MANAGEMENT REPORT

Management's Responsibility for the Financial Statements

The accompanying consolidated financial statements of Louis Riel School Division are the responsibility of the Division's management and have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards. A summary of the significant accounting policies are described in note 2 to the consolidated financial statements.

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

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

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

Original Document Signed	Original Document Signed
Chairperson	Secretary-Treasurer

October 22, 2019

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees

Opinion

We have audited the consolidated financial statements of Louis Riel School Division (the Entity), which comprise the consolidated statement of financial position as at June 30, 2019, the consolidated statement of revenue, expenses, and accumulated surplus, the consolidated statement of changes in net debt, the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as the "financial statements").

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

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

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

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

  The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG LLP

Chartered Professional Accountants

Winnipeg, Canada
October 22, 2019

I hereby certify that the preceding report has been presented to the members of the Board of Louis Riel School Division.

Original Document Signed

Chairperson of the Board

Oct 22/19

Date

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at June 30

Notes		2019	2018
	Financial Assets		
	Cash and Bank	-	-
	Due from - Provincial Government	5,076,745	5,740,508
	- Federal Government	432,348	293,151
11	- Municipal Government	45,176,454	43,163,752
	- Other School Divisions	21,608	15,821
	- First Nations	54,200	40,700
	Accounts Receivable	1,703,704	1,114,116
	Accrued Investment Income	-	-
	Portfolio Investments	-	-
		52,465,059	50,368,048
	Liabilities		
3	Overdraft	16,298,446	10,653,195
	Accounts Payable	15,984,334	15,295,003
	Accrued Liabilities	3,498,649	3,210,141
4	Employee Future Benefits	1,816,036	1,612,758
	Accrued Interest Payable	553,577	597,538
	Due to - Provincial Government	22,338	21,443
	- Federal Government	9,487	4,187
	- Municipal Government	-	-
	- Other School Divisions	-	-
	- First Nations	-	-
6	Deferred Revenue	12,989,962	11,758,434
8	Borrowings from the Provincial Government	49,765,110	52,950,858
	Other Borrowings	-	91,423
7	School Generated Funds Liability	780,289	704,289
		101,718,228	96,899,269
	Net Assets (Debt)	(49,253,169)	(46,531,221)
	Non-Financial Assets		
9	Net Tangible Capital Assets (TCA Schedule)	82,516,345	78,821,950
	Inventories	35,728	35,728
	Prepaid Expenses	601,593	742,071
		83,153,666	79,599,749
10	**Accumulated Surplus**	33,900,497	33,068,528

See accompanying notes to the Financial Statements

CONSOLIDATED STATEMENT OF REVENUE, EXPENSES AND ACCUMULATED SURPLUS

For the Year Ended June 30

Notes			2019	2018
	Revenue			
	Provincial Government		117,633,789	114,806,116
	Federal Government		222,023	221,640
11	Municipal Government	- Property Tax	74,732,364	71,666,806
		- Other	1,000,000	-
	Other School Divisions		602,574	558,891
	First Nations		73,700	46,200
	Private Organizations and Individuals		8,170,564	6,114,392
	Other Sources		1,147,982	3,264,031
	School Generated Funds		2,801,665	2,930,517
	Other Special Purpose Funds		-	-
			206,384,661	199,608,593
	Expenses			
	Regular Instruction		105,270,968	102,974,989
	Student Support Services		40,233,720	38,719,932
	Adult Learning Centres		1,096,052	1,271,002
	Community Education and Services		2,550,895	2,628,435
	Divisional Administration		8,677,457	6,500,357
	Instructional and Other Support Services		9,253,753	8,537,412
	Transportation of Pupils		4,533,026	4,235,205
	Operations and Maintenance		20,351,353	20,016,137
12	Fiscal	- Interest	2,330,296	2,325,180
		- Other	3,211,082	3,106,085
	Amortization		5,282,885	4,848,129
	Other Capital Items		-	-
	School Generated Funds		2,557,927	2,960,288
	Other Special Purpose Funds		-	-
			205,349,414	198,123,151
	Current Year Surplus (Deficit) before Non-vested Sick Leave		1,035,247	1,485,442
	Less: Non-vested Sick Leave Expense (Recovery)		203,278	376,977
	Net Current Year Surplus (Deficit)		831,969	1,108,465
	Opening Accumulated Surplus		33,068,528	31,960,063
	Adjustments:	Tangible Cap. Assets and Accum. Amort.	-	-
		Other than Tangible Cap. Assets	-	-
		Non-vested sick leave - prior years	-	-
	Opening Accumulated Surplus, as adjusted		33,068,528	31,960,063
	Closing Accumulated Surplus		33,900,497	33,068,528

