



BRANCHES

CCES Membership Meeting

Agenda
October 26, 2016 @ 8:00 PM

- Opening and welcome
- Minutes of the May 25 2016 GM
- Business arriving from the minutes
- Board Elections
- Annual Report – Will VanOene
- Proposed Changes to Constitution and Bylaws – Neil Dykstra / Will VanOene
- Review of Financial Statements – Oliver Hansma
- Five-Year Plan – Oliver Hansma
- Question Period
- Closing
- Meet the teacher (to end by 9:30 PM)

In This Issue:

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- *AGM Agenda*
- *Board Nominee Profiles*

- *Minutes of May 25, 2016 Meeting*
- *2015-2016 Financial Statements*
- *Five-year Plan*

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Oct. 12, 2016

The purpose of our parental Christian School is to educate our children to develop their individual potential and to acquire the knowledge, skills and attitudes needed for a life of responsible stewardship in God's Kingdom.

From the Chairman....

Chris Hoff

This October edition of *Branches* is primarily in preparation for the semi-annual membership meeting, planned for October 26 2016. But before we get too far into this meeting, we would like to extend a hearty welcome to the Naeem Zafar and Mehwish Tahseen family, and their children (Ximon - Grade 3 and Neriah - Grade 2). We welcome you to Credo, and trust that you children are fitting into the school nicely.

This will be my last Chair Report

This Chair report will also be my last as Chair of Credo Elementary, as I plan to resign from my seat on the Board this year. It has been an honour to serve on the Board, and I would like to thank membership for entrusting me with this responsibility for the past seven years. To put it simply - serving on the Board has been a great experience on a personal level. It has enabled me to develop relationships with a large number of people from Langley, Aldergrove and Willoughby - and indeed across the valley and south of the border - that I would not otherwise have had close contact with. I have learned much about the operation of the school, and the dedicated and professional staff that make Credo such a great school. And as those that have previously served will also attest, time spent actively involved in the Board also helps you grow and mature as a person. I will absolutely miss this, but look forward to whatever new opportunities that God will lay before me in the future.

But most of all, it has been a privilege to serve our God in such a direct and tactile way. To put it simply, Credo exists really for one reason - to train our children. Except that the students at Credo are not just simply the children of the parents. These children are God's covenant children. Sure, for a while parents are wards of these children, with commensurate awesome responsibilities. But in time, as these children mature, they will have the same independence and calling as their parents - to respond to His covenant promises, and to intentionally be His faithful witness to the world. Or as the late Rev. Stam called it, warriors of the antithesis.

While Rev. Stam's analogy may sound militant, it represents the fact that we remain in a spiritual war, one where the Christian moral and legal foundation of the country is increasingly challenged. In this environment of growing antagonism toward Christianity, having a school where these children can be faithfully trained before launching them into the world remains a great blessing. As such, Credo really is a community asset, an institution that strengthens and helps perpetuate God's visible presence in this increasing pagan world. In this broader context, it has been a blessing to serve our God, our families and our community over the past seven years. I wish the new Board much courage moving forward.

And let's not forget the spouses

And finally on a personal level, perhaps now is a good time thank the spouses of Board directors for their patience and support. Serving well on the Board takes commitment and time. Over the last seven years, I have been blessed to be part of seven great Boards - replete with many capable and committed people that dedicate much time towards governance of the school. What is often under the radar is the added responsibility and work for our spouses while Directors are at meetings, or perhaps even at home but otherwise occupied. While I have one particular person in mind (Pearl), this is true for the other spouses as well. So - to our spouses - thank you!

And prospective future spouses ...

Looking to the future perhaps we should thank, in advance, the spouses of the seven candidates who let their name stand for election this year: Roger (and Karen) Aikema, Tim (and Petra) Bontkes, Erica (and Hugo) Feunekes, Ron (and Evelyn) Schepher, Will (and Sheree) VanOene, Kevin (and Kendra) Vandergaag, and Aren (and Deanna) VanDyke. Thanks to each of you for showing a willingness to serve. Profiles for each of these candidates can be found elsewhere in this edition of *Branches*, along with a form for membership nomination of candidates as well.

