

**NEWFOUNDLAND AND LABRADOR ENGLISH SCHOOL DISTRICT**

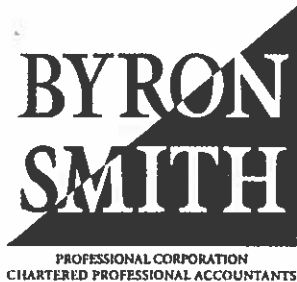
**AUDITOR'S REPORT  
NON-CONSOLIDATED FINANCIAL STATEMENTS**

**June 30, 2017**

## 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	8
5. Accounts Receivable	8
6. Due from Government Entities	9
7. Prepaid Expenses	9
8. Bank Indebtedness	9
9. Accounts Payable and Accrued Liabilities	9
10. Due to Government of NL	9
11. Accrued Vacation Pay	10
12. Employee Future Benefits	10
13. Obligation Under Capital Lease	12
14. Financial Instruments	12
15. Insurance Subsidy	12
16. Contingent Liabilities	12
17. Deferred Revenue	13
18. Deferred Special Incentives	13
19. Accumulated Surplus/Deficit	14
20. Restricted Surplus	14
21. Return of Cash to Government of Newfoundland and Labrador	14
22. Budget	14
23. Comparative Figures	15
Schedules:	
1. Current Revenues	16
2. Administration and Human Resource Expenditures	17
3. Instruction Expenditures	18
4. Information Technology	19
5. Operation and Maintenance Expenditures	20
6. Pupil Transportation Expenditures	21
7. Tangible Capital Assets	22
7A. Details of Tangible Capital Assets - Additions and Disposals	23
7B. Details of Tangible Capital Assets - Amortization	24
8. Long-Term Debt	25
8A. Details of Long-Term Debt and Interest Expense	26





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## 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 comprise the statement of financial position as at June 30, 2017 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 of 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 judgement, 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 purposes 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 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 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, 2017 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  
October 31, 2017

  
CHARTERED PROFESSIONAL ACCOUNTANT


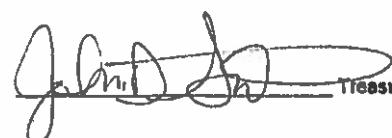
**Newfoundland and Labrador English School District**  
**Non-Consolidated - Statement of Financial Position**

As at June 30, 2017

	<u>June 30, 2017</u>	<u>June 30, 2016</u>
<b>FINANCIAL ASSETS</b>		
Cash (Note 3)	\$ 27,752,482	\$ 18,912,414
Short-term investments (Note 4)	3,881,511	3,839,440
Accounts receivable (Note 5)	1,113,094	1,450,625
Due from government entities (Note 6)	10,891,382	8,285,173
Teachers' vacation pay receivable (Note 11)	<u>81,898,097</u>	<u>83,039,416</u>
	<u>125,838,578</u>	<u>116,507,088</u>
<b>FINANCIAL LIABILITIES</b>		
Accounts payable and accrued liabilities (Note 9)	10,808,191	10,898,995
Due to Government of NL (Note 10)	5,088,804	
Accrued vacation pay (Note 11)	87,771,099	89,278,470
Employee future benefits		
Accrued severance pay (Note 12)	148,651,882	144,425,473
Accrued sick pay (Note 12)	91,242,678	92,306,802
Other employee benefits	97,605	118,659
Long-term debt (Schedule 6 and 8A)	13,661,319	13,532,140
Obligation under capital lease (Note 13)	1,102,355	584,964
Deferred revenue (Note 17)	7,373,935	7,984,115
Deferred special incentives (Note 18)	<u>6,595,495</u>	<u>6,396,495</u>
	<u>374,392,961</u>	<u>365,523,913</u>
<b>NET DEBT</b>	<u>(248,756,385)</u>	<u>(249,016,845)</u>
<b>NON-FINANCIAL ASSETS</b>		
Prepaid expenses (Note 7)	1,454,381	1,292,501
Tangible capital assets (Schedule 7)	<u>722,313,576</u>	<u>677,079,226</u>
	<u>723,767,957</u>	<u>678,371,727</u>
<b>ACCUMULATED SURPLUS</b>		
Accumulated surplus - restricted (Note 20)	1,370,859	1,370,859
Accumulated surplus - unrestricted	<u>473,840,913</u>	<u>427,984,223</u>
	<u>\$ 475,011,572</u>	<u>\$ 429,354,862</u>

Contingent liabilities (Note 16)

On Behalf of the Board:


Chairperson

Treasurer

See accompanying notes to financial statements.

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

For the year ended June 30, 2017

	<u>Budget</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>
<b>Revenue</b>			
Provincial government grants (Schedule 1)	\$ 771,435,218	\$ 778,018,629	\$ 789,564,529
Other income (Schedule 1)	849,100	6,971,449	4,232,883
Capital transfers from government		71,090,754	73,803,861
Gain on sale of capital assets			80,464
	<u>772,284,318</u>	<u>856,080,832</u>	<u>867,681,737</u>
<b>Expenditures</b>			
Administration (Schedule 2)	12,046,139	11,797,585	12,481,432
Human resources (Schedule 2)	1,821,739	1,683,180	1,758,894
Instructional (Schedule 3)	617,580,030	629,339,220	634,666,842
Information technology (Schedule 4)	5,161,889	4,787,008	4,974,504
Operations and maintenance (Schedule 5)	76,792,563	77,551,767	81,743,572
Pupil transportation (Schedule 6)	58,881,958	55,293,689	57,683,163
Amortization of capital assets (Schedule 7B)		29,632,084	29,062,630
Loss on sale of capital assets		339,609	
	<u>\$ 772,284,318</u>	<u>810,424,142</u>	<u>822,371,037</u>
<b>Annual surplus from operations - unrestricted</b>		<u>\$ 45,656,690</u>	<u>\$ 45,310,700</u>
<hr/>			
<b>Accumulated surplus - unrestricted, beginning of year</b>		\$ 427,984,223	\$ 404,673,523
<b>Annual surplus from operations - unrestricted</b>		45,656,690	45,310,700
<b>Transfer to Government of Newfoundland and Labrador (Note 21)</b>			(22,000,000)
<b>Accumulated surplus - unrestricted, end of year</b>		<u>\$ 473,640,913</u>	<u>\$ 427,984,223</u>
<hr/>			
<b>Accumulated surplus - restricted, beginning of year</b>		\$ 1,370,659	\$ 1,370,659
<b>Annual surplus from operations - restricted</b>			
<b>Accumulated surplus - restricted, end of year</b>		<u>\$ 1,370,659</u>	<u>\$ 1,370,659</u>



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

For the year ended June 30, 2017

	<u>June 30, 2017</u>	<u>June 30, 2016</u>
<b>OPERATING ACTIVITIES</b>		
Excess of revenue over expenditures	\$ 45,656,690	\$ 45,310,700
Items not affecting cash:		
Amortization of tangible capital assets	29,632,084	29,062,630
(Gain) Loss on disposal of tangible capital assets	339,609	(80,464)
Increase in accrued vacation pay	(1,505,371)	2,669,840
Decrease in accrued sick pay	(1,063,926)	(488,657)
Increase in accrued severance pay	4,126,209	5,796,194
Decrease in other employee benefits liability	(21,054)	(25,256)
Changes in:		
Short-term investments	(42,071)	487,849
Accounts receivable	(1,247,359)	(2,395,702)
Prepaid expenses	(161,880)	(99,595)
Deferred revenue	1,588,820	(2,194,671)
Accounts payable and accrued liabilities	<u>5,097,800</u>	<u>(5,255,979)</u>
	<u>82,399,551</u>	<u>72,786,889</u>
<b>FINANCING ACTIVITIES</b>		
Proceeds from obligation under capital lease	825,147	486,370
Repayment of obligation under capital lease	(307,756)	(180,614)
Proceeds from long-term borrowings	2,408,395	1,542,628
Repayment of long-term debt	(2,279,216)	(2,221,044)
Transfer to Government of Newfoundland and Labrador		<u>(22,000,000)</u>
	<u>646,570</u>	<u>(22,372,660)</u>
<b>INVESTING ACTIVITIES</b>		
Acquisition of tangible capital assets	(75,358,106)	(76,323,224)
Proceeds on disposal of tangible capital assets	<u>152,063</u>	<u>196,564</u>
	<u>(75,206,043)</u>	<u>(76,126,660)</u>
Change in cash resources	7,840,078	(25,712,431)
Cash, beginning of year	<u>19,912,414</u>	<u>45,624,845</u>
Cash, end of year	<u>\$ 27,752,492</u>	<u>\$ 19,912,414</u>



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

**For the year ended June 30, 2017**

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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 or 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, revenue 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 the 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, 2016 were \$472,329 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, 2017 were \$1,519,804 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 teacher severance pay which is recorded when the severance is paid to employees. Funding designated for specific purposes, for which criteria has 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 purpose.

**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 time of inception of the lease.

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

For the year ended June 30, 2017

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**1. Significant Accounting Policies (Cont'd)**

**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 straight-line basis over their estimated useful lives, using the following rates:

Buildings	25-60 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 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 included accrued severance, accrued sick leave and other employee benefits.

**(i) Accrued severance**

Consistent with government policy, the District has in effect severance pay policies whereby certain employees are entitled to a severance payment upon leaving employment with the District. Under these policies, an employee who has nine (9) or more years of continuous service in the employment of the District or other public sector employer is 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. 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 Provinces' long-term borrowing rate.

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.

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

For the year ended June 30, 2017

(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 revenue and expenditures during the reporting periods. Areas requiring the use of management's estimates include the allowance for doubtful accounts, employee future benefits and the 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.

2. Bond Coverage

At 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, 2017</u>	<u>June 30, 2016</u>
Current and savings bank account	\$ 27,662,940	\$ 19,844,607
Teachers' payroll bank account	87,364	65,339
Other	<u>2,188</u>	<u>2,468</u>
	<u>\$ 27,752,492</u>	<u>\$ 19,912,414</u>

4. Short Term Investments

	<u>June 30, 2017</u>	<u>June 30, 2016</u>
Term deposits and GIC's	\$ 3,681,004	\$ 3,655,887
Marketable securities	<u>200,507</u>	<u>183,553</u>
	<u>\$ 3,881,511</u>	<u>\$ 3,839,440</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, 2017</u>	<u>June 30, 2016</u>
Trade, miscellaneous and other	\$ 915,244	\$ 1,413,590
Interest	37,703	37,035
Due from NLISE	<u>160,147</u>	<u>          </u>
	<u>\$ 1,113,094</u>	<u>\$ 1,450,625</u>

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

For the year ended June 30, 2017

6. Due from Government Entities	<u>June 30, 2017</u>	<u>June 30, 2016</u>
Government of NL - Operating	\$ 2,426,580	\$ 2,004,615
Government of NL - Special incentives	7,741,038	5,542,038
Federal Government	<u>723,764</u>	<u>718,520</u>
	<u>\$ 10,891,382</u>	<u>\$ 8,265,173</u>

7. Prepaid Expenses	<u>June 30, 2017</u>	<u>June 30, 2016</u>
Municipal service fees	\$ 915,902	\$ 887,056
Software support	434,656	274,944
Insurance	84,973	40,454
Rent	<u>18,850</u>	<u>90,047</u>
	<u>\$ 1,454,381</u>	<u>\$ 1,292,501</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, 2017 and June 30, 2016. 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.

9. Accounts Payable and Accrued Liabilities

	<u>June 30, 2017</u>	<u>June 30, 2016</u>
Trade payables	\$ 4,436,788	\$ 4,958,603
Accrued wages	2,147,126	1,989,191
Accrued payroll deductions	1,820,133	1,964,688
Accrued liabilities	976,076	456,550
Scholarship funds	850,446	849,834
Eastern School District Trust Fund	<u>677,622</u>	<u>680,129</u>
	<u>\$ 10,908,191</u>	<u>\$ 10,898,995</u>

10. Due to Government of NL

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

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

For the year ended June 30, 2017

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 are not fully paid to teachers until subsequent to June 30. Accordingly, the District has recorded teachers vacation pay receivable of \$81,998,097 at June 30, 2017.

	<u>June 30, 2017</u>	<u>June 30, 2016</u>
Vacation pay - teachers	\$ 81,998,097	\$ 83,039,416
Vacation pay - board employees	4,681,396	4,724,467
Vacation pay - executive staff	<u>1,091,606</u>	<u>1,512,587</u>
<b>Total Accrued Vacation Pay</b>	<b><u>\$ 87,771,099</u></b>	<b><u>\$ 89,276,470</u></b>

12. Employee Future Benefits

The actuarial valuation date for sick leave and severance accrual was June 30, 2016 and has been extrapolated for June 30, 2017. 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 3.25% as at June 30, 2017 (3.40 % - June 2016).

<b>ACCRUED SEVERANCE</b>	<u>June 30, 2017</u>	<u>June 30, 2016</u>
<i>Severance Pay (Teachers)</i>		
Accrued benefit liability, beginning of year	\$ 132,335,181	\$ 126,991,915
Benefits Expense	11,264,431	11,431,619
Benefits Paid	<u>(6,915,155)</u>	<u>(6,088,353)</u>
<b>Accrued benefit liability (Teachers), end of year</b>	<b><u>136,684,457</u></b>	<b><u>132,335,181</u></b>
<i>Severance Pay (Board Employees)</i>		
Accrued benefit liability, beginning of year	12,090,292	11,637,364
Benefits Expense	1,504,961	1,545,063
Benefits Paid	<u>(1,728,028)</u>	<u>(1,092,135)</u>
<b>Accrued benefit liability (Board Employees), end of year</b>	<b><u>11,867,225</u></b>	<b><u>12,090,292</u></b>
<b>Total accrued severance pay liability, end of year</b>	<b>148,551,682</b>	<b>144,425,473</b>
Unamortized portion of actuarial loss	<u>(15,713,041)</u>	<u>(18,505,453)</u>
<b>Total accrued severance obligation</b>	<b><u>\$ 132,838,641</u></b>	<b><u>\$ 125,920,020</u></b>

*Reconciliation of Accrued Benefit Obligation from June 30, 2016 to June 30, 2017*

	<u>Board Employees</u>	<u>Teachers</u>	<u>Total</u>
Accrued benefit obligation as at June 30, 2016	\$ 12,531,697	\$ 113,388,323	\$ 125,920,020
Current period benefit cost	1,024,257	8,673,954	9,698,211
Benefits payments/contributions	(1,728,028)	(6,915,155)	(8,643,183)
Interest on the accrued benefit obligation	414,114	3,885,103	4,299,217
Actuarial (gains)/losses	<u>117,555</u>	<u>1,446,821</u>	<u>1,564,376</u>
<b>Accrued benefit obligation as at June 30, 2017</b>	<b><u>\$ 12,359,595</u></b>	<b><u>\$ 120,479,046</u></b>	<b><u>\$ 132,838,641</u></b>