See accompanying notes to the Financial Statements

CONSOLIDATED STATEMENT OF CHANGE IN NET DEBT

For the Year Ended June 30, 2019

	2019	2018
Net Current Year Surplus (Deficit)	831,969	1,108,465
Amortization of Tangible Capital Assets	5,282,885	4,848,129
Acquisition of Tangible Capital Assets	(8,984,936)	(7,409,237)
(Gain) / Loss on Disposal of Tangible Capital Assets	7,656	(26,235)
Proceeds on Disposal of Tangible Capital Assets	-	26,235
	(3,694,395)	(2,561,108)
Inventories (Increase)/Decrease	-	29,044
Prepaid Expenses (Increase)/Decrease	140,478	156,412
	140,478	185,456
(Increase)/Decrease in Net Debt	(2,721,948)	(1,267,187)
Net Debt at Beginning of Year	(46,531,221)	(45,264,034)
Adjustments Other than Tangible Cap. Assets	-	-
	(46,531,221)	(45,264,034)
Net Assets (Debt) at End of Year	(49,253,169)	(46,531,221)

CONSOLIDATED STATEMENT OF CASH FLOW

For the Year Ended June 30, 2019

	2019	2018
Operating Transactions		
Net Current Year Surplus (Deficit)	831,969	1,108,465
Non-Cash Items Included in Current Year Surplus/(Deficit):		
Amortization of Tangible Capital Assets	5,282,885	4,848,129
(Gain)/Loss on Disposal of Tangible Capital Assets	7,656	(26,235)
Employee Future Benefits Increase/(Decrease)	203,278	376,977
Due from Other Organizations (Increase)/Decrease	(1,507,423)	(2,835,033)
Accounts Receivable & Accrued Income (Increase)/Decrease	(589,588)	(100,876)
Inventories and Prepaid Expenses - (Increase)/Decrease	140,478	185,456
Due to Other Organizations Increase/(Decrease)	6,195	1,925
Accounts Payable & Accrued Liabilities Increase/(Decrease)	933,878	294,558
Deferred Revenue Increase/(Decrease)	1,231,528	400,039
School Generated Funds Liability Increase/(Decrease)	76,000	76,183
Adjustments Other than Tangible Cap. Assets	-	-
Cash Provided by (Applied to) Operating Transactions	6,616,856	4,329,588
Capital Transactions		
Acquisition of Tangible Capital Assets	(8,984,936)	(7,409,237)
Proceeds on Disposal of Tangible Capital Assets	-	26,235
Cash Provided by (Applied to) Capital Transactions	(8,984,936)	(7,383,002)
Investing Transactions		
Portfolio Investments (Increase)/Decrease	-	-
Cash Provided by (Applied to) Investing Transactions	-	-
Financing Transactions		
Borrowings from the Provincial Government Increase/(Decrease)	(3,185,748)	2,412,123
Other Borrowings Increase/(Decrease)	(91,423)	(89,851)
Cash Provided by (Applied to) Financing Transactions	(3,277,171)	2,322,272
Cash and Bank / Overdraft (Increase)/Decrease	(5,645,251)	(731,142)
Cash and Bank (Overdraft) at Beginning of Year	(10,653,195)	(9,922,053)
Cash and Bank (Overdraft) at End of Year	(16,298,446)	(10,653,195)

Louis Riel School Division

SCHEDULE OF TANGIBLE CAPITAL ASSETS

at June 30, 2019

	Buildings and Leasehold Improvements		School	Other	Furniture / Fixtures &	Computer Hardware &		Land	Assets Under	2019	2018
	School	Non-School	Buses	Vehicles	Equipment	Software *	Land	Improvements	Construction	TOTALS	TOTALS
Tangible Capital Asset Cost											
Opening Cost, as previously reported	151,323,634	3,407,746	3,558,118	293,291	7,511,762	7,271,397	5,099,286	336,405	1,160,221	179,961,860	172,844,013
Adjustments	-	-	-	-	-	-	-	-	-	-	-
Opening Cost adjusted	151,323,634	3,407,746	3,558,118	293,291	7,511,762	7,271,397	5,099,286	336,405	1,160,221	179,961,860	172,844,013
Add: Additions during the year	1,192,377	540,375	417,813	80,856	957,799	437,713	-	94,128	5,263,875	8,984,936	7,409,237
Less: Disposals and write downs	-	-	228,471	-	-	1,981,409	-	-	-	2,209,880	291,390
Closing Cost	152,516,011	3,948,121	3,747,460	374,147	8,469,561	5,727,701	5,099,286	430,533	6,424,096	186,736,916	179,961,860
Accumulated Amortization											
Opening, as previously reported	86,896,831	3,143,857	1,774,031	271,847	3,351,641	5,390,944		310,759		101,139,910	96,583,171
Adjustments	-	-	-	-	-	-		-		-	-
Opening adjusted	86,896,831	3,143,857	1,774,031	271,847	3,351,641	5,390,944		310,759		101,139,910	96,583,171
Add: Current period Amortization	3,463,858	93,437	316,312	22,382	709,258	670,231		7,407		5,282,885	4,848,129
Less: Accumulated Amortization on Disposals and Writedowns	-	-	228,471	-	-	1,973,753		-		2,202,224	291,390
Closing Accumulated Amortization	90,360,689	3,237,294	1,861,872	294,229	4,060,899	4,087,422		318,166		104,220,571	101,139,910
Net Tangible Capital Asset	62,155,322	710,827	1,885,588	79,918	4,408,662	1,640,279	5,099,286	112,367	6,424,096	82,516,345	78,821,950
Proceeds from Disposal of Capital Assets	-	-	-	-	-	-				-	26,235

* Includes network infrastructure.

1. Nature of organization and economic dependence:

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

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

2. Significant accounting policies:

The significant accounting policies of the Division include:

(a) Reporting entity and consolidation:

The Division's reporting entities are comprised of the Division and school generated funds.

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

All inter-fund accounts and transactions are eliminated upon consolidation.

(b) Basis of accounting:

The consolidated financial statements have been prepared by management in accordance with generally accepted accounting principles established by the Canadian Public Sector Accounting Board. Revenues and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they are earned and measurable; expenditures are recognized as they are incurred and measurable as a result of the receipt of goods and services acquired in the period.

(c) Trust funds:

The Division administers various trust funds. Trust funds and their related operations are not included in the consolidated financial statements as they are not owned or controlled by the Division. Total funds under administration as at June 30, 2019 totaled $303,523 (2018 - $369,225).

2. Significant accounting policies (continued):

(d) Fund accounting:

The Division records financial transactions in separate funds as defined by Financial Reporting and Accounting in Manitoba Education (FRAME) in accordance with the purpose for which the funds have been created.

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

(e) Deferred revenue:

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

(f) School generated funds:

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

Only revenue and expenses of school generated funds controlled by the Division are included in the consolidated statement of revenue, expenses and accumulated surplus. To be deemed as controlled, a school must have the unilateral authority to make the decisions as to when, how and on what the funds are to be spent.

Period end cash balances of all school generated funds are included in the consolidated statement of financial position. The uncontrolled portion of this amount is reflected in the school generated funds liability account. Examples of uncontrolled school generated funds are parent council funds, other parent group funds, student council funds and travel club funds. Revenues and expenses of uncontrolled school generated funds are not included in the consolidated financial statements.

2. Significant accounting policies (continued):

(g) Tangible capital assets:

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

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

Asset	Capitalization threshold	Estimated useful life (years)
Land improvements	$ 50,000	10
Buildings:		
Bricks, mortar and steel	50,000	40
Wood frame	50,000	25
School buses	50,000	10
Vehicles	10,000	5
Equipment	10,000	5
Network infrastructure	25,000	10
Computer hardware, servers and peripherals	10,000	4
Computer software	10,000	4
Furniture and fixtures	10,000	10
Leasehold improvements	25,000	Over term of lease

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

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

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

2. Significant accounting policies (continued):

Donated tangible capital assets are recorded at fair market value at the date of donation. Deferred revenue is recorded in an equivalent amount, for all donated assets except land. The deferred revenue will be recognized as revenue over the useful life of the related asset, on the same basis that the asset is amortized.

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

All tangible capital assets, except for land, and assets under construction, are amortized on a straight-line basis over their estimated useful lives as prescribed by FRAME. Land is not amortized.

One-half of the annual amortization is charged in the year of acquisition and in the year of disposal if not fully amortized.

Assets under construction are not amortized until the date of substantial completion. Interest on funds used to finance school buildings under construction is capitalized for the periods preceding the date of substantial completion.

(h) Employee future benefits:

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

However, the Division provides retirement and other future benefits to its employees. These benefits include pension and supplemental unemployment benefits.

2. Significant accounting policies (continued):

The Division adopted the following policies with respect to accounting for these employee future benefits:

(i) Defined contribution plan:

The Division provides retirement benefits to its administrative employees through a defined contribution plan under the Manitoba School Boards Association Pension Plan (MSBA). Under this plan, specific fixed amounts are contributed by the Division each period for services rendered by the employees. No responsibility is assumed by the Division to make any further contributions.

(ii) Self-insured employee future benefits plan:

For those self-insured benefit obligations that are event driven (e.g. supplemental unemployment benefits, non-vesting parental leave), the benefit costs are recognized and recorded only in the period when the event occurs.

(iii) Non-vesting accumulated sick days:

For non-vesting accumulating sick days, the benefit costs are recognized, if deemed material, based on a projection of expected future utilization of sick time, discounted using net present value techniques.

(i) Capital reserve:

Certain amounts, as approved by the Board of Trustees and the Public Schools Finance Board (PSFB), have been set aside in reserve accounts for future capital purposes. These capital reserve accounts are internally restricted funds that form part of the accumulated surplus presented in the consolidated statement of financial position.

(j) Government transfers:

Government transfers, including legislative grants, are recognized in the consolidated financial statements in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met and reasonable estimates of the amount can be made.

2. Significant accounting policies (continued):

(k) Investment income:

Investment income is reported as revenue in the period earned.

(l) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenditures and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements during the reporting period. Significant items subject to estimates include the carrying amount of capital assets. Actual results could differ from these estimates.

(m) Liability for contaminated sites:

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

(i) An environmental standard exists;

(ii) Contamination exceeds the environmental standard;

(iii) The Division is directly responsible or accepts responsibility;

(iv) Is expected that the future economic benefits will be given up; and

(v) A reasonable estimate of the amount can be made.

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

2. Significant accounting policies (continued):

(n) Financial instruments:

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

3. Overdraft:

The Division has authorized revolving lines of credit with the Royal Bank of Canada (RBC) of $45,000,000 by way of overs, flex financing, and Bankers' Acceptances, and a $2,000,000 revolving lease line of credit, by way of leases. The loans are repayable on demand at RBC prime rate less 0.75 percent. Interest is paid monthly.

4. Non-vested accumulated sick leave benefits:

Non vested accumulated sick leave benefits are measured using net present value techniques on the expected future utilization of excess of sick benefits used over earner per year, to maximum entitlement. The impact of the estimated non-vested sick leave benefit cost for the year ended June 30, 2019 is an increase of $203,278 (2018 - increase of $376,977). At June 30, 2019, the Division has recorded an estimated liability of $1,816,036 (2018 - $1,612,758) in respect of these benefits.

The significant assumptions adopted in measuring the non-vested accumulated sick leave benefit liability include a discount rate of 4 percent (June 30, 2018 - 4 percent) and a rate of salary increase of 0 to 2.25 percent (June 30, 2018 - 0.67 to 2.00 percent).

5. Employee future benefits:

The Division sponsors a defined contribution pension plan run by the Manitoba School Boards Association (MSBA). The defined contribution plan is provided to administrative employees based on their age at the beginning of the year and rates of pay. Each age group under the MSBA pension plan has a specific percentage for the employee to contribution. The Division contributions equal the employee contributions to the plan. No pension liability is included in the financial statements.

The employee benefit expense is part of the employee benefits and allowances expense account. It includes the Division's contribution of $3,052,776 for fiscal 2019 (2018 - $2,630,726).

Long-term disability benefits are covered by a defined contribution/ insured plan. The costs of salary compensation paid to employees on long-term disability leave are fully insured and are not included in the financial statements.

Supplemental unemployment benefits are defined benefits that are recognized and recorded only in the period when the events occur (e.g. maternity top up).

6. Deferred revenue:

	Balance, June 30, 2018	Additions in the year	Revenue recognized in the year	Balance, June 30, 2019
Education property tax credit	$ 8,993,574	$ 22,337,758	$ 22,408,338	$ 8,922,994
Other	2,764,860	2,085,434	783,326	4,066,968
	$ 11,758,434	$ 24,423,192	$ 23,191,664	$ 12,989,962

7. School generated funds:

School generated funds are monies raised by the school, or under the auspices of the school, which each school's principal may raise, hold, administer or expend subject to the rules of the Division. At June 30, 2019, school funds held in the Special Purpose Fund totaled $2,511,027 (2018 - $2,292,319).

The school generated funds liability (asset) includes the non-controlled portion of school generated funds consolidated in the cash and bank balances as noted below:

	2019	2018
Parent council funds	$ 28,874	$ 21,483
Lunch/snack funds	294,077	192,957
Student council funds	5,815	(671)
Graduation funds	119,287	71,773
Activity/sports fees	124,978	154,836
Other	207,113	268,390
Travel club funds	145	(4,479)
	$ 780,289	$ 704,289

8. Debenture debt:

The debenture debt of the Division is in the form of twenty-year debentures payable, principal and interest, in twenty equal yearly instalments and maturing at various dates from fiscal 2020 to 2038. Payment of principal and interest is funded entirely by grants from the Province of Manitoba. The debentures carry interest rates that range from 3.00 percent to 7.25 percent. The debenture principal and interest repayments in the next five years and thereafter are:

	Principal	Interest	Total
2020	$ 3,281,910	$ 1,991,527	$ 5,273,437
2021	3,132,448	1,833,579	4,966,027
2022	2,949,897	1,689,023	4,638,920
2023	2,873,910	1,559,499	4,433,409
2024	2,843,074	1,437,706	4,280,780
Thereafter	34,683,871	8,682,141	43,366,012
	$ 49,765,110	$ 17,193,475	$ 66,958,585

8. Debenture debt (continued):

During 2019, the Division had submitted no claims for capital projects to the Public Schools Finance Branch (2018 - $5,367,200).

9. Net tangible capital assets:

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

	Gross amount	Accumulated amortization	Net book value
Tangible capital assets	$ 185,968,069	$ 103,496,270	$ 82,471,799
Capital lease	768,847	724,301	44,546
	$ 186,736,916	$ 104,220,571	$ 82,516,345

10. Accumulated surplus:

The consolidated accumulated surplus is comprised of the following:

Operating Fund:	
Designated surplus	$ 3,311,762
Undesignated surplus	2,549,305
Non-vested sick leave to date	(1,816,036)
	4,045,031
Capital Fund:	
Reserve accounts	4,265,484
Equity in tangible capital assets	24,317,487
	28,582,971
Special purpose Fund:	
School generated funds	1,272,495
Total accumulated surplus	$ 33,900,497

10. Accumulated surplus (continued):

Designated surplus under the Operating Fund represents internally restricted amounts appropriated by the board or, in the case of school budget carryovers, by board policy. See page 5 of the consolidated financial statements for a breakdown of the designated surplus.

School budget carryovers by board policy	$ (17,059)
Board approved appreciation by motion	333,333
Divisional Program Allocations from Surplus	2,739,488
Guyot MPR Renovations	256,000
Designated surplus	$ 3,311,762

Reserve accounts under the Capital Fund represent internally restricted reserves for specific purposes approved by the Board of Trustees and PSFB. A schedule of capital reserve accounts is provided on page 24 of the consolidated financial statements.

Bus reserves	$ 403,470
Other reserves	3,862,014
Capital reserve	$ 4,265,484

School generated funds and other special purpose funds are externally restricted funds for schools.

11. Municipal government - property tax and related due from Municipal government:

Education property tax or special levy is raised as the Division's contribution to the cost of providing public education for the students resident in the division. The Municipal government-property tax shown on the consolidated statement of revenue, expenses and accumulated surplus is raised over the two calendar (tax) years; 40 percent from the 2018 tax year and 60 percent from the 2019 tax year. Below are the related revenue and receivable amounts:

	2019	2018
Revenue - Municipal Government - property tax	$ 74,732,364	$ 71,666,806
Receivable - due from Municipal Government - property tax	45,176,454	43,163,752

12. Interest received and paid:

The Division received interest during the year of $273,445 (2018 - $141,682); interest paid during the year was $2,330,296 (2018 - $2,325,180).

Interest paid during the year (included in "Fiscal" on pages 7, 11 and 22) is comprised of the following:

	2019	2018
Operating Fund:		
Interest and bank charges	$ 227,692	$ 212,934
Capital Fund:		
Debenture debt interest	2,101,004	2,109,074
Other interest	1,600	3,172
	$ 2,330,296	$ 2,325,180

13. Expenditures by type:

Expenditures by type not otherwise disclosed in these consolidated financial statements are listed on page 11.