Letter of Commitment

With the election, the community will invest considerable trust in four of these candidates. The new Board will make many decisions on behalf of membership, some of which will be more routine and some of which will be quite important. In order to reflect this mutual commitment and trust, each new director is expected to sign a Letter of Commitment at their first Board meeting. A copy of this Letter is printed elsewhere in this edition of *Branches*. In summary, the Letter seeks to:

- generally describe expectations of Directors for those considering letting their name stand for nomination to the Board
- reinforce the notion that those who stand for election agree to be actively engaged with the Board, and related Board responsibilities
- serve as a reminder (for the new director, as well as the entire Board) of the commitment made to membership.

Retiring Board directors

Four of these prospective candidates will fill the spots of retiring or outgoing directors this year. In addition to my resignation, the terms of Fiona Jansen, Al Leyenhorst and Will VanOene have expired (though Will VanOene has agreed to stand for a second term). For Fiona and Al - it has been a great pleasure to serve on the Board with you over the past three years. Fiona - in addition to very capably executing three portfolios (high-school Board, special education and public relations), you were also always readily available to fill in at assemblies, school visits and many other spots. Al - you handled challenging files like heavy involvement in the Maintenance Committee and the work done around the school in the last three years, as well as challenges surrounding the CCSTA, with great aplomb. For both of you, your contributions around the Board table will be missed. On behalf of the rest of the Board and the community - thank you!

Agenda for October 26 2016 Membership Meeting at 8:00 PM

In addition to elections, we have a number of other items in our agenda including the proposed changes to our Constitution and Bylaws, a proposal to advance a Five-Year Building Renewal Plan, review of financial statements and the annual Secretary's report. The full agenda for the meeting can be found elsewhere in this edition of *Branches*.

There may be time left over after the meeting to walk through the halls and chat with the teachers. However please note that bouncers will begin to escort parents from the school at 9:30 PM.

We extend the invitation to attend this meeting to those who are not presently members as well - both young and old. By virtue of your status as an active participant in Christ' church gathering work in Aldergrove, Langley or Willoughby (or our sister URC churches), you also have a direct vested interest in the good governance and sustainability of CCES.

Five-Year Building Renewal Plan

The meeting material also provides a background report that describes the five-year building renewal plan proposed by the Board. This proposed plan builds upon the 2014 building project that not only provided two new classrooms, but also included improvements such as a new roof, repainting of the building, updated hallways, updated fields and playground, new concrete walkways etc.

While the expanded scope of the 2014 project moved the agenda of updating the building along, considerable work remains in a number of areas. The Maintenance and IT Committees have undertaken a comprehensive review of the building and IT infrastructure, and developed a systematic 5-year maintenance plan to address outstanding projects.

In summary, key outstanding items that would be addressed through this plan include a new HVAC system including replacing the aging boiler, pavement, new laptops and the ongoing annual maintenance upgrades. The total budget is estimated at \$385,000. This cost would be off-set with \$325,000 in reliable funding including accessing our unrestricted reserve. In effect then, delivery of this plan would require fundraising of approximately \$60,000, or roughly \$600 per family.

Given this context, the Board will propose the following motion at the October 26 2016 membership meeting:

"That the Board be directed to deliver the building renewal plan proposed in the CCES 5-Year Plan Report including the use of \$25,000 from the Restricted for capital repairs and replacements fund and \$75,000 from the Unrestricted fund."

Proposed Changes to the CCES Constitution and Bylaws

On September 30, we distributed by email a package that describes proposed changes to the CCES Constitution and Bylaws. We expect to bring these proposed changes before membership at the upcoming October 26 membership meeting. For those that did not receive the email, the package can also be found on the school website. Please note that the version that we will present to membership is slightly different than the one that was distributed. Due to input that we received from membership, we agreed to strike clause 1.3.

