

**Meadowridge School Society**  
**Financial Statements**  
*June 30, 2018*

**Meadowridge School Society**  
**Contents**

*For the year ended June 30, 2018*

---

	<i>Page</i>
<b>Management's Responsibility</b>	
<b>Independent Auditors' Report</b>	
<b>Financial Statements</b>	
Statement of Financial Position.....	1
Statement of Operations.....	2
Statement of Changes in Net Assets.....	3
Statement of Cash Flows.....	4
<b>Notes to the Financial Statements</b> .....	5
<b>Schedules</b>	
Schedule 1 - Schedule of Meadowridge School Society Expenses.....	13

---

## **Management's Responsibility**

---

To the Members of Meadowridge School Society:

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian accounting standards for not-for-profit organizations. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Governors is composed entirely of members who are neither management nor employees of the Society. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. The Board fulfills these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Board is also responsible for recommending the appointment of the Society's external auditors.

MNP LLP is appointed by the members to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Board and management to discuss their audit findings.

"Hugh Burke" (signed)  
CEO, Headmaster

"Julie Bournival" (signed)  
Director of Finance



## Independent Auditors' Report

To the Members of Meadowridge School Society:

### Report on the Financial Statements

We have audited the accompanying financial statements of Meadowridge School Society, which comprise the statement of financial position as at June 30, 2018, and the statements of operations, changes in net assets, cash flows and the supporting schedules for the year then 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 financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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.

#### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the 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 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 financial statements.

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

#### *Basis for Qualified Opinion*

In common with many charitable organizations, Meadowridge School Society derives revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of Meadowridge School Society and we were not able to determine whether as at or for the year ended June 30, 2018, any adjustments might be necessary to donation revenues and excess of revenue over expenses, assets and net assets. Our audit opinion on the financial statements for the year ended June 30, 2017 was also qualified accordingly because of the possible effects of this limitation in scope.

#### *Qualified Opinion*

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Meadowridge School Society as at June 30, 2018 and the results of its operations, changes in net assets and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### Report on Other Legal and Regulatory Requirements

As required by the Society Act (British Columbia), we report that, in our opinion, Canadian accounting standards for not-for-profit organizations have been applied on a basis consistent with that of the preceding year.

Maple Ridge, British Columbia

September 24, 2018



Chartered Professional Accountants

## Meadowridge School Society Statement of Financial Position

*As at June 30, 2018*

	<i>Education</i>	<i>Capital</i>	<b>2018</b>	<i>2017</i>
<b>Assets</b>				
<b>Current</b>				
Cash	8,958,477	233,006	9,191,483	7,683,568
Term deposits (Note 3)	26,500	304,533	331,033	329,980
Tuition fees receivable (Note 4)	231,121	-	231,121	179,945
Government remittances receivable	152,871	-	152,871	105,385
Other accounts receivable	34,032	-	34,032	44,851
Inventory	425,847	-	425,847	85,876
Prepaid expenses	181,994	-	181,994	405,962
Investments (Note 5)	-	2,432,209	2,432,209	1,918,152
	<b>10,010,842</b>	<b>2,969,748</b>	<b>12,980,590</b>	10,753,719
<b>Capital assets (Note 6)</b>	-	<b>25,586,932</b>	<b>25,586,932</b>	24,735,164
<b>Due from Meadowridge Education Foundation</b>	-	-	-	26,670
<b>Long-term deposits</b>	<b>50,841</b>	-	<b>50,841</b>	168,102
	<b>10,061,683</b>	<b>28,556,680</b>	<b>38,618,363</b>	35,683,655
<b>Liabilities</b>				
<b>Current</b>				
Bank indebtedness (Note 7)	1,109,231	-	1,109,231	1,026,295
Accounts payable and accruals	741,422	-	741,422	1,066,720
Unearned tuition revenue (Note 8)	8,964,336	-	8,964,336	7,472,123
Government remittances payable	3,227	-	3,227	2,189
Current portion of term loans due on demand (Note 9)	-	760,342	760,342	738,573
	<b>10,818,216</b>	<b>760,342</b>	<b>11,578,558</b>	10,305,900
Term loans due on demand (Note 9)	-	11,220,050	11,220,050	11,927,487
Educational Investment Fund deposits (Note 10)	-	4,991,800	4,991,800	4,593,950
	<b>10,818,216</b>	<b>16,972,192</b>	<b>27,790,408</b>	26,827,337
<b>Deferred contributions (Note 11)</b>	-	<b>301,739</b>	<b>301,739</b>	203,868
	<b>10,818,216</b>	<b>17,273,931</b>	<b>28,092,147</b>	27,031,205
<b>Net Assets</b>	<b>(756,533)</b>	<b>11,282,749</b>	<b>10,526,216</b>	8,652,450
	<b>10,061,683</b>	<b>28,556,680</b>	<b>38,618,363</b>	35,683,655

Approved on behalf of the Board

"Lance Leger" (signed)  
Board Chair

"Craig Gunning" (signed)  
Treasurer

The accompanying notes are an integral part of these financial statements

**Meadowridge School Society**  
**Statement of Operations**  
*For the year ended June 30, 2018*

	<i>Education</i>	<i>Capital</i>	<b>2018</b>	<b>2017</b>
<b>Revenues</b>				
Tuition fees <i>(Note 12)</i>	12,218,325	-	12,218,325	10,770,074
Government grants	1,654,758	-	1,654,758	1,410,861
Field-trip revenue	725,674	-	725,674	469,560
Program revenue	295,199	-	295,199	209,197
Registration and assessments	446,800	-	446,800	323,300
Financing revenue	-	-	-	32,800
	<b>15,340,756</b>	<b>-</b>	<b>15,340,756</b>	<b>13,215,792</b>
<b>Expenses</b>				
<b>Instructional</b> <i>(Schedule 1)</i>	7,687,927	-	7,687,927	6,581,788
<b>Administration</b> <i>(Schedule 1)</i>	3,333,755	-	3,333,755	2,953,184
<b>Operating</b> <i>(Schedule 1)</i>	1,292,735	1,592,192	2,884,927	2,631,501
	<b>12,314,417</b>	<b>1,592,192</b>	<b>13,906,609</b>	<b>12,166,473</b>
<b>Excess of revenues over expenses from operations</b>	<b>3,026,339</b>	<b>(1,592,192)</b>	<b>1,434,147</b>	<b>1,049,319</b>
<b>Other revenues (expenses)</b>				
Amortization of deferred contributions	-	35,129	35,129	39,552
Auxiliary services	(27,984)	-	(27,984)	(93,756)
Donations <i>(Note 13)</i>	1,000	171,975	172,975	183,590
Gain on disposal of capital assets	-	2,607	2,607	4,443
Gala fundraiser <i>(Note 14)</i>	-	49,763	49,763	72,578
Golf tournament fundraiser <i>(Note 15)</i>	-	42,531	42,531	33,561
Investment income	-	114,660	114,660	158,939
Rentals	49,938	-	49,938	50,147
	<b>22,954</b>	<b>416,665</b>	<b>439,619</b>	<b>449,054</b>
<b>Excess of revenues over expenses</b>	<b>3,049,293</b>	<b>(1,175,527)</b>	<b>1,873,766</b>	<b>1,498,373</b>

*The accompanying notes are an integral part of these financial statements*

**Meadowridge School Society**  
**Statement of Changes in Net Assets**

*For the year ended June 30, 2018*

---

	<i>Education</i>	<i>Capital</i>	<b>2018</b>	<b>2017</b>
<b>Net assets, beginning of year</b>	<b>(979,308)</b>	<b>9,631,758</b>	<b>8,652,450</b>	7,154,077
<b>Excess of revenues over expenses</b>	<b>3,049,293</b>	<b>(1,175,527)</b>	<b>1,873,766</b>	1,498,373
<b>Interfund transfers</b>	<b>(2,826,518)</b>	<b>2,826,518</b>	-	-
<b>Net assets, end of year</b>	<b>(756,533)</b>	<b>11,282,749</b>	<b>10,526,216</b>	8,652,450

---

---

*The accompanying notes are an integral part of these financial statements*

# Meadowridge School Society

## Statement of Cash Flows

For the year ended June 30, 2018

	2018	2017
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Excess of revenues over expenses	1,873,766	1,498,373
Amortization	1,129,339	1,080,752
Amortization of deferred capital contributions recognized in revenue	(35,129)	(39,552)
Gain on disposal of capital assets	(2,607)	(4,443)
	<b>2,965,369</b>	<b>2,535,130</b>
Changes in working capital accounts		
Tuition fees receivable	(51,176)	(38,997)
Government remittances receivable	(47,486)	150,624
Other accounts receivable	10,819	(26,553)
Inventory	(339,970)	(55,639)
Prepaid expenses	223,967	(93,262)
Accounts payable and accruals	(325,297)	539,605
Government remittances payable	1,038	(2,678)
Unearned tuition revenue	1,492,213	1,344,341
	<b>3,929,477</b>	<b>4,352,571</b>
<b>Financing activities</b>		
Advances of bank indebtedness	82,936	-
Repayments of bank indebtedness	-	(1,158,140)
Repayment of term loans due on demand	(685,668)	(710,435)
Deferred contributions received	133,000	-
Educational Investment Fund deposits received	1,007,850	888,950
Educational Investment Fund deposits reimbursed	(610,000)	(656,500)
Payments of long-term deposits	-	(117,364)
Reimbursement of long-term deposits	117,261	-
	<b>45,379</b>	<b>(1,753,489)</b>
<b>Investing activities</b>		
Purchase of term deposits	(304,533)	(303,479)
Proceeds on disposal of term deposits	303,479	303,913
Advances to Meadowridge Education Foundation	(3,853)	(1,124)
Repayment of advances to Meadowridge Education Foundation	30,523	-
Purchase of capital assets	(1,982,474)	(1,238,780)
Proceeds on disposal of capital assets	3,974	8,180
Net purchase of investments	(514,057)	(113,826)
	<b>(2,466,941)</b>	<b>(1,345,116)</b>
<b>Increase in cash resources</b>	<b>1,507,915</b>	<b>1,253,966</b>
<b>Cash resources, beginning of year</b>	<b>7,683,568</b>	<b>6,429,602</b>
<b>Cash resources, end of year</b>	<b>9,191,483</b>	<b>7,683,568</b>

The accompanying notes are an integral part of these financial statements



## 1. Purpose of the Organization

Meadowridge School Society (the "Society") is a provincial society operating a school that is non-denominational, co-educational and available to all members of the community. Meadowridge School Society is incorporated under the Society Act (British Columbia) as a not-for-profit organization, is a registered charity under the Canadian Income Tax Act (the "Act") and, as such, is exempt from income taxes. In order to maintain its status as a registered not-for-profit organization under the Act, the Society must meet certain requirements within the Act. In the opinion of management, these requirements have been met.

## 2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada, which are part of Canadian generally accepted accounting principles, and include the following significant accounting policies:

### ***Fund accounting***

The Society follows the deferral method of accounting for contributions and reports using fund accounting, and maintains the following funds:

- Education - The Education fund accounts for the Society's curriculum program delivery and administrative activities related to student education.
- Capital - The Capital fund reports the assets, liabilities, revenues and expenses related to the Society's capital and investment assets.

### ***Revenue recognition***

The Society uses the deferral method of accounting for contributions and reports on a fund accounting basis.

- Revenue from tuition fees is recognized as earned over the school year. Tuition fees received in advance for the subsequent school year are recorded as unearned tuition revenue in the current year.
- Revenue from government grants is recognized over a ten-month period commencing September 1st of each school year. The grant is for operating expenses of the school and is equal to 35% of the local public school district per student operating costs. Only full time equivalent Canadian and Permanent Resident students from grades kindergarten to grade 12 are eligible for government funding. Kindergarten to grade 12 full time equivalent students having a parent with a valid Canadian Work Permit are also eligible for funding.
- Field trip, program, registration and assessment, and fundraising revenue is recognized when the service is rendered.
- Contributions restricted for the purchase of capital assets are amortized into revenue at a rate corresponding with the amortization rate for the related capital asset.
- Investment income is recognized as revenue when earned.
- Rental income is recognized, pursuant to rental agreements, when occupancy occurs.

Revenues are recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

### ***Inventory***

Inventory is valued at the lower of cost and net realizable value. Cost is determined by the first in, first out method. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling costs.

**2. Significant accounting policies** *(Continued from previous page)*

***Investments***

Investments with prices quoted in an active market are measured at fair value while those that are not quoted in an active market are measured at cost less impairment. Changes in fair value are recorded immediately in the excess of revenues over expenses.

***Capital assets***

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution if fair value can be reasonably determined.

Amortization is provided using the following methods at rates/terms intended to amortize the cost of assets over their estimated useful lives.

	<b>Method</b>	<b>Rate/Term</b>
Buildings	declining balance	4 %
Computer equipment	straight-line	3 years
Computer software	straight-line	2 years
Equipment and furniture	straight-line	5 years
Fencing and lights	straight-line	25 years
Irrigation system	straight-line	25 years
Landscaping	straight-line	40 years
Library books and textbooks	straight-line	5 years
Playground structure	declining balance	4 %
Portables	declining balance	10 %
Vehicles	declining balance	30 %

***Measurement uncertainty (use of estimates)***

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations 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 expenses during the reporting period.

Tuition fees receivable and other accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Provisions are made for slow moving and obsolete inventory. Amortization is based on the estimated useful lives of capital assets.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues over expenses in the periods in which they become known.

***Financial instruments***

The Society recognizes its financial instruments when the Society becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value, including financial assets and liabilities originated and issued in a related party transaction with management. Financial assets and liabilities originated and issued in all other related party transactions are initially measured at their carrying or exchange amount in accordance with the CPA Canada Handbook Section 3840 Related Party Transactions.

At initial recognition, the Society may irrevocably elect to subsequently measure any financial instrument at fair value. The Society has not made such an election during the year.

The Society subsequently measures investments in equity instruments quoted in an active market at fair value. Fair value is determined by quoted market prices. Investments in equity instruments not quoted in an active market are subsequently measured at cost less impairment. All other financial assets and liabilities are subsequently measured at amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in the excess of revenues over expenses for the current period. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at amortized cost or cost.

**Meadowridge School Society**  
**Notes to the Financial Statements**  
*For the year ended June 30, 2018*

**2. Significant accounting policies** (Continued from previous page)

**Financial asset impairment**

The Society assesses impairment of all of its financial assets measured at cost or amortized cost. When there is an indication of impairment, the Society determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year. If so, the Society reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets; and the amount expected to be realized by exercising any rights to collateral held against those assets. Any impairment, which is not considered temporary, is included in current year excess of revenues over expenses.

The Society reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in the excess of revenues over expenses in the year the reversal occurs.

**Contributed services**

Volunteers contribute an unknown number of hours per year to assist the Society in carrying out its service delivery activities. Due to the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

**3. Term deposits**

	<i>Education Fund</i>	<i>Capital Fund</i>	<b>2018</b>	<i>2017</i>
Term deposit matured June 2018	-	-	-	26,501
Term deposit matured October 2017	-	-	-	101,251
Term deposit matured October 2017.	-	-	-	101,251
Term deposit matured December 2017.	-	-	-	100,977
Cashable term deposit maturing June 2021, interest rate escalating from 1.50% to 3.15% upon maturity, redeemable without penalty.	<b>26,500</b>	-	<b>26,500</b>	-
Term deposit maturing December 2018, interest at 2.00%, redeemable without penalty.	-	<b>101,140</b>	<b>101,140</b>	-
Term deposit maturing October 2018, interest at 2.40%, redeemable without penalty.	-	<b>203,393</b>	<b>203,393</b>	-
	<b>26,500</b>	<b>304,533</b>	<b>331,033</b>	329,980

**4. Tuition fees receivable**

		<b>2018</b>	<i>2017</i>
Tuition fees receivable		<b>243,882</b>	190,583
Allowance for doubtful accounts		<b>(12,761)</b>	(10,638)
		<b>231,121</b>	179,945

**Meadowridge School Society**  
**Notes to the Financial Statements**  
*For the year ended June 30, 2018*

**5. Investments**

	2018	2017
<b>BMO Harris Private Investment account</b>		
Fixed income bonds - cost \$1,513,301	1,463,196	1,178,146
Equity stocks - cost \$794,561	967,598	738,870
Accrued interest income	1,415	1,136
	<b>2,432,209</b>	<b>1,918,152</b>

Fixed income bonds with various interest rates ranging from 1.80% to 5.60% and various maturity dates ranging from October 2018 to June 2023.

**6. Capital assets**

	<i>Cost</i>	<i>Accumulated amortization</i>	<i>Net book value</i>	<i>Net book value</i>
Land	3,321,831	-	3,321,831	3,306,532
Buildings	26,511,958	7,638,834	18,873,124	18,399,937
Computer equipment	744,572	632,718	111,854	77,673
Computer software	223,928	223,928	-	-
Equipment and furniture	1,898,371	1,579,212	319,159	192,486
Fencing and lights	470,920	145,962	324,958	334,584
Irrigation system	268,924	101,037	167,887	178,644
Landscaping	1,822,539	387,662	1,434,877	1,443,792
Library books and textbooks	100,984	100,984	-	1
Playground structure	425,039	134,243	290,796	216,553
Portables	935,952	220,602	715,350	573,421
Vehicles	134,975	107,879	27,096	11,541
	<b>36,859,993</b>	<b>11,273,061</b>	<b>25,586,932</b>	<b>24,735,164</b>

**7. Bank indebtedness**

Bank indebtedness includes a Bank of Montreal demand revolving loan in the amount of \$1,109,231 (2017 - \$1,026,295), bearing interest at Bank of Montreal prime lending rate plus 0.25% per annum. Assets pledged as collateral and financial covenants are described in Note 8. Maximum amount approved \$3,500,000.

**8. Unearned tuition revenue**

Tuition fees received in advance for the subsequent school year are recorded as unearned tuition revenue in the current year. Tuition fees received in advance are \$8,964,336 (2017 - \$7,472,123). Prior year unearned tuition revenue is recognized as earned over the current school year.

**Meadowridge School Society**  
**Notes to the Financial Statements**  
*For the year ended June 30, 2018*

**9. Term loans due on demand**

	<b>2018</b>	2017
Bank of Montreal - Non-revolving demand loan bearing interest at Bank of Montreal prime lending rate plus 0.25% per annum; repayable in monthly blended payments of \$11,117. The loan is due October 31, 2018.	<b>1,195,964</b>	1,285,843
Bank of Montreal - Non-revolving demand loan bearing interest at 4.38% per annum; repayable in monthly blended payments of \$33,424. The loan is due October 31, 2018.	<b>4,468,645</b>	4,665,783
Bank of Montreal - Non-revolving demand loan bearing interest at 2.85% per annum; repayable in monthly blended payments of \$19,166. The loan is due October 31, 2018.	<b>1,980,514</b>	2,122,742
Bank of Montreal - Non-revolving demand loan bearing interest at Bank of Montreal prime lending rate plus 0.25% per annum; repayable in monthly blended payments of \$34,409. The loan is due October 31, 2018.	<b>4,335,269</b>	4,591,692
Current portion	<b>(760,342)</b>	(738,573)
	<b>11,220,050</b>	11,927,487

Canadian accounting standards for not-for-profit organizations require that loans that the lender can require to be repaid on demand be classified as current liabilities.

Management does not believe that the demand features of the demand loans will be exercised in the current period. Therefore, assuming payment of the demand loans is not demanded, and assuming term loans subject to refinancing are renewed under similar terms, regular principal payments required on all demand loans for the next five years are due as follows:

2018	760,342
2019	786,300
2020	813,177
2021	841,007
2022	869,826
	4,070,652

Term loans due on demand are subject to certain financial covenants with respect to debt service coverage and leverage ratios. As at June 30, 2018, the Society is in compliance with all such covenants. It is management's opinion that the Society is likely to remain in compliance with all long-term debt covenants throughout the next 12 months.

Term loans due on demand are secured by a first charge on the Society's land and buildings with a net book value of \$22,194,955 (2017 - \$21,706,469), assignment of insurance coverage and a general security agreement.

# Meadowridge School Society Notes to the Financial Statements

*For the year ended June 30, 2018*

## 10. Educational Investment Fund deposits

The deposits represent the sum of Education Investment Fund deposits from families with children currently enrolled in Meadowridge School. These deposits are non-interest bearing loans that are repaid to a family within 30-days upon receiving written notice from a parent confirming that the family no longer has any children enrolled in Meadowridge School.

The total amount of deposits will fluctuate from year-to-year as new families enroll at the school, families leave or families have their youngest child graduate. The fluctuation in the number of families does not necessarily correlate with the fluctuation in the actual student enrolment as some families have one child compared to others with two or more children. During the year there were new deposits of \$1,007,850 (2017 - \$889,950), deposits were repaid in the amount of \$610,000 (2017 - \$656,500) of which \$24,000 was donated back to the school (2017 - \$62,346).

## 11. Deferred contributions

Deferred contributions related to capital assets represents the funded portion of capital assets that will be recognized as revenue in future periods and matched against the applicable amortization charged in that period. The changes in the deferred contributions balance for the year are as follows:

	<b>2018</b>	<b>2017</b>
	<i>Capital fund</i>	<i>Capital fund</i>
Balance, beginning of the year	<b>203,868</b>	243,420
Contributions received	<b>133,000</b>	-
Amount recognized as revenue	<b>(35,129)</b>	(39,552)
	<b>301,739</b>	203,868

## 12. Tuition fees

The Society reports tuition fees on a net basis as follows:

	<b>2018</b>	<b>2017</b>
Gross tuition fees	<b>12,969,897</b>	11,301,518
Less: Discounts, bursaries and scholarships	<b>(751,572)</b>	(531,444)
	<b>12,218,325</b>	10,770,074

## Meadowridge School Society Notes to the Financial Statements

*For the year ended June 30, 2018*

### 13. Donations

During the year, the Society received donations to be used by the School. Donations have been reported net of expenditures for school programs and activities:

	2018	2017
<b>Education Fund:</b>		
Donation revenue	19,400	29,500
Student award expenditures	<b>(18,400)</b>	(30,000)
<hr/>		
Net Education Fund Donations	<b>1,000</b>	(500)
<hr/>		
<b>Capital Fund:</b>		
Donation revenue	262,957	314,669
Expenditures: Educational, outreach and other	<b>(90,982)</b>	(130,579)
<hr/>		
Net Capital Fund Donations	<b>171,975</b>	184,090
<hr/>		
	<b>172,975</b>	183,590
<hr/>		

### 14. Gala Fundraiser

	2018	2017
<b>Capital fund:</b>		
Gross revenue	121,236	134,423
Expenditures	<b>(71,473)</b>	(61,845)
<hr/>		
	<b>49,763</b>	72,578
<hr/>		

### 15. Golf Tournament Fundraiser

	2018	2017
<b>Capital fund:</b>		
Gross revenue	90,616	66,778
Expenditures	<b>(48,085)</b>	(33,217)
<hr/>		
	<b>42,531</b>	33,561
<hr/>		

**16. Society remunerations**

In accordance with British Columbia's new Societies Act, the Society is required to disclose any remuneration paid to directors as well as remuneration paid to employees or contractors in excess of \$75,000.

For the year ended June 30, 2018, the Society paid total remuneration of \$8,299,718 to 124 employees. Of this amount, there were 58 employees with remuneration in excess of \$75,000 which totalled \$5,981,795.

There were also 6 contractors with remuneration in excess of \$75,000 which totalled \$2,827,404.

**17. Economic dependence**

The Society is dependent on the British Columbia provincial government for funding under the Independent School Act.

**18. Subsequent event**

Subsequent to the date of the financial statements, the Society signed a contract for the construction of a nine classroom block addition at an estimated cost of \$5,500,000 for the entire project. Work on the project began in July 2018.

**19. Comparative figures**

Certain comparative figures have been reclassified to conform with current year presentation.



# Meadowridge School Society

## Schedule 1 - Schedule of Meadowridge School Society Expenses

*For the year ended June 30, 2018*

	<b>2018</b>	<b>2017</b>
<b>Expenses</b>		
<b>Instructional</b>		
Casual wages	39,018	97,534
Contract services	93,626	84,408
Field-trip expenses	602,180	400,182
Program expenses	465,512	322,567
Teachers' salaries and benefits	6,378,372	5,619,180
Teachers' training and development	109,219	57,917
	<b>7,687,927</b>	<b>6,581,788</b>
<b>Administration</b>		
Bad debt (recovery)	31,672	(269)
Bank charges	172,895	188,879
Board of Governors	39,165	176,055
Consulting fees	41,300	47,371
Dues and subscriptions	106,357	98,825
Entertainment and staff room	52,532	37,709
Marketing and advancement	156,170	100,138
Office	94,230	88,724
Professional fees	54,748	100,864
Technological support	340,679	310,924
Telephone	32,829	27,825
Training and education	51,894	24,081
Travel	2,880	1,114
Wages and benefits	2,156,404	1,750,944
	<b>3,333,755</b>	<b>2,953,184</b>
<b>Operating</b>		
Amortization	1,129,339	1,080,752
Insurance	100,087	98,293
Interest on term loans due on demand	462,853	459,901
Janitorial	48,027	121,567
Repairs and maintenance	957,831	689,619
Utilities	186,790	181,369
	<b>2,884,927</b>	<b>2,631,501</b>
	<b>13,906,609</b>	<b>12,166,473</b>