Accounts Payable and Accrued Liabilities	10
10. Due to Government of NL	10
11. Accrued Vacation Pay	11
12. Employee Future Benefits	11
13. Obligation Under Capital Lease	13
14. Financial Instruments	13
15. Insurance Subsidy	13
16. Deferred Revenue	14
17. Deferred Special Incentives	14
18. Accumulated Surplus/Deficit	15
19. Restricted Surplus	15
20. Budget	15
21. Comparative Figures	16
22. Subsequent Events	16
Schedules:	
1. Current Revenues	17
2. Administration and Human Resource Expenditures	18
3. Instructional Expenditures	19
4. Centre for Distance Learning and Innovation Expenditures	20
5. Information Technology Expenditures	21
6. Operation and Maintenance Expenditures	22
7. Pupil Transportation Expenditures	23
8. Tangible Capital Assets	24
8A. Details of Tangible Capital Assets - Additions and Disposals	25
8B. Details of Tangible Capital Assets - Amortization	26
9. Long-Term Debt	27
9A. Details of Long-Term Debt and Interest Expense	28

## STATEMENT OF RESPONSIBILITY

The accompanying non-consolidated financial statements of the Newfoundland and Labrador English School District (the "District") are the responsibility of management and have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards.

In carrying out its responsibilities, management maintains appropriate systems of internal and administrative controls designed to provide reasonable assurance that transactions are executed in accordance with proper authorization, that assets are properly accounted for and safeguarded, and that financial information produced is relevant and reliable.

The Board of Trustees (the "Board") met with management and its external auditors to review a draft of the non-consolidated financial statements and to discuss any significant financial reporting or internal control matters prior to their approval of the finalized non-consolidated financial statements.

Byron Smith, Chartered Professional Accountant, as the Board's appointed external auditor, has audited the non-consolidated financial statements. The auditor's report is addressed to the members of the Board and appears on the following page. The auditor's opinion is based upon an examination conducted in accordance with Canadian generally accepted accounting standards, performing such tests and other procedures as they consider necessary to obtain reasonable assurance that the non-consolidated financial statements are free from material misstatement and present fairly the financial position and results of the District in accordance with Canadian public sector accounting standards.

Chairperson

Treasurer

## INDEPENDENT AUDITOR'S REPORT

To the Members of the Board of Trustees of:  
Newfoundland and Labrador English School District

### Report on the Financial Statements

I have audited the accompanying non-consolidated financial statements of the Newfoundland and Labrador English School District, which are comprised of the Statement of Financial Position as at June 30, 2018 and the Statements of Operations, Cash Flows, and Changes in Net Debt for the year ended and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these non-consolidated financial statements in compliance with legislation, and in accordance with Canadian public sector accounting standards, and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

My responsibility is to express an opinion on these non-consolidated financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the non-consolidated financial statements are free from material misstatement.

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

### Basis for Qualified Opinion

The accounting policy with respect to teachers' severance pay and sick leave pay is described in Note 1. Canadian public sector accounting standards require that all accounts receivable should be recorded and disclosed on the financial statements. The liabilities for teachers' severance pay and sick leave pay have been recorded, but no offsetting receivables have been recorded. In this respect, these non-consolidated financial statements are not in accordance with Canadian public sector accounting standards. If the accounts receivable were recorded in accordance with Canadian public sector accounting standards, changes to the amounts reported for accounts receivable, revenue, excess of expenditures, over revenue and accumulated surplus would be necessary.

### Qualified Opinion

In my opinion, except for the effects of the failure to record accounts receivable as described in the preceding paragraph, these non-consolidated financial statements present fairly, in all material respects, the financial position of the Newfoundland and Labrador English School District at June 30, 2018, and the results of its operations and its cash flows for the year then ended, in accordance with Canadian public sector accounting standards, and are in compliance with reporting requirements established for School Boards in the Province of Newfoundland and Labrador by the Department of Education and Early Childhood Development.

Spaniard's Bay, NL  
November 30, 2018

  
CHARTERED PROFESSIONAL ACCOUNTANT



**BYRON D. SMITH**  
B. Comm., C.F.E., FCPA, FCA

P.O. Box 610  
100 Conception Bay Highway  
Spaniard's Bay, NL  
AOA 3X0

Telephone: (709) 786-1232  
Toll Free: 1-877-786-1232  
Facsimile: (709) 786-1230  
E-mail: byron@byronsmithca.com  
Website: byronsmithca.com



**Newfoundland and Labrador English School District**  
**Non-Consolidated - Statement of Financial Position**

**As at June 30, 2018**

	<u>June 30, 2018</u>	<u>June 30, 2017</u>
<b>FINANCIAL ASSETS</b>		
Cash (Note 3)	\$ 22,456,203	\$ 27,752,492
Short-term investments (Note 4)	3,923,733	3,881,511
Accounts receivable (Note 5)	2,025,712	1,113,094
Due from government entities (Note 6)	14,581,170	10,891,382
Teachers' vacation pay receivable (Note 11)	<u>82,565,681</u>	<u>81,998,097</u>
	<u>125,552,499</u>	<u>125,636,576</u>
<b>FINANCIAL LIABILITIES</b>		
Accounts payable and accrued liabilities (Note 9)	\$ 13,609,817	10,908,191
Due to Government of NL (Note 10)	1,149,377	5,088,604
Accrued vacation pay (Note 11)	88,284,010	87,771,099
Employee future benefits		
Accrued severance pay (Note 12)	148,649,835	148,551,682
Accrued sick leave pay (Note 12)	90,034,432	91,242,676
Other employee benefits	63,524	97,605
Long-term debt (Schedule 9 and 9A)	14,678,618	13,661,319
Obligation under capital leases (Note 13)	796,086	1,102,355
Deferred revenue (Note 16)	6,224,156	7,373,935
Deferred special incentives (Note 17)	<u>9,362,695</u>	<u>8,595,495</u>
	<u>372,852,550</u>	<u>374,392,961</u>
<b>NET DEBT</b>	<u>(247,300,051)</u>	<u>(248,756,385)</u>
<b>NON-FINANCIAL ASSETS</b>		
Prepaid expenses (Note 7)	2,141,814	1,454,381
Tangible capital assets (Schedule 8)	<u>717,465,406</u>	<u>722,313,576</u>
	<u>719,607,220</u>	<u>723,767,957</u>
<b>ACCUMULATED SURPLUS</b>		
Accumulated surplus - restricted (Note 19)	1,370,659	1,370,659
Accumulated surplus - unrestricted	<u>470,936,510</u>	<u>473,640,913</u>
	<u>\$ 472,307,169</u>	<u>\$ 475,011,572</u>

On Behalf of the Board:

  
 \_\_\_\_\_ Chairperson

  
 \_\_\_\_\_ Treasurer

**Newfoundland and Labrador English School District**  
**Non-Consolidated - Statement of Operations**

**For the year ended June 30, 2018**

	<u>Budget</u>	<u>June 2018</u>	<u>June 2017</u>
<b>Revenue</b>			
Provincial government grants (Schedule 1)	\$ 770,647,325	\$ 800,284,872	\$ 778,018,629
Other income (Schedule 1)	831,000	4,137,432	6,971,449
Capital transfers from government		<u>23,971,229</u>	<u>71,090,754</u>
	<u>771,478,325</u>	<u>828,393,533</u>	<u>856,080,832</u>
<b>Expenditures</b>			
Administration (Schedule 2)	11,026,810	10,748,880	11,797,585
Human resources (Schedule 2)	1,964,760	1,787,905	1,683,180
Instructional (Schedule 3)	615,307,940	640,887,401	629,339,220
CDLI (Schedule 4)	2,323,125	2,053,046	
Information technology (Schedule 5)	5,161,520	5,123,852	4,787,008
Operations and maintenance (Schedule 6)	77,597,780	81,740,987	77,551,767
Pupil transportation (Schedule 7)	58,096,390	55,035,728	55,293,689
Amortization of capital assets (Schedule 8B)		33,710,645	29,632,084
Loss on sale of capital assets		<u>9,492</u>	<u>339,609</u>
	<u>\$ 771,478,325</u>	<u>831,097,936</u>	<u>810,424,142</u>
<b>Annual (deficit) surplus from operations - unrestricted</b>		<u>\$ (2,704,403)</u>	<u>\$ 45,656,690</u>
<hr/>			
<b>Accumulated surplus - unrestricted, beginning of year</b>		\$ 473,640,913	\$ 427,984,223
<b>Annual (deficit) surplus from operations - unrestricted</b>		<u>(2,704,403)</u>	<u>45,656,690</u>
<b>Accumulated surplus - unrestricted, end of year</b>		<u>\$ 470,936,510</u>	<u>\$ 473,640,913</u>
<hr/>			
<b>Accumulated surplus - restricted, beginning of year</b>		\$ 1,370,659	\$ 1,370,659
<b>Annual surplus from operations - restricted</b>		<u>                    </u>	<u>                    </u>
<b>Accumulated surplus - restricted, end of year</b>		<u>\$ 1,370,659</u>	<u>\$ 1,370,659</u>

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**Newfoundland and Labrador English School District**  
**Non-Consolidated - Statement of Changes in Net Debt**

**For the year ended June 30, 2018**

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	<u>June 30, 2018</u>	<u>June 30, 2017</u>
<b>Annual (deficit) surplus from operations</b>	\$ (2,704,403)	\$ 45,656,690
<b>Changes in tangible capital assets</b>		
Acquisition of tangible capital assets	(28,880,142)	(75,358,106)
Loss (gain) on disposal of tangible capital assets	9,491	339,609
Proceeds on disposal of tangible capital assets	8,176	152,063
Amortization of tangible capital assets	<u>33,710,645</u>	<u>29,632,084</u>
<b>Increase (decrease) in net book value of tangible capital assets</b>	<u>4,848,170</u>	<u>(45,234,350)</u>
<b>Changes in other non-financial assets</b>		
Increase in prepaid expenses	<u>(687,433)</u>	<u>(161,880)</u>
<b>Decrease in net debt</b>	1,456,334	260,460
<b>Net debt, beginning of year</b>	<u>(248,756,385)</u>	<u>(249,016,845)</u>
<b>Net debt, end of year</b>	<u>\$ (247,300,051)</u>	<u>\$ (248,756,385)</u>

**Newfoundland and Labrador English School District**  
**Non-Consolidated - Statement of Cash Flows**

For the year ended June 30, 2018

	<u>June 30, 2018</u>	<u>June 30, 2017</u>
<b>OPERATING ACTIVITIES</b>		
Annual deficit (surplus) from operations	\$ (2,704,403)	\$ 45,656,690
Items not affecting cash:		
Amortization of tangible capital assets	33,710,645	29,632,084
Loss (gain) on disposal of tangible capital assets	9,491	339,609
Increase (decrease) in accrued vacation pay	512,911	(1,505,371)
Decrease in accrued sick leave pay	(1,208,244)	(1,063,926)
Increase in accrued severance pay	98,153	4,126,209
Decrease in other employee benefits liability	(34,081)	(21,054)
Changes in:		
Short-term investments	(42,222)	(42,071)
Accounts receivable	(5,169,990)	(1,247,359)
Prepaid expenses	(687,433)	(161,880)
Deferred revenue	(382,579)	1,588,820
Accounts payable and accrued liabilities	(1,237,601)	5,097,800
	<u>22,864,647</u>	<u>82,399,551</u>
<b>FINANCING ACTIVITIES</b>		
Proceeds from obligation under capital leases		825,147
Repayment of obligation under capital leases	(306,269)	(307,756)
Proceeds from long-term borrowings	3,169,930	2,408,395
Repayment of long-term debt	(2,152,631)	(2,279,216)
	<u>711,030</u>	<u>646,570</u>
<b>INVESTING ACTIVITIES</b>		
Acquisition of tangible capital assets	(28,880,142)	(75,358,106)
Proceeds on disposal of tangible capital assets	8,176	152,063
	<u>(28,871,966)</u>	<u>(75,206,043)</u>
Change in cash resources	(5,296,289)	7,840,078
Cash, beginning of year	<u>27,752,492</u>	<u>19,912,414</u>
Cash, end of year	<u>\$ 22,456,203</u>	<u>\$ 27,752,492</u>



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**Newfoundland and Labrador English School District  
Notes to Non-Consolidated Financial Statements**

**For the year ended June 30, 2018**

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**Nature of Operations**

The Newfoundland and Labrador English School District (the "District") is responsible for the operations and maintenance of all English speaking schools in the Province of Newfoundland and Labrador. The District was formed September 1, 2013 after the Government of Newfoundland and Labrador (the "Province") amalgamated four previous boards known as Eastern School District, Western School District, Nova Central School District, and Labrador School District.

**1. Significant Accounting Policies**

Except for the fact that these statements are non-consolidated, these non-consolidated financial statements are prepared in accordance with Canadian public sector accounting standards, which for purposes of the District's financial statements are represented by accounting recommendations of the Public Sector Accounting Board ("PSAB") of CPA Canada, supplemented by other CPA Canada accounting standards and pronouncements.

These non-consolidated financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of accounting policies summarized below:

**Basis of Presentation**

These non-consolidated financial statements reflect the assets, liabilities, revenues and expenditures of the District. These non-consolidated financial statements have not been consolidated with those of other organizations controlled by the District.

The District currently exercises control over corporations known as Newfoundland and Labrador Education Foundation Inc. and Newfoundland and Labrador International Student Education Inc. ("NLISE").

The net assets of the Newfoundland and Labrador Education Foundation Inc. as at December 31, 2017 were \$618,152, in accordance with the financial statements compiled by the corporation. The net assets of the Newfoundland and Labrador International Student Education Inc. as at June 30, 2018 were \$1,516,415, in accordance with the financial statements compiled by the corporation.

These non-consolidated financial statements do not include school based financial activities, which would consist of revenues, expenses and net assets controlled by school administration.

**Revenue**

The District's main source of funding is derived from the Government of Newfoundland and Labrador, Department of Education and Early Childhood Development (the "Department"). The Department provides funding for operations, transportation, capital expenditures and teacher salaries and severance pay. Funding is included in revenue on the accrual basis and when the related expenditures have been incurred, with the exception of funding for the teachers severance pay, which is recorded when the severance is paid to employees. Funding designated for specific purposes, for which criteria have not been met, is deferred and included in revenue when all eligibility criteria have been met.

**Restricted Surplus**

The District received funding from the Province and external sources, which has been restricted for specific purposes in the future. Restricted funds have been recorded as revenue and transferred to restricted surplus for the designated purposes.

**Leases**

Leases that transfer to the District substantially all of the risks and rewards incidental to ownership of the leased items are accounted for as capital leases. Assets acquired under a capital lease result in a tangible capital asset and an obligation being recorded equal to the lesser of the present value of the minimum lease payments and the property's fair value at the inception of the lease.

All other leases are accounted for as operating leases and the related payments are expensed as incurred.

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**Newfoundland and Labrador English School District  
Notes to Non-Consolidated Financial Statements**

**For the year ended June 30, 2018**

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**Tangible Capital Assets**

Tangible capital assets assumed by the District on September 1, 2013, as a result of legislation passed pursuant to the *Schools Act, 1997* and the *Education Act*, were recorded based on the carrying values shown on the audited financial statements of the predecessor entities.

Tangible capital assets are amortized using the straightline basis over their estimated useful lives, using the following rates:

Buildings	25-50 years
Furniture and equipment	
Computer hardware and software	5 years
Furniture and equipment	10 years
Service vehicles	5 years
Buses	12 years
Miscellaneous	5 years

The District capitalizes items purchased during the year that are in the excess of \$15,000 and have useful economic lives extending beyond the current accounting period.

**Teachers' and Student Assistants' Payroll**

The Government of Newfoundland and Labrador processes the payrolls and remits the source deductions directly to the appropriate agencies. The amounts recorded in the financial statements represent gross salaries and employee benefits as reported by the Department for the year.

**Pension Costs**

All permanent employees of the District are covered by pension plans administered by the Province. Contributions to these plans are required from both the employee and the District. Post retirement obligations to employees are the responsibility of the Province and, as such, the employer contributions for pensions are recognized in the accounts on a current basis.

**Employee Future Benefits**

The District's employee future benefits include accrued severance, accrued sick leave and other employee benefits.

**(i) accrued severance**

Consistent with government policy, the District had in effect severance pay policies whereby certain employees were entitled to a severance payment upon leaving employment with the District. Under these policies, an employee who had nine (9) or more years of continuous service in the employment of the District, or other public sector employer, was entitled to be paid severance on resignation, retirement, termination by reasons of disability, expiry of recall rights or, in the event of death, to the employee's estate. Based on collective agreements signed with the Newfoundland and Labrador Association of Public and Private Employees ("NAPE") as at March 31, 2018, NAPE employees with at least one year of eligible service are entitled to a lump sum payout of their accrued severance benefit based on pay and service as at March 31, 2018. Similar changes were introduced to their severance benefit for non-union employees through the Salary Restraint and Extinguishment of Severance Pay Act. Non-union employees with at least one year of eligible service are entitled to a lump sum payout of their accrued severance benefit based on pay and service as at May 31, 2018. The severance benefit obligation has been actuarially determined using assumptions based on management's best estimate of future salary changes and other factors. Discount rates are based on the Province's long-term borrowing rate. Settlement payments that have been made by June 30, 2018 have been reflected in the current year benefit expense, with the remaining settlement payments expected to be made in the 2018-2019 fiscal year. There have been no changes made to the severance benefit relating to NLTA or CUPE school board employees.

Newfoundland and Labrador English School District  
Notes to Non-Consolidated Financial Statements

For the year ended June 30, 2018

Pursuant to a directive issued by the Department during fiscal 1998, the District recorded a severance pay liability for teachers in the District. The *Schools Act, 1997* specifies that salaries and other compensation for teachers are the responsibility of the Department. The District received written approval from the Minister of Education for the deficit arising from the Department's requirement to record accrued teachers' severance.

(ii) accrued sick leave

The District provides certain employees with sick leave benefits that accumulate but do not vest. The benefits provided to employees vary based upon classification within the various negotiated agreements. An actuarially determined accrued liability has been recorded on the statements for non-vesting sick leave benefits. The cost of non-vesting sick leave benefits are actuarially determined using management's best estimate of salary escalation, accumulated sick days at retirement, long term inflation rates and discount rates.

(iii) other employee benefits

The District has recorded the obligation to pay certain employees at the termination of their employment for unused sick leave accumulated prior to January 1, 1985. As these benefits no longer accumulate or vest as of 1985, they are outside of the scope of PS 3255, *Post-employment benefits, compensated absences and termination benefits*, and are not actuarially determined at the end of each period.

Use of Accounting Estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting periods. Areas requiring the use of management's estimates include the allowance for doubtful accounts, employee future benefits, environmental remediation costs and amortization of tangible capital assets. Actual results could differ from those estimates.

Long-Lived Assets

Long-lived assets are reviewed for impairment upon the occurrence of events or changes in circumstances indicating that the value of the assets may not be recoverable.

Contaminated Sites

A liability for remediation of contaminated sites is recognized when an environmental standard exists, contamination exceeds the environmental standard, the 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. An obligation is not recognized unless all criteria above are satisfied.

2. Bond Coverage

At the balance sheet date, the Insurance Division of Treasury Board carried fidelity bond coverage covering District employees in the amount of \$300,000 per occurrence.

3. Cash

	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Current and savings bank account	\$ 22,293,887	\$ 27,662,940
Teachers' payroll bank account	160,128	87,364
Other	<u>2,188</u>	<u>2,188</u>
	<u>\$ 22,456,203</u>	<u>\$ 27,752,492</u>



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Newfoundland and Labrador English School District  
Notes to Non-Consolidated Financial Statements

For the year ended June 30, 2018

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4. Short Term Investments

	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Term deposits and GIC's	\$ 3,695,243	\$ 3,681,004
Marketable securities	<u>228,490</u>	<u>200,507</u>
	<u>\$ 3,923,733</u>	<u>\$ 3,881,511</u>

Term deposits relate to funds specifically allocated for educational purposes within the Province of Newfoundland and Labrador. These amounts are not intended for general operations of the District.

5. Accounts Receivable

	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Trade, miscellaneous and other	\$ 1,176,081	\$ 915,244
Interest	50,077	37,703
Due from NLISE	169,860	160,147
Insurance claim receivable	<u>629,694</u>	<u></u>
	<u>\$ 2,025,712</u>	<u>\$ 1,113,094</u>

6. Due from Government Entities

	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Government of NL - Operating	\$ 1,914,278	\$ 2,426,580
Government of NL - Special incentives	8,508,238	7,741,038
Government of NL - Early severance payout (Note 22)	3,460,772	<u></u>
Federal Government	<u>697,882</u>	<u>723,764</u>
	<u>\$ 14,581,170</u>	<u>\$ 10,891,382</u>

7. Prepaid Expenses

	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Municipal service fees	\$ 899,001	\$ 915,902
Software support and licensing	1,134,636	434,656
Insurance	89,327	84,973
Rent	<u>18,850</u>	<u>18,850</u>
	<u>\$ 2,141,814</u>	<u>\$ 1,454,381</u>

8. Bank Indebtedness

The District had an authorized operating demand loan of \$4,000,000, bearing interest at Royal Bank prime, less 0.65%, which was unused as at June 30, 2018 and June 30, 2017. In accordance with the *Schools Act, 1997*, the operating demand loan was supported by a letter of approval to borrow provided by the Minister of Education.

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Newfoundland and Labrador English School District  
Notes to Non-Consolidated Financial Statements

For the year ended June 30, 2018

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9. Accounts Payable and Accrued Liabilities

	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Trade payables	\$ 6,602,456	\$ 4,436,788
Accrued wages	2,515,214	2,147,126
Accrued payroll deductions	2,008,379	1,820,133
Accrued liabilities	913,905	976,076
Accrued environmental remediation	55,000	
Scholarship funds	837,673	850,446
Eastern School District Trust Fund	<u>677,190</u>	<u>677,622</u>
	<u>\$ 13,609,817</u>	<u>\$ 10,908,191</u>

Accrued environmental remediation costs are comprised of estimated site restoration and remediation costs for contaminated sites associated with school properties under the District. The liability relates to one site and is estimated at \$55,000. Such costs were recognized by the Province in previous fiscal years.

10. Due to Government of NL

	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Government of NL - Operating	\$ 1,149,377	\$ 2,066,092
Government of NL - Utility rate stabilization rebate		<u>3,022,512</u>
	<u>\$ 1,149,377</u>	<u>\$ 5,088,604</u>

**Newfoundland and Labrador English School District  
Notes to Non-Consolidated Financial Statements**

**For the year ended June 30, 2018**

**11. Accrued Vacation Pay**

Pursuant to a directive issued by the Department during the fiscal year 2006, the District recorded the vacation pay liability for teachers in the District. The liability relates to teachers' salaries earned during the school year but not fully paid to teachers until subsequent to June 30. Accordingly, the District has recorded teachers' vacation pay receivable of \$82,565,681 at June 30, 2018.

	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Vacation pay - teachers	\$ 82,565,681	\$ 81,998,097
Vacation pay - board employees	4,793,030	4,681,396
Vacation pay - executive staff	<u>925,299</u>	<u>1,091,606</u>
<b>Total Accrued Vacation Pay</b>	<b><u>\$ 88,284,010</u></b>	<b><u>\$ 87,771,099</u></b>

**12. Employee Future Benefits**

The actuarial valuation date for sick leave and severance accruals was June 30, 2015, and has been extrapolated for June 30, 2018. PS 3255 implies that benefit obligations that are not funded in advance should be valued using a rate referencing government's cost of borrowing. As the sick leave and severance are not funded in advance, the discount rate selected by management is equal to the Provincial long term borrowing rate. This rate was 3.20% as at June 30, 2018 (3.25 % - June 30, 2017). Board employees include NAPE, CUPE, Non-Union/Non-Management.

<b>ACCRUED SEVERANCE</b>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
<i>Severance Pay (Teachers)</i>		
Accrued benefit liability, beginning of year	\$ 132,283,374	\$ 128,474,418
Benefits expense	11,079,733	10,513,208
Benefits paid	<u>(6,568,362)</u>	<u>(6,704,252)</u>
<b>Accrued benefit liability (Teachers), end of year</b>	<b><u>136,794,745</u></b>	<b><u>132,283,374</u></b>
<i>Severance Pay (Board Employees)</i>		
Accrued benefit liability, beginning of year	16,268,308	15,951,055
Benefits Expense	3,459,587	2,256,184
Benefits Paid	<u>(7,872,805)</u>	<u>(1,938,931)</u>
<b>Accrued benefit liability (Board Employees), end of year</b>	<b><u>11,855,090</u></b>	<b><u>16,268,308</u></b>
<b>Total accrued severance liability, end of year</b>	<b>148,649,835</b>	<b>148,551,682</b>
Unamortized portion of actuarial loss	<u>(27,862,397)</u>	<u>(15,713,041)</u>
<b>Total accrued severance obligation</b>	<b><u>\$ 120,787,438</u></b>	<b><u>\$ 132,838,641</u></b>

**Reconciliation of Accrued Benefit Obligation from June 30, 2017 to June 30, 2018**

	<u>Board Employees</u>	<u>Teachers</u>	<u>Total</u>
Accrued benefit obligation as at June 30, 2017	\$ 17,417,914	\$ 115,420,727	\$ 132,838,641
Current period benefit cost	1,360,506	8,546,881	9,907,387
Benefits payments/contributions	(1,653,163)	(6,568,362)	(8,221,525)
Interest on the accrued benefit obligation	564,698	3,783,325	4,348,023
Actuarial (gains)/losses	62,268	(11,927,714)	(11,865,446)
Settlement payments	<u>(6,219,642)</u>	<u></u>	<u>(6,219,642)</u>
<b>Accrued benefit obligation as at June 30, 2018</b>	<b><u>\$ 11,532,581</u></b>	<b><u>\$ 109,254,857</u></b>	<b><u>\$ 120,787,438</u></b>

**Newfoundland and Labrador English School District  
Notes to Non-Consolidated Financial Statements**

**For the year ended June 30, 2018**

<b>ACCRUED SICK LEAVE</b>	<b>June 30, 2018</b>	<b>June 30, 2017</b>
<i>Sick Leave (Teachers)</i>		
Accrued benefit liability, beginning of year	\$ 82,762,437	\$ 83,603,950
Benefit expense	10,265,396	10,071,842
Benefits paid	<u>(11,240,756)</u>	<u>(10,913,355)</u>
<b>Accrued benefit liability (Teachers), end of year</b>	<u>81,787,077</u>	<u>82,762,437</u>
<i>Sick Leave (Board Employees)</i>		
Accrued benefits liability, beginning of year	8,480,239	8,702,652
Benefit expense	1,274,415	1,240,984
Benefits paid	<u>(1,507,299)</u>	<u>(1,463,397)</u>
<b>Accrued benefit liability (Board Employees), end of year</b>	<u>8,247,355</u>	<u>8,480,239</u>
<b>Total accrued sick leave liability, end of year</b>	90,034,432	91,242,676
Unamortized portion of actuarial loss	<u>(7,298,364)</u>	<u>3,884,356</u>
<b>Total accrued sick leave obligation</b>	<u>\$ 82,736,068</u>	<u>\$ 95,127,032</u>

**Reconciliation of Accrued Benefit Obligation from June 30, 2017 to June 30, 2018**

	<u>Board Employees</u>	<u>Teachers</u>	<u>Total</u>
Accrued benefit obligation as at June 30, 2017	\$ 7,974,887	\$ 87,152,145	\$ 95,127,032
Current period benefit cost	1,078,881	7,029,066	8,107,947
Benefits payments/contributions	(1,507,299)	(11,240,756)	(12,748,055)
Interest on the accrued benefit obligation	252,222	2,764,005	3,016,227
Actuarial (gains)/losses	<u>(954,669)</u>	<u>(9,812,414)</u>	<u>(10,767,083)</u>
<b>Accrued benefit obligation as at June 30, 2018</b>	<u>\$ 6,844,022</u>	<u>\$ 75,892,046</u>	<u>\$ 82,736,068</u>

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**Newfoundland and Labrador English School District**  
**Notes to Non-Consolidated Financial Statements**

**For the year ended June 30, 2018**

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**13. Obligation Under Capital Leases**

The District has entered into capital leases with the Royal Bank of Canada for various copiers and laptops. The principal balance outstanding as at June 30, 2018, was \$796,086, with a purchase option of \$1. Interest has been imputed at various rates for these leases. Total interest paid on these leases for the year ended June 30th, 2018 was \$27,606.

Future minimum payments under these capital leases are as follows for the year ending in:

	2019	\$	294,579
	2020		281,481
	2021		218,974
	2022		<u>46,643</u>
Total future minimum lease payments			841,677
Less: amount representing interest			<u>(45,591)</u>
		\$	<u>796,086</u>

**14. Financial Instruments**

The District's financial instruments consist of cash, short-term investments, accounts receivable, accounts payable, employee benefits payable and long term obligations. It is management's opinion that the District is not exposed to significant interest rate risk, currency or credit risks arising from these financial instruments.

The carrying values of the District's financial instruments, with the exception of long-term receivables, approximate fair values due to the short-term maturity and normal credit terms of those instruments. The long-term receivables balance does not approximate fair value as it is non-interest bearing.

**15. Insurance Subsidy**

The cost of insuring school properties is incurred by the Provincial Government and no amount has been recorded in these accounts to reflect this cost.



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Newfoundland and Labrador English School District  
Notes to Non-Consolidated Financial Statements

For the year ended June 30, 2018

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16. Deferred Revenue

Deferred revenue represents funding designated for specific purposes for which the revenue recognition criteria have not been met. The funding is deferred and included in revenue when all eligibility criteria have been met. Changes in the funding deferred to future periods are as follows:

	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Balance, beginning of year	\$ 7,373,935	\$ 7,984,115
Less: amounts recognized as revenue in the year	(4,499,309)	(4,225,913)
Add: amounts funded during the year	<u>3,349,530</u>	<u>3,615,733</u>
Balance, end of year	<u>\$ 6,224,156</u>	<u>\$ 7,373,935</u>

Deferred revenue is comprised of the following:

	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Operations and maintenance	\$ 172,129	\$ 210,139
Instruction	3,685,241	4,572,264
Pupil transportation	902,069	1,534,165
Nunatsiavut Government	<u>1,464,717</u>	<u>1,057,367</u>
	<u>\$ 6,224,156</u>	<u>\$ 7,373,935</u>

17. Deferred Special Incentives

Deferred special incentives represents funding designated for specific purposes for which the revenue recognition criteria have not been met. The funding is deferred and included in revenue when all eligibility criteria have been met. Changes in the funding deferred to future periods are as follows:

	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Balance, beginning of year	\$ 8,595,495	\$ 6,396,495
Add: amounts funded during the year	<u>767,200</u>	<u>2,199,000</u>
Balance, end of year	<u>\$ 9,362,695</u>	<u>\$ 8,595,495</u>

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Newfoundland and Labrador English School District  
Notes to Non-Consolidated Financial Statements

For the year ended June 30, 2018

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**18. Accumulated Surplus (Deficit)**

The District has an annual deficit of \$ (1,519,053) for the year ending June 30 2018, which consist of the following:

	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Annual surplus (deficit) from operations - unrestricted	\$ (2,704,403)	\$ 45,656,690
Add (less): expenditures not funded through operating grant		
Amortization	33,710,645	29,632,084
Change in employee future benefits accrual	(1,110,091)	3,062,283
Vacation pay accrual for board executive	(166,308)	(420,981)
Less: non expenditure items funded through operating grant		
Principal payments on long-term debt and leases	(2,458,900)	(2,586,972)
Tangible capital asset additions funded from operating	(758,448)	(998,232)
Less: revenues from capital sources		
Capital transfers from Government	(23,971,229)	(71,090,754)
Loss (gain) on disposal of tangible capital assets	<u>9,491</u>	<u>339,609</u>
Adjusted annual surplus from operations	<u>\$ 2,550,757</u>	<u>\$ 3,593,727</u>

**19. Restricted Surplus**

In previous years, the Board of Trustees approved transfers totaling \$1,370,659 to restricted equity for specified capital purposes.

**20. Budget**

The unaudited budget data presented in these non-consolidated financial statements is based upon the Board approved budget for the year ended June 2018. Capitalization of assets, amortization and accrued severance and sick leave are not reflected in the budgeted amounts. The chart below adjusts the approved budget to reflect the same basis of accounting.

Original budgeted revenues	\$ 771,478,325
Add: capital transfers from government	<u>23,971,229</u>
Revised budgeted revenues	<u>795,449,554</u>
Original budgeted expenditures	771,478,325
Add: amortization of tangible capital assets	33,710,645
Add: change in employee future benefits accrual	<u>(1,110,091)</u>
Revised budgeted expenditures	<u>804,078,879</u>
Original annual surplus (deficit)	<u>NIL</u>
Revised budgeted annual surplus (deficit)	<u>\$ (8,629,325)</u>

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**Newfoundland and Labrador English School District  
Notes to Non-Consolidated Financial Statements**

**For the year ended June 30, 2018**

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**21. Comparative Figures**

Certain prior year's figures have been restated for comparative purposes and to conform to current year presentation.

**22. Subsequent Events**

Subsequent to the fiscal year ending June 30, 2018, the District sold three vacant school properties for total proceeds of \$3,353,097. Two sales closed on August 8, 2018 and one sale closed on September 26, 2018.

**Newfoundland and Labrador English School District**  
**Schedule 1**  
**Current Revenues**

For the year ended June 30, 2018

	<u>Budget</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
<b>Provincial Government Grants</b>			
Regular operating grants	\$ 118,348,925	\$ 117,836,671	\$ 111,433,338
Special grants and projects		3,373,852	3,491,796
Early severance payout		6,219,641	
Directors, Assistant Directors and Senior Education Officers salaries and benefits	4,301,300	4,991,681	5,494,637
Teachers and substitutes salaries and benefits	565,343,600	578,939,760	571,504,233
Student assistants salaries and benefits	24,936,100	26,193,688	24,638,613
Board owned pupil transportation	20,307,400	19,700,130	20,514,202
Contracted pupil transportation	29,800,000	29,807,039	29,127,716
Transportation administration	110,000	110,000	110,000
Special needs pupil transportation	7,500,000	7,248,712	7,527,688
Maintenance grants		<u>5,863,698</u>	<u>4,176,406</u>
	<u>770,647,325</u>	<u>800,284,872</u>	<u>778,018,629</u>
<b>Other Income</b>			
Interest on investments and bank	250,000	547,579	335,777
Revenues from bus charters	182,000	187,667	204,464
Revenues from rental of schools and facilities	285,000	276,994	350,094
Special project grants		326,561	237,171
Miscellaneous	114,000	118,636	104,358
Nunatsiavut government grants		2,679,995	2,717,073
Utility rate stabilization rebate			<u>3,022,512</u>
	<u>831,000</u>	<u>4,137,432</u>	<u>6,971,449</u>
<b>Total Current Revenues</b>	<u>\$ 771,478,325</u>	<u>\$ 804,422,304</u>	<u>\$ 784,990,078</u>

**Newfoundland and Labrador English School District**  
**Schedule 2**  
**Administration and Human Resource Expenditures**

**For the year ended June 30, 2018**

	<u>Budget</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
<b>Administration Expenditures</b>			
Directors, Assistant Directors and Senior Education Officers salaries and benefits	\$ 4,301,300	\$ 4,825,373	\$ 5,073,657
Board office staff salaries and benefits	4,119,110	3,779,413	3,678,286
Office supplies	158,500	134,582	144,436
Postage	175,000	123,582	127,094
Telephone	359,000	326,656	335,516
Office equipment rentals and repairs	56,000	37,976	45,798
Electricity	330,000	233,957	193,649
Travel and professional development	68,100	61,402	39,940
Board meeting expenses	185,000	135,760	108,055
Election expenses			188,196
Professional fees	671,300	505,511	716,045
Advertising and public relations	58,000	30,291	24,017
Membership dues	96,800	104,258	100,938
Municipal service fees	82,000	95,134	75,651
Rental of office space	240,700	234,084	832,130
Snow clearing	109,000	131,723	96,816
Miscellaneous and meetings	10,000	4,046	12,180
Interest expense	7,000	11,599	3,905
Bad debt (recovery)		(26,467)	1,276
<b>Total Administration Expenditures</b>	<u>\$ 11,026,810</u>	<u>\$ 10,748,880</u>	<u>\$ 11,797,585</u>

	<u>Budget</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
<b>Human Resource Expenditures</b>			
Human resource staff salaries and benefits	\$ 1,556,860	\$ 1,522,562	\$ 1,384,862
Recruitment and training	90,000	53,869	29,712
Travel	66,000	58,507	71,843
Personnel services	251,900	152,967	196,763
<b>Total Human Resource Expenditures</b>	<u>\$ 1,964,760</u>	<u>\$ 1,787,905</u>	<u>\$ 1,683,180</u>

**Newfoundland and Labrador English School District**  
**Schedule 3**  
**Instructional Expenditures**

For the year ended June 30, 2018

	<u>Budget</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
<b>Instructional Salaries and Benefits</b>			
Regular teachers - salaries and benefits	\$ 537,249,000	\$ 548,097,051	\$ 541,453,958
Substitute teachers - salaries and benefits	28,094,600	30,832,539	30,050,274
Student assistants - salaries and benefits	24,936,100	26,180,934	24,638,613
School secretaries salaries and benefits	13,127,490	12,890,331	12,766,954
Board employees - salaries and benefits	849,260	712,949	828,480
Native teachers - salaries and benefits		1,662,084	1,815,783
Special projects - salaries and benefits		1,084,027	1,176,157
Early severance payout		6,219,641	
Change in employee future benefits accrual		<u>(1,110,091)</u>	<u>3,062,283</u>
	<u>604,256,450</u>	<u>626,569,465</u>	<u>615,792,502</u>
<b>Instructional Materials</b>			
Materials - schools	8,751,690	8,481,073	8,203,921
Materials - district	221,423	160,347	208,137
Aboriginal peoples programs		982,799	874,583
Special grants and projects		<u>2,583,548</u>	<u>2,356,962</u>
	<u>8,973,113</u>	<u>12,207,767</u>	<u>11,643,603</u>
<b>Instructional Furniture and Equipment</b>			
Replacement	<u>126,694</u>	<u>122,274</u>	<u>86,205</u>
<b>Instructional Staff Travel and PD</b>			
Travel and PD - Instructional staff	1,540,383	1,481,901	1,288,680
Travel and PD - Aboriginal peoples programs		<u>31,257</u>	<u>26,707</u>
	<u>1,540,383</u>	<u>1,513,158</u>	<u>1,315,387</u>
<b>Other Instructional Costs</b>			
Other	351,300	360,829	380,974
Summer school	<u>60,000</u>	<u>113,908</u>	<u>120,549</u>
	<u>411,300</u>	<u>474,737</u>	<u>501,523</u>
<b>Total Instructional Expenditures</b>	<u>\$ 615,307,940</u>	<u>\$ 640,887,401</u>	<u>\$ 629,339,220</u>

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Newfoundland and Labrador English School District  
Schedule 4  
Centre for Distance Learning and Innovation Expenditures

For the year ended June 30, 2018

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	<u>Budget</u>	<u>June 30, 2018</u>
CDLI salary and benefits	\$ 419,375	\$ 430,664
Travel	113,500	59,849
Communications - voice and data	345,250	151,756
Instructional materials and resources	488,750	477,816
Grants and subsidies	<u>956,250</u>	<u>932,961</u>
<b>Total CDLI Expenditures</b>	<u>\$ 2,323,125</u>	<u>\$ 2,053,046</u>

Responsibilities for The Centre for distance learning and innovation was transferred from the Department of Education and Early Childhood Development to the District on April 1, 2017. The June 2018 amounts reflect fifteen months of expenses for the period April 1, 2017 to June 30, 2018. Comparative amounts for this page were received directly by the Government of Newfoundland and Labrador and are not reported in these financial statements.



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Newfoundland and Labrador English School District  
Schedule 5  
Information Technology Expenditures

For the year ended June 30, 2018

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	<u>Budget</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Information technology staff salaries and benefits	\$ 3,431,820	\$ 3,388,976	\$ 3,343,646
Supplies and materials	650,000	407,294	507,063
Licences and subscriptions	879,700	1,153,719	771,256
Travel	<u>200,000</u>	<u>173,863</u>	<u>165,043</u>
<b>Total Information Technology Expenditures</b>	<b>\$ 5,161,520</b>	<b>\$ 5,123,852</b>	<b>\$ 4,787,008</b>



**Newfoundland and Labrador English School District**  
**Schedule 6**  
**Operations and Maintenance Expenditures**

For the year ended June 30, 2018

	<u>Budget</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Salaries and benefits - janitorial	\$ 31,315,730	\$ 30,232,632	\$ 29,690,839
Salaries and benefits - maintenance	7,760,250	7,669,223	7,601,079
Electricity	13,978,900	14,408,336	13,502,158
Fuel	2,719,200	2,707,457	2,572,798
Municipal service fee	3,573,500	3,302,305	3,548,122
Telephone	3,569,800	3,552,979	3,484,162
Snow clearing	6,208,600	6,315,633	5,241,760
Vehicle operating and travel	874,500	805,258	807,649
Janitorial supplies and equipment	1,780,500	1,724,373	1,796,312
Repairs and maintenance	5,563,800	4,665,071	4,747,565
Maintenance grants expense		6,050,329	4,260,687
Housing	<u>253,000</u>	<u>307,391</u>	<u>298,636</u>
<b>Total Operations and Maintenance Expenditures</b>	<b><u>\$ 77,597,780</u></b>	<b><u>\$ 81,740,987</u></b>	<b><u>\$ 77,551,767</u></b>

**Newfoundland and Labrador English School District**  
**Schedule 7**  
**Pupil Transportation Expenditures**

For the year ended June 30, 2018

	<u>Budget</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
<b>Board Owned Fleet</b>			
Salaries and benefits	\$ 13,035,600	\$ 12,451,381	\$ 12,684,533
Debt repayment - interest	429,600	381,893	341,663
Principal payments on bus loans	2,204,500		
Gas and oil	1,817,400	1,969,414	1,857,331
Licenses	211,900	206,700	218,289
Insurance	249,400	275,304	228,995
Repairs and maintenance - fleet	1,453,500	1,453,462	1,837,447
Building	86,100	92,714	76,452
Tires and tubes	165,000	116,685	136,294
Heat and light	112,300	110,013	112,212
Municipal service	78,700	57,386	78,359
Snow clearing	164,000	167,648	163,036
Office supplies	32,000	25,574	26,633
Rent	87,900	66,826	82,796
Travel	38,700	45,406	88,007
Professional fees		30,830	
Miscellaneous	183,800	176,610	192,481
Telephone	139,000	121,280	135,002
	<u>20,489,400</u>	<u>17,749,126</u>	<u>18,259,530</u>
<b>Contracted Services</b>			
Regular transportation	29,800,000	29,807,039	29,127,716
Alternate transportation	7,500,000	7,248,712	7,527,688
	<u>37,300,000</u>	<u>37,055,751</u>	<u>36,655,404</u>
<b>District Administration</b>			
Salaries and benefits - administrative	275,990	213,065	364,603
Travel, training and other	19,000	18,401	11,394
Non funded equipment and expenses (recovery)	12,000	(615)	2,758
	<u>306,990</u>	<u>230,851</u>	<u>378,755</u>
<b>Total Pupil Transportation Expenditures</b>	<u>\$ 58,096,390</u>	<u>\$ 55,035,728</u>	<u>\$ 55,293,689</u>

Newfoundland and Labrador English School District  
 Schedule 8  
 Tangible Capital Assets

For the year ended June 30, 2018

	Cost June 30, 2018	Accumulated Amortization 2018	NBV June 30, 2018	NBV June 30, 2017
<b>Land and Sites</b>	<u>\$ 21,380,114</u>		<u>\$ 21,380,114</u>	<u>\$ 21,236,997</u>
<b>Buildings</b>				
Schools	1,202,694,137	\$ 534,753,930	667,940,207	676,047,717
Administration	9,308,680	6,874,897	2,433,783	2,534,010
Residential	9,526,799	6,889,060	2,637,739	3,054,792
Other	<u>57,356</u>	<u>57,356</u>		
	<u>1,221,586,972</u>	<u>548,575,243</u>	<u>673,011,729</u>	<u>681,636,519</u>
<b>Furniture and Equipment</b>				
Schools	30,064,248	27,397,560	2,666,688	1,459,495
Administration	11,840,410	11,147,255	693,155	1,004,009
Residential	2,384	2,384		
Computers	<u>7,789,103</u>	<u>6,435,492</u>	<u>1,353,611</u>	<u>385,862</u>
	<u>49,696,145</u>	<u>44,982,691</u>	<u>4,713,454</u>	<u>2,849,366</u>
<b>Vehicles</b>				
Service vehicles	<u>2,234,508</u>	<u>1,873,122</u>	<u>361,386</u>	<u>349,648</u>
<b>Pupil Transportation</b>				
Building	2,851,722	2,473,169	378,553	402,600
Buses	34,993,618	20,385,585	14,608,033	13,113,808
Service vehicles	<u>216,089</u>	<u>190,332</u>	<u>25,757</u>	<u>44,076</u>
	<u>38,061,429</u>	<u>23,049,086</u>	<u>15,012,343</u>	<u>13,560,484</u>
<b>Miscellaneous Capital Assets</b>				
Parking lots	2,736,254	549,281	2,186,973	2,062,959
Tools	18,162	18,162		
Water lines	29,151	12,632	16,519	17,491
Oil tanks	<u>1,858,525</u>	<u>1,075,637</u>	<u>782,888</u>	<u>600,112</u>
	<u>4,642,092</u>	<u>1,655,712</u>	<u>2,986,380</u>	<u>2,680,562</u>
<b>Total Capital Assets</b>	<u>\$1,337,601,260</u>	<u>\$ 620,135,854</u>	<u>\$ 717,465,406</u>	<u>\$ 722,313,576</u>

Newfoundland and Labrador English School District  
 Schedule 8A  
 Details of Tangible Capital Assets - Additions and Disposals

For the year ended June 30, 2018

	Cost June 30, 2017	Additions 2018	Disposals 2018	Cost June 30, 2018
<b>Land and Sites</b>	\$ 21,236,997	\$ 160,784	\$ 17,667	\$ 21,380,114
<b>Buildings</b>				
Schools	1,182,539,489	20,689,620	534,972	1,202,694,137
Administration	9,308,680			9,308,680
Residential	9,507,269	19,530		9,526,799
Other	57,356			57,356
	<u>1,201,412,794</u>	<u>20,709,150</u>	<u>534,972</u>	<u>1,221,586,972</u>
<b>Furniture and Equipment</b>				
Schools	28,335,880	1,728,368		30,064,248
Administration	11,840,410			11,840,410
Residential	2,384			2,384
Computers	6,434,305	1,354,798		7,789,103
	<u>46,612,979</u>	<u>3,083,166</u>		<u>49,696,145</u>
<b>Vehicles</b>				
Service vehicles	2,069,718	164,790		2,234,508
<b>Pupil Transportation</b>				
Building	2,851,722			2,851,722
Buses	30,903,778	4,089,840		34,993,618
Service vehicles	216,089			216,089
	<u>33,971,589</u>	<u>4,089,840</u>		<u>38,061,429</u>
<b>Miscellaneous Capital Assets</b>				
Parking lot	2,473,700	262,554		2,736,254
Tools	18,162			18,162
Water lines	29,151			29,151
Oil tanks	1,448,667	409,858		1,858,525
	<u>3,969,680</u>	<u>672,412</u>		<u>4,642,092</u>
<b>Total Capital Assets</b>	<u>\$1,309,273,757</u>	<u>\$ 28,880,142</u>	<u>\$ 552,639</u>	<u>\$1,337,601,260</u>

Newfoundland and Labrador English School District  
 Schedule 8B  
 Details of Tangible Capital Assets - Amortization

For the year ended June 30, 2018

	Accumulated Amortization June 30, 2017	Amortization 2018	Amortization on Disposals 2018	Change in Amortization 2018	Accumulated Amortization June 30, 2018
<b>Land and Sites</b>					
<b>Buildings</b>					
Schools	\$ 506,491,772	\$ 28,797,130	\$ 534,972	\$ 28,262,158	\$ 534,753,930
Administration	6,774,670	100,227		100,227	6,874,897
Residential	6,452,477	436,583		436,583	6,889,060
Other	57,356				57,356
	<u>519,776,275</u>	<u>29,333,940</u>	<u>534,972</u>	<u>28,798,968</u>	<u>548,575,243</u>
<b>Furniture and Equipment</b>					
Schools	26,876,385	521,175		521,175	27,397,560
Administration	10,836,401	310,854		310,854	11,147,255
Residential	2,384				2,384
Computers	6,048,443	387,049		387,049	6,435,492
	<u>43,763,613</u>	<u>1,219,078</u>		<u>1,219,078</u>	<u>44,982,691</u>
<b>Vehicles</b>					
Service vehicles	<u>1,720,070</u>	<u>153,052</u>		<u>153,052</u>	<u>1,873,122</u>
<b>Pupil Transportation</b>					
Building	2,449,122	24,047		24,047	2,473,169
Buses	17,789,969	2,595,616		2,595,616	20,385,585
Service vehicles	<u>172,014</u>	<u>18,318</u>		<u>18,318</u>	<u>190,332</u>
	<u>20,411,105</u>	<u>2,637,981</u>		<u>2,637,981</u>	<u>23,049,086</u>
<b>Miscellaneous Capital Assets</b>					
Parking lots	410,741	138,540		138,540	549,281
Tools	18,162				18,162
Water lines	11,660	972		972	12,632
Oil tanks	<u>848,555</u>	<u>227,082</u>		<u>227,082</u>	<u>1,075,637</u>
	<u>1,289,118</u>	<u>366,594</u>		<u>366,594</u>	<u>1,655,712</u>
<b>Total Capital Assets</b>	<u>\$ 586,960,181</u>	<u>\$ 33,710,645</u>	<u>\$ 534,972</u>	<u>\$ 33,175,673</u>	<u>\$ 620,135,854</u>

**Newfoundland and Labrador English School District**  
**Schedule 9**  
**Long-Term Debt**

**For the year ended June 30, 2018**

**Pupil Transportation Loans, Variable Rate**

<u>Creditor</u>	<u>Monthly Principal</u>	<u>Plus Interest</u>	<u>Maturity Date</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
TD Canada Trust	21,563	Prime -1%	2017		21,563
CIBC	4,530	Prime	2018		18,120
Scotiabank	2,924	Prime -0.25%	2018	5,792	40,880
TD Canada Trust	24,443	Prime -1%	2019	24,443	317,760
CIBC	5,930	Prime	2019	29,653	100,817
Scotiabank	2,523	Prime -0.25%	2022	131,257	161,533
CIBC	3,025	Prime	2022	160,325	196,625
TD Canada Trust	13,293	Prime -1%	2022	677,968	837,489
Scotiabank	4,687	Prime -0.25%	2023	295,197	346,754
CIBC	3,201	Prime	2023	199,005	236,903
TD Canada Trust	7,873	Prime -1%	2023	495,968	590,438
Scotiabank	4,459	Prime -0.25%	2024	334,419	387,927
TD Canada Trust	6,182	Prime -1%	2024	476,452	550,704
Scotiabank	2,569	Prime -0.25%	2025	219,198	250,026
TD Canada Trust	5,538	Prime	2025	483,156	548,281
TD Canada Trust	6,806	Prime	2025	605,694	687,361
CIBC	5,521	Prime	2025	437,339	502,374

**Total Pupil Transportation** 4,575,866 5,795,556

**Pupil Transportation Loans, Fixed Rate**

<u>Creditor</u>	<u>Blended Pys</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Bank of Montreal	4,393	4.55%	2017		12,514
Royal Bank	4,320	5.04%	2018	17,111	66,507
Royal Bank	2,217	3.06%	2022	105,841	128,790
Royal Bank	3,695	2.01%	2023	220,151	259,418
Royal Bank	3,788	3.02%	2024	259,010	295,590
Royal Bank	4,604	3.08%	2025	365,800	409,056
Royal Bank	8,782	3.03%	2025	706,163	788,726
Royal Bank	23,314	2.96%	2026	2,045,813	2,261,446
Royal Bank	12,326	2.38%	2027	1,236,885	1,353,761
CIBC	18,943	2.10%	2028	2,108,022	2,289,956
Royal Bank	25,752	2.67%	2029	3,037,956	

**Total Pupil Transportation** 10,102,752 7,865,764

**Total Long Term Debt** \$ 14,678,618 \$ 13,661,320

Security for certain loans has been provided in the form of chattel mortgages over specific vehicles.

**Newfoundland and Labrador English School District**  
**Schedule 9A**  
**Details of Long-Term Debt**

**For the year ended June 30, 2018**

	<u>Balance, Beginning of Year</u>	<u>Loans Obtained During Year</u>	<u>Principal Repayment for Year</u>	<u>Balance, End of Year</u>
<b><u>Long-Term Debt</u></b>				
Pupil transportation	\$ 13,661,319	\$ 3,169,930	\$ 2,152,631	\$ 14,678,618

**Annual Principal Payments**

Annual principal payments to maturity are as follows:

2019	\$ 1,854,129
2020	\$ 1,803,773
2021	\$ 1,831,043
2022	\$ 1,858,960
2023	\$ 1,703,377
Thereafter	<u>\$ 5,627,336</u>
	<u>\$ 14,678,618</u>