These proposed changes are in response to a revised Societies Act that has been introduced by the British Columbia Ministry of Finance. The Societies Act governs 27,000 non-profit organizations in BC. These societies are diverse and include independent schools (including CCES), churches and temples, sports organizations, care providers, preschools, environmental agencies, and community groups. Approximately half of societies are also registered charities.

It appears that the motivation for the Ministry of Finance is to make the present Societies Act more current and consistent with other corporate legislation in British Columbia, and in-step with other provinces. In general, the new Societies Act is substantially longer and more detailed, but provides clearer guidance on requirements for societies. There are some positive aspects to the new Act, but also some matters that we need to carefully navigate. Among these is a change to our Constitution, since it is no longer permitted to

have unalterable clauses in constitutions or bylaws.

Thankfully Neil Dykstra and Will VanOene have been actively engaged in this file, including attending a number of seminars and workshops. Furthermore, Eric Vandergriendt has also been an instrumental resource in drafting our updated constitution and bylaws to meet the requirements of the new Societies Act. In fact, Neil, Eric and Will also became a resource for the other Canadian Reformed schools in British Columbia as well.

To this end, the Board will propose the following motion to membership on October 26 2016:

"That the Constitution and Bylaws of the Canadian Reformed School Association of Langley B.C., pursuant to the new BC Societies Act, be amended to reflect the changes as proposed by the Board, effective November 28, 2016."

While these changes may seem daunting, we are thankful that we may continue to operate in a political environment that continues to respect the freedom of choice for parents as it relates to the education of their children. It is our prayer that our foundational documents, while conforming to the requirements of the government, continue to reflect the unique purpose and basis of our society, and provide guidance and direction for future Boards and members of CCES.

That's about it for this time - we hope to see you on October 26th!

Minutes of Membership Meeting

Minutes of the Meeting of the Board of Directors
of Credo Christian Elementary School
with the Membership
May 25th, 2016 CCES Gymnasium

Opening and Welcome: There was no official opening, as this meeting was preceded by the CCHS membership meeting. The Chairman, Chris Hoff, welcomed all those present. A quorum of members was present.

Agenda: The agenda was adopted as presented.

Approval of Minutes: The minutes of the CCES membership meeting held October 21th, 2015 were distributed prior to the meeting. A motion to adopt the minutes as presented was seconded and carried by a show of hands.

Matters from the Minutes: There were no matters from the minutes.

CCES 2016/2017 Budget: The Chairman gave the floor to the Board Treasurer, Oliver Hansma, to present the CCES Special Education and regular budgets for 2016/2017. The changes from the previous year were explained and the budget notes were further clarified. An opportunity for questions from the floor was given. There were no further questions. A motion was made to accept the Special Education budget and the regular budget for 2016/2017 as presented. The motion was seconded and carried by a show of hands.

Proposed Five-Year Plan: The Chairman, Chris Hoff presented a draft five-year plan and outlined the Board's plans for school improvements over the next five years, including renovations to the gymnasium, school HVAC system, repaving of parking lot, and IT upgrades. Funding sources were also reviewed and a funding shortfall of \$100,000 - \$150,000 was identified. The Board intends to bring a formal plan to membership for approval at the October

membership meeting. An opportunity for questions from the floor was given. Further clarification was provided on what will be included in the gymnasium renovation.

Summary of Policy Review: The Chairman, Chris Hoff gave a presentation on the school's policies. The presentation included information related to current CCES policies, why they exist, how they are used, and how the Board is currently interacting and reviewing them on an ongoing basis. Recent changes to the CCES Reserve Fund policy were presented by Oliver Hansma. The Board is currently considering adopting an anti-discrimination policy, and is working on changes to the Bylaws in response to the new BC Societies Act which comes into effect in November 2016. The Board plans to bring proposed revised bylaws to the membership for approval at the October membership meeting. An opportunity for questions from the floor was given. Further clarification was provided on how the Board and administration address classroom sizes and teachers' needs.