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

For the year ended June 30, 2017

ACCRUED SICK LEAVE	<u>June 30, 2017</u>	<u>June 30, 2016</u>
<i>Sick Leave (Teachers)</i>		
Accrued benefit liability, beginning of year	\$ 87,100,052	\$ 87,295,467
Benefits Expense	10,729,842	10,925,824
Benefits Paid	<u>(11,427,455)</u>	<u>(11,121,239)</u>
Accrued benefit liability (Teachers), end of year	<u>86,402,439</u>	<u>87,100,052</u>
<i>Sick Leave (Board Employees)</i>		
Accrued benefits liability, beginning of year	5,206,550	5,499,792
Benefits Expense	582,984	630,627
Benefits Paid	<u>(949,297)</u>	<u>(923,869)</u>
Accrued benefit liability (Board Employees), end of year	<u>4,840,237</u>	<u>5,206,550</u>
Total accrued sick leave liability, end of year	91,242,676	92,306,602
Unamortized portion of actuarial loss	<u>3,884,356</u>	<u>3,428,848</u>
Total accrued sick leave obligation	<u>\$ 95,127,032</u>	<u>\$ 95,735,450</u>

*Reconciliation of Accrued Benefit Obligation from June 30, 2016 to June 30, 2017*

	<u>Board Employees</u>	<u>Teachers</u>	<u>Total</u>
Accrued benefit obligation as at June 30, 2016	\$ 4,485,458	\$ 91,249,992	\$ 95,735,450
Current period benefit cost	512,473	7,275,456	7,787,929
Benefits payments/contributions	(949,297)	(11,427,455)	(12,376,752)
Interest on the accrued benefit obligation	145,080	3,031,916	3,176,996
Actuarial (gains)/losses	<u>35,846</u>	<u>767,563</u>	<u>803,409</u>
Accrued benefit obligation as at June 30, 2017	<u>\$ 4,229,560</u>	<u>\$ 90,897,472</u>	<u>\$ 95,127,032</u>

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

For the year ended June 30, 2017

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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, 2017 was \$1,102,355 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, 2017 was \$30,922.

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

	2018	\$	333,876
	2019		294,579
	2020		281,481
	2021		218,974
	2022		<u>46,642</u>
Total future minimum lease payments			1,175,552
Less: amount representing interest			<u>73,197</u>
		\$	<u>1,102,355</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 statements.

The carrying value of the Districts 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.

**16. Contingent Liabilities**

Site restoration and remediation costs associated with school properties under the District are charged to operations as incurred. Estimated future site restoration and remediation costs have not been accrued in these financial statements since the obligation, if any, is presently not determinable. Such costs are normally funded by the Province.

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

For the year ended June 30, 2017

17. Deferred Revenue

Deferred revenue represents funding designated for specific purposes for which the revenue recognition criteria has 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, 2017</u>	<u>June 30, 2016</u>
Balance, beginning of year	\$ 7,984,115	\$ 12,059,587
Less amounts recognized as revenue in the year	(4,225,913)	(5,701,167)
Less amount returned to Government of Newfoundland and Labrador		(3,000,000)
Add amounts funded during the year	<u>3,615,733</u>	<u>4,625,695</u>
Balance, end of year	<u>\$ 7,373,935</u>	<u>\$ 7,984,115</u>

Deferred revenue is comprised of the following:

	<u>June 30, 2017</u>	<u>June 30, 2016</u>
Operations and maintenance	\$ 210,139	\$ 306,657
Instruction	4,572,264	5,498,343
Administration		197,653
Pupil transportation	1,534,165	1,981,462
Nunatsiavut Government	<u>1,057,367</u>	
	<u>\$ 7,373,935</u>	<u>\$ 7,984,115</u>

18. Deferred Special Incentives

Deferred special incentives represents funding designated for specific purposes for which the revenue recognition criteria has 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, 2017</u>	<u>June 30, 2016</u>
Balance, beginning of year	\$ 6,396,495	\$ 4,515,695
Less amounts recognized as revenue in the year		(155,000)
Add amounts funded during the year	<u>2,199,000</u>	<u>2,035,800</u>
Balance, end of year	<u>\$ 8,595,495</u>	<u>\$ 6,396,495</u>



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

**For the year ended June 30, 2017**

**19. Accumulated Surplus**

The District has an annual surplus of \$45,656,690 for the year ending June 30 2017, which consist of the following:

	<u>June 30, 2017</u>	<u>June 30, 2016</u>
Annual surplus from operations - unrestricted	\$ 45,656,690	\$ 45,310,700
Add (deduct): expenditures not funded through operating grant		
Amortization	29,632,084	29,062,630
Change in employee future benefits accrual	3,062,283	5,307,537
Vacation pay accrual for board executive	(420,981)	162,450
Deduct: non expenditure items funded through operating grant		
Principal payments on long-term debt and leases	(2,586,972)	(2,401,658)
Tangible capital asset additions funded from operating	(998,232)	(320,171)
Deduct: revenues from capital sources		
Capital transfers from government	(71,090,754)	(73,803,861)
Loss (gain) on disposal of tangible capital assets	<u>339,609</u>	<u>(80,464)</u>
Adjusted annual surplus from operations	<u>\$ 3,593,727</u>	<u>\$ 3,237,163</u>

**20. Restricted Surplus**

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

**21. Return of Cash to Government of Newfoundland and Labrador**

In the spring of 2016, Government of Newfoundland and Labrador requested that the board return surplus cash in the amount of \$25,000,000. An amount of \$22,000,000 was transferred from accumulated surplus and \$3,000,000 was transferred from deferred revenue. A cheque for \$25,000,000 was issued to NL Exchequer on April 30, 2016.

**22. Budget**

The unaudited budget data presented in these non-consolidated financial statements is based upon the Board approved budget for the year ended June 2016. 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	\$ 772,284,318
Add: capital transfers from government	<u>71,090,754</u>
<b>Revised budgeted revenues</b>	<u>843,375,072</u>
Original budgeted expenditures	772,284,318
Add: amortization of tangible capital assets	29,632,084
Add: change in employee future benefits accrual	3,062,283
<b>Revised budgeted expenditures</b>	<u>804,978,685</u>
Original annual surplus (deficit)	<u>NIL</u>
Revised budgeted annual surplus	<u>\$ 38,396,387</u>

For the year ended June 30, 2017

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**23. Comparative Figures**

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

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

For the year ended June 30, 2017

	<u>Budget</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>
<b>Provincial Government Grants</b>			
Regular operating grants	\$ 116,064,800	\$ 111,433,338	\$ 115,781,012
Special grants and projects		3,491,796	3,912,040
Directors, Assistant Directors and Senior Education Officers salaries and benefits	4,745,818	5,494,637	4,821,389
Teachers and substitute salaries and benefits	568,131,000	571,504,233	575,752,727
Student assistants salaries and benefits	23,991,000	24,638,613	22,586,733
Board owned pupil transportation	20,692,600	20,514,202	21,863,614
Contracted pupil transportation	30,000,000	29,127,716	29,728,589
Transportation administration	110,000	110,000	110,000
Special needs pupil transportation	7,700,000	7,527,688	7,763,330
Maintenance grants		<u>4,176,406</u>	<u>7,245,095</u>
	<u>771,435,218</u>	<u>778,018,629</u>	<u>789,564,529</u>
<b>Other Income</b>			
Interest on investments and bank	235,000	335,777	450,257
Revenues from bus charters	164,100	204,464	241,486
Revenues from rental of schools and facilities	331,000	350,094	422,699
Special project grants		237,171	169,798
Miscellaneous	119,000	104,358	258,460
Nunatsiavut government grants		2,717,073	2,690,183
Utility rate stabilization rebate		<u>3,022,512</u>	
	<u>849,100</u>	<u>6,971,449</u>	<u>4,232,883</u>
<b>Total Current Revenues</b>	<u>\$ 772,284,318</u>	<u>\$ 784,990,078</u>	<u>\$ 793,797,412</u>

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

For the year ended June 30, 2017

**Administration Expenditures**

	<u>Budget</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>
Directors, Assistant Directors and Senior Education Officers salaries and benefits	\$ 4,745,818	\$ 5,073,657	\$ 4,983,839
Board office staff salaries and benefits	4,189,421	3,678,286	4,042,802
Office supplies	158,500	144,436	133,414
Postage	175,000	127,094	216,282
Telephone	454,800	335,516	443,349
Office equipment rentals and repairs	56,000	45,798	96,614
Electricity	185,000	193,649	176,597
Travel	56,000	39,940	52,740
Board meeting expenses	145,000	108,055	141,003
Election expenses	191,700	188,196	
Professional fees	671,300	716,045	619,960
Advertising and public relations	58,000	24,017	54,326
Membership dues	95,900	100,938	106,643
Municipal service fees	66,000	75,651	63,416
Rental of office space	658,700	832,130	1,401,033
Snow clearing	109,000	96,816	
Professional development and meetings	30,000	16,085	27,732
Bad debt (recovery)		<u>1,276</u>	<u>(78,318)</u>
<b>Total Administration Expenditures</b>	<b><u>\$ 12,046,139</u></b>	<b><u>\$ 11,797,585</u></b>	<b><u>\$ 12,481,432</u></b>

**Human Resource Expenditures**

	<u>Budget</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>
Human resource staff salaries and benefits	\$ 1,449,639	\$ 1,384,862	\$ 1,358,276
Recruitment and training	42,500	29,712	20,322
Travel	66,000	71,843	53,955
Personnel services	<u>263,600</u>	<u>196,763</u>	<u>326,341</u>
<b>Total Human Resource Expenditures</b>	<b><u>\$ 1,821,739</u></b>	<b><u>\$ 1,683,180</u></b>	<b><u>\$ 1,758,894</u></b>

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

For the year ended June 30, 2017

	<u>Budget</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>
<b>Instructional Salaries and Benefits</b>			
Regular teachers - salaries and benefits	\$ 538,919,000	\$ 541,453,958	\$ 546,134,988
Substitute teachers - salaries and benefits	29,212,000	30,050,274	29,608,914
Student assistants - salaries and benefits	23,991,000	24,638,613	22,586,733
School secretaries - salaries and benefits	13,443,147	12,766,954	12,713,936
Board employees - salaries and benefits	897,630	828,480	986,129
Native teachers - salaries and benefits		1,815,783	1,746,892
Special projects - salaries and benefits		1,176,157	1,172,415
Change in employee future benefits accrual		<u>3,062,283</u>	<u>5,307,537</u>
	<u>606,462,777</u>	<u>615,792,502</u>	<u>620,257,544</u>
<b>Instructional Materials</b>			
Materials - schools	8,840,003	8,203,921	8,668,309
Materials - district	234,700	208,137	173,288
Aboriginal peoples programs		874,583	923,888
Special grants and projects		<u>2,356,962</u>	<u>2,741,801</u>
	<u>9,074,703</u>	<u>11,643,603</u>	<u>12,507,286</u>
<b>Instructional Furniture and Equipment</b>			
Replacement	<u>132,000</u>	<u>98,705</u>	<u>106,735</u>
<b>Instructional Staff Travel and PD</b>			
Travel and PD - Instructional staff	1,483,150	1,288,680	1,281,217
Travel and PD - Aboriginal peoples programs		<u>26,707</u>	<u>19,403</u>
	<u>1,483,150</u>	<u>1,315,387</u>	<u>1,300,620</u>
<b>Other Instructional Costs</b>			
Other	362,400	368,474	355,135
Summer school	<u>65,000</u>	<u>120,549</u>	<u>139,522</u>
	<u>427,400</u>	<u>489,023</u>	<u>494,657</u>
<b>Total Instruction Expenditures</b>	<u>\$ 617,580,030</u>	<u>\$ 629,339,220</u>	<u>\$ 634,666,842</u>

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Newfoundland and Labrador English School District  
Schedule 4  
Information Technology

For the year ended June 30, 2017

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	<u>Budget</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>
Information technology staff salaries and benefits	\$ 3,632,212	\$ 3,343,646	\$ 3,569,861
Supplies and materials	520,577	507,063	446,454
Licences and subscriptions	809,100	771,256	778,331
Travel	<u>200,000</u>	<u>165,043</u>	<u>179,858</u>
<b>Total Information Technology</b>	<b>\$ 5,161,889</b>	<b>\$ 4,787,008</b>	<b>\$ 4,974,504</b>

**Newfoundland and Labrador English School District**  
**Schedule 5**  
**Operations and Maintenance Expenditures**

For the year ended June 30, 2017

	<u>Budget</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>
Salaries and benefits - janitorial	\$ 30,631,146	\$ 29,690,839	\$ 29,142,423
Salaries and benefits - maintenance	7,848,407	7,601,079	7,827,930
Electricity	15,209,000	13,502,158	14,560,642
Fuel	2,700,000	2,572,798	2,620,832
Municipal service fee	3,523,000	3,548,122	3,442,681
Telephone	3,545,000	3,484,162	3,439,104
Snow clearing	5,038,000	5,241,760	5,017,962
Vehicle operating and travel	874,500	807,649	828,569
Janitorial supplies and equipment	1,784,910	1,796,312	1,825,868
Repairs and maintenance	5,307,600	4,747,565	5,427,291
Maintenance grants expense		4,260,687	7,229,730
Housing	<u>331,000</u>	<u>298,636</u>	<u>380,540</u>
<b>Total Operations and Maintenance</b>	<b><u>\$ 76,792,563</u></b>	<b><u>\$ 77,551,767</u></b>	<b><u>\$ 81,743,572</u></b>

**Newfoundland and Labrador English School District**  
**Schedule 6**  
**Pupil Transportation Expenditures**

For the year ended June 30, 2017

	<u>Budget</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>
<b>Board Owned Fleet</b>			
Salaries and benefits	\$ 13,001,900	\$ 12,684,533	\$ 14,384,401
Debt repayment- interest	361,000	341,663	348,799
Principal payments on bus loans	2,290,600		
Gas and oil	2,150,300	1,857,331	1,911,048
Licenses	218,900	218,289	190,255
Insurance	269,000	228,995	129,490
Repairs and maintenance - fleet	1,346,100	1,837,447	1,829,637
Building	91,700	76,452	70,427
Tires and tubes	229,700	136,294	166,860
Heat and light	151,500	112,212	165,497
Municipal service	78,100	78,359	72,549
Snow clearing	158,200	163,036	159,311
Office supplies	25,200	26,633	23,013
Rent	146,000	82,796	75,024
Travel	38,700	88,007	36,666
Miscellaneous	153,800	192,481	129,528
Telephone	146,000	135,002	136,473
	<u>20,856,700</u>	<u>18,259,530</u>	<u>19,828,978</u>
<b>Contracted Services</b>			
Regular transportation	30,000,000	29,127,716	29,728,590
Alternate transportation	7,700,000	7,527,688	7,763,330
	<u>37,700,000</u>	<u>36,655,404</u>	<u>37,491,920</u>
<b>District Administration</b>			
Salaries and benefits - administrative	294,258	364,603	317,652
Travel, training and other	16,000	11,394	12,384
Non funded equipment and expenses (recovery)	15,000	2,758	32,229
	<u>325,258</u>	<u>378,755</u>	<u>362,265</u>
<b>Total Pupil Transportation Expenditures</b>	<u>\$ 58,881,958</u>	<u>\$ 55,293,689</u>	<u>\$ 57,683,163</u>



Newfoundland and Labrador English School District  
Schedule 7  
Tangible Capital Assets

For the year ended June 30, 2017

	Cost June 30, 2017	Accumulated Amortization 2017	NBV June 30, 2017	NBV June 30, 2016
Land and Sites	\$ 21,040,997		\$ 21,040,997	\$ 21,040,997
<b>Buildings</b>				
Schools	1,180,594,893	\$ 504,928,717	675,666,176	629,877,344
Administration	11,505,824	8,337,728	3,168,096	3,307,110
Residential	9,507,269	6,452,477	3,054,792	3,428,162
Other	57,356	57,356		1,852
	<u>1,201,665,342</u>	<u>519,776,278</u>	<u>681,889,064</u>	<u>636,614,468</u>
<b>Furniture and Equip.</b>				
Schools	28,335,880	26,876,385	1,459,495	2,041,636
Administration	11,840,410	10,836,399	1,004,011	578,941
Residential	2,384	2,384		
Computers	6,434,305	6,048,443	385,862	285,640
	<u>46,612,979</u>	<u>43,763,611</u>	<u>2,849,368</u>	<u>2,906,217</u>
<b>Vehicles</b>				
Service vehicles	2,069,718	1,720,070	349,648	232,113
<b>Pupil Transportation</b>				
Buildings	2,851,722	2,449,123	402,599	423,517
Buses	30,903,778	17,789,967	13,113,811	13,303,536
Service vehicles	216,089	172,014	44,075	27,352
	<u>33,971,589</u>	<u>20,411,104</u>	<u>13,560,485</u>	<u>13,754,405</u>
<b>Misc. Capital Assets</b>				
Parking lots	2,417,152	410,740	2,006,412	1,940,280
Tools	18,162	18,162		
Water lines	29,151	11,662	17,489	18,461
Oil tanks	1,448,667	848,554	600,113	572,285
	<u>3,913,132</u>	<u>1,289,118</u>	<u>2,624,014</u>	<u>2,531,026</u>
<b>Total Capital Assets</b>	<u>\$1,309,273,757</u>	<u>\$ 586,960,181</u>	<u>\$ 722,313,576</u>	<u>\$ 677,079,226</u>

Newfoundland and Labrador English School District  
 Schedule 7A  
 Details of Tangible Capital Assets - Additions and Disposals

For the year ended June 30, 2017

	Cost June 30, 2016	Additions 2017	Disposals 2017	Cost June 30, 2017
<b>Land and Sites</b>	<u>\$ 21,040,997</u>			<u>\$ 21,040,997</u>
<b>Buildings</b>				
Schools	1,113,187,386	\$ 70,874,945	\$ 3,467,438	1,180,594,893
Administration	11,505,824			11,505,824
Residential	9,507,269			9,507,269
Other	57,356			57,356
	<u>1,134,257,835</u>	<u>70,874,945</u>	<u>3,467,438</u>	<u>1,201,665,342</u>
<b>Furniture and Equip.</b>				
Schools	56,371,274	51,600	28,086,994	28,335,880
Administration	11,009,398	831,012		11,840,410
Residential	2,384			2,384
Computers	6,026,810	407,495		6,434,305
	<u>73,409,866</u>	<u>1,290,107</u>	<u>28,086,994</u>	<u>46,612,979</u>
<b>Vehicles</b>				
Service vehicles	<u>2,251,416</u>	<u>272,966</u>	<u>454,664</u>	<u>2,069,718</u>
<b>Pupil Transportation</b>				
Buildings	2,851,722			2,851,722
Buses	33,048,074	2,438,107	4,582,403	30,903,778
Service vehicles	364,869	34,153	182,933	216,089
	<u>36,264,665</u>	<u>2,472,260</u>	<u>4,765,336</u>	<u>33,971,589</u>
<b>Misc. Capital Assets</b>				
Parking lots	2,227,335	189,817		2,417,152
Tools	18,162			18,162
Water lines	29,151			29,151
Oil tanks	1,190,656	258,011		1,448,667
	<u>3,465,304</u>	<u>447,828</u>		<u>3,913,132</u>
<b>Total Capital Assets</b>	<u>\$1,270,690,083</u>	<u>\$ 75,358,106</u>	<u>\$ 36,774,432</u>	<u>\$1,309,273,757</u>

Newfoundland and Labrador English School District  
Schedule 7B  
Details of Tangible Capital Assets - Amortization

For the year ended June 30, 2017

	<u>Accumulated Amortization June 30, 2016</u>	<u>Amortization 2017</u>	<u>Amortization on disposals 2017</u>	<u>Change in Amortization 2017</u>	<u>Accumulated Amortization June 30, 2017</u>
<b>Land and Sites</b>					
<b>Buildings</b>					
Schools	\$483,310,042	\$ 24,594,441	\$ 2,975,766	\$ 21,618,675	\$504,928,717
Administration	8,198,714	139,014		139,014	8,337,728
Residential	6,079,107	373,370		373,370	6,452,477
Other	<u>55,504</u>	<u>1,852</u>		<u>1,852</u>	<u>57,356</u>
	<u>497,643,367</u>	<u>25,108,677</u>	<u>2,975,766</u>	<u>22,132,911</u>	<u>519,776,278</u>
<b>Furniture and Equip.</b>					
Schools	54,329,638	633,741	28,086,994	(27,453,253)	26,876,385
Administration	10,430,457	405,942		405,942	10,836,399
Residential	2,384				2,384
Computers	<u>5,741,170</u>	<u>307,273</u>		<u>307,273</u>	<u>6,048,443</u>
	<u>70,503,649</u>	<u>1,346,956</u>	<u>28,086,994</u>	<u>(26,740,038)</u>	<u>43,763,611</u>
<b>Vehicles</b>					
Service vehicles	<u>2,019,303</u>	<u>155,431</u>	<u>454,664</u>	<u>(299,233)</u>	<u>1,720,070</u>
<b>Pupil Transportation</b>					
Building	2,428,205	20,918		20,918	2,449,123
Buses	19,744,537	2,627,833	4,582,403	(1,954,570)	17,789,967
Service vehicles	<u>337,518</u>	<u>17,429</u>	<u>182,933</u>	<u>(165,504)</u>	<u>172,014</u>
	<u>22,510,260</u>	<u>2,666,180</u>	<u>4,765,336</u>	<u>(2,099,156)</u>	<u>20,411,104</u>
<b>Misc. Capital Assets</b>					
Parking lots	287,055	123,685		123,685	410,740
Tools	18,162				18,162
Water lines	10,690	972		972	11,662
Oil tanks	<u>618,371</u>	<u>230,183</u>		<u>230,183</u>	<u>848,554</u>
	<u>934,278</u>	<u>354,840</u>		<u>354,840</u>	<u>1,289,118</u>
<b>Total Capital Assets</b>	<u>\$593,610,857</u>	<u>\$ 29,632,084</u>	<u>\$ 36,282,760</u>	<u>\$ (6,650,676)</u>	<u>\$586,960,181</u>

**Newfoundland and Labrador English School District**  
**Schedule 8**  
**Long-Term Debt**

**For the year ended June 30, 2017**

**Pupil Transportation Loans, Variable Rate**

<u>Creditor</u>	<u>Monthly Principal</u>	<u>Plus Interest</u>	<u>Maturity Date</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>
TD Canada Trust	\$ 3,794	Prime -1%	2016		15,203
TD Canada Trust	1,084	Prime -1%	2016		3,253
CIBC	542	Prime	2017		1,083
CIBC	542	Prime	2017		1,626
TD Canada Trust	21,563	Prime -1%	2017	21,563	280,320
Scotiabank	4,459	Prime -0.25%	2017	387,927	441,435
Scotiabank	2,924	Prime -0.25%	2018	40,880	75,968
CIBC	4,530	Prime	2018	18,120	72,480
Scotiabank	2,569	Prime -0.25%	2018	250,026	280,854
TD Canada Trust	24,443	Prime -1%	2019	317,760	611,076
CIBC	5,930	Prime	2019	100,817	171,980
Scotiabank	2,523	Prime -0.25%	2022	161,533	191,809
CIBC	3,025	Prime	2022	196,625	232,925
TD Canada Trust	13,293	Prime -1%	2022	837,489	997,011
Scotiabank	4,687	Prime -0.25%	2023	346,754	402,998
CIBC	3,201	Prime	2023	236,903	275,320
TD Canada Trust	7,873	Prime -1%	2023	590,438	684,908
TD Canada Trust	6,182	Prime -1%	2024	550,704	624,957
TD Canada Trust	5,538	Prime	2025	548,281	614,739
TD Canada Trust	6,806	Prime	2025	687,361	769,028
CIBC	5,521	Prime	2025	502,374	568,622
<b>Total Pupil Transportation</b>				<b>5,795,555</b>	<b>7,317,595</b>

**Pupil Transportation Loans, Fixed Rate**

<u>Creditor</u>	<u>Blended Pys</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>
Bank of Montreal	\$ 4,393	4.55%	2017	12,514	61,777
Royal Bank	3,788	3.02%	2017	295,590	331,529
Royal Bank	4,320	5.04%	2018	66,507	113,691
Royal Bank	8,782	3.03%	2018	788,726	868,890
CIBC	18,943	2.10%	2021	2,289,956	
Royal Bank	12,326	2.38%	2022	1,353,761	1,467,978
Royal Bank	2,217	3.06%	2022	128,790	151,082
Royal Bank	3,695	2.01%	2023	259,418	297,695
Royal Bank	4,604	3.08%	2025	409,056	451,002
Royal Bank	23,314	2.96%	2026	2,261,446	2,470,901
<b>Total Pupil Transportation</b>				<b>7,865,764</b>	<b>6,214,545</b>
<b>Total Long Term Debt</b>				<b>\$ 13,661,319</b>	<b>\$ 13,532,140</b>

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

Newfoundland and Labrador English School District  
 Schedule 8A  
 Details of Long-Term Debt and Interest Expense

For the year ended June 30, 2017

Long-Term Debt

Description	<u>Balance Beginning of Year</u>	<u>Loans Obtained During Year</u>	<u>Principal Repayment for Year</u>	<u>Balance End of Year</u>
Transportation	\$ 13,532,140	\$ 2,408,395	\$ 2,279,216	\$ 13,661,319

Annual principal payments

Annual principal payments to maturity are as follows:

2018	\$ 2,028,261
2019	\$ 1,623,351
2020	\$ 1,566,920
2021	\$ 1,587,717
2022	\$ 1,608,982
Thereafter	\$ 5,246,088