Golf Tournament - The Chairman gave the floor to community member James Stiksma, who gave a short update on the upcoming Golf Tournament being held on June 11th. He encouraged the membership to sign up, and thanked the members of the committee for their work.

Question Period: An opportunity for general questions from the floor was given. There were no further questions.

Thanksgiving Prayer: The membership was asked to sing Psalm 25 stanza 2. Community member Tyler Vanvliet led in thanksgiving prayer.

Adjournment: The Chairman, Chris Hoff closed the meeting and thanked all for coming.

Nominee Profiles

Roger Aikema

Roger Aikema lives in Langley with his wife, Karen, and their three children - Kaylee (currently in Kindergarten at CCES), Devon, and Liam. Roger is a member of the Langley Canadian Reformed Church and is a representative for that church on the Asia Mission Board. He completed his Bachelor of Business Administration from Simon Fraser University in 2010 and is employed in the marketing field for a Surrey-based software company. If elected, Roger would be happy to serve the membership through a position on the board.

Tim Bontkes

Tim Bontkes has served 2 terms previously on the CCES Board acting as Treasurer and responsible for the 2014 building expansion project. Tim also currently chairs the CCES Maintenance Committee. Tim is married to Petra and currently they have all 4 of their children (Josh, Ryan, Meagan and Abigail) enrolled at CCES. Tim and his family currently attend Langley Canadian Reformed Church and Tim looks forward to the opportunity to serve again on the school board.

Erica Feunekes

My husband Hugo and I along with our five children have just moved back to Aldergrove, where we attend the Aldergrove Canadian Reformed Church, after serving for ten years with MAF in Papua, Indonesia. Our oldest attends Trinity Western. We also have two boys at Credo high and a son and a daughter at Credo elementary. During the last ten years I have done a lot of substitute teaching for both elementary and high school, teaching English to children and adults, child protection seminars, and other volunteer activities at the school in Papua. Before having children I worked at Vanderpol's Eggs in the office in various capacities. We are very thankful for Reformed education for our children and I look forward to assisting the school board in any way that I can.

Ron Scheper

Ron Scheper is a member of the Canadian Reformed Church of Langley with his wife Evelyn and five covenant children (Taia, Jeren, Leena, Cohen, and Brielle). Our oldest three children attend CCES. He has served tenures on the Development Committee as well as the CCES board. Ron would be happy to serve God and the membership of the school society for another term on the CCES board.

Kevin Vandergaag

I grew up in Smithers BC and moved down to the valley a few days before my nineteenth birthday. I own and operate a small construction company and have some really good employees from the church. Kendra and I just celebrated our 8th wedding anniversary and have been blessed with three children, Jack (6), Quinn (4), and Rory (1). We live in Aldergrove where my wife grew up and attend the Aldergrove Canadian Reformed Church.

Aren Vandyke

Aren Van Dyke attends the Canadian Reformed Church of Langley with his wife Deanna and five children (three of who currently attend CCES). Aren is employed at Intercontinental Truck Body for the past year and is interested in supporting our Christian school as a CCES board member.

Will VanOene

Will has served on the school board for the last three years as board secretary. Will and Sheree have been members of the school society since 2006, and have been blessed with four children - Cassidy, Ryan, Ellie, and Carson - the youngest three attend CCES. They currently live in Langley, and are members of the Langley Canadian Reformed Church. Will is currently employed as a Project Manager at ESC Automation in the construction industry and has been there for 18 years. Will would be pleased to have the opportunity to serve another term as a school board member.

**Credo Christian Elementary School
Director Letter of Commitment**

“The purpose of our parental Christian School is to educate our children to develop their individual potential and to acquire the knowledge, skills and attitudes needed for a life of responsible stewardship in God’s Kingdom.”

The Credo Christian Elementary School (CCES) Board has been entrusted by the membership of the Society to uphold the school's mission and direction, and utilize wisely the resources entrusted to them. As such, the CCES Board of Directors ought to be comprised of directors who understand and practice their responsibility to hold the school in trust on behalf of others.

Perspectives on Leadership and Governance

A Christian School operates in Christ’ name. Everything that is done in the context of the school must be done in Christ’ way. Some Scriptural passages give meaning to what leadership is really all about:

- God gives gifts “to equip the saints for the work of ministry, for building up the body of Christ, until we all attain to the unity of the faith and of the knowledge of the Son of God, to mature manhood, to the measure of the stature of the fullness of Christ.” (Ephesians 4)
- “Now there are varieties of gifts, but the same Spirit; and there are varieties of service, but the same Lord; and there are varieties of activities, but it is the same God who empowers them all in everyone. To each is given the manifestation of the Spirit for the common good.” (1 Corinthians 12)
- “So if there is any encouragement in Christ, any comfort from love, any participation in the Spirit, any affection and sympathy, complete my joy by being of the same mind, having the same love, being in full accord and of one mind. Do nothing from selfish ambition or conceit, but in humility count others more significant than yourselves.” (Philippians 2)
- “A new commandment I give to you, that you love one another: just as I have loved you, you also are to love one another. By this all people will know that you are my disciples, if you have love for one another.” (John 13)
- “He has told you, O man, what is good; and what does the LORD require of you but to do justice, and to love kindness, and to walk humbly with your God?” (Micah 6)

A Biblical definition of leadership implies that those invested with such as role be actively engaged in developing a vision of its own task for the school, realizing that vision through the school community, celebrating that vision with the community, and keeping that vision alive in the community.

Purpose of Director Letter of Commitment

The purpose of this Director Letter of Commitment is to make a personal commitment of what is expected of them as individual Directors of the school entrusted to them. The Letter seeks to:

- generally describe expectations of Directors for those considering letting their name stand for nomination to the Board
- reinforce the notion that those who stand for election agree to be actively engaged with the Board, and related Board responsibilities
- serve as a reminder of the commitment made to membership.

**CREDO CHRISTIAN ELEMENTARY SCHOOL
DIRECTOR LETTER OF COMMITMENT**

Preamble

As a member of the Board of Directors, you are in a position to make a significant contribution to Credo Christian Elementary School. The vitality of the school depends on your commitment and imaginative caring leadership. In fact, the future well being of the school is in your hands. You and the other Directors of the Board are trust holders of all that is important to the life of the school and, as such, need to be clear about your responsibilities.

Commitment

As a Director of Credo Christian Elementary School, I:

1. Affirm the Purpose and Basis of Credo Christian Elementary School, as described in Articles 2 and 3 of our Constitution.
2. Am a confessing member of a Canadian or American Reformed Church in good standing, and subscribe to the Three Form of Unity.
3. Will make every reasonable effort to attend all Board meetings, including Combined Board meetings.
4. Will read and be familiar with material sent to me in advance of Board and Committee meetings.
5. Will make every reasonable effort to attend annual Society meetings, and other ad-hoc membership meetings as called.
6. Concur that work of the Board is most often accomplished through its Committees. I agree to serve on, at minimum, one committee or function within the Board. I will show proactive leadership on the committee(s) (such as establishing priorities for the committee) and oversee delivery of committee tasks.
7. Will distribute Committee minutes and reports in a timely manner to other Directors in preparation for Board meetings.
8. Will faithfully assist with other general tasks that enables the Board to fulfill their mandate such as school visits, Board-teacher interviews etc.
9. Will make every reasonable effort to attend fund raising events and school community building events.
10. Will keep all Board deliberations confidential.
11. Will keep a separate, confidential, email address.
12. Will accept and support Board decisions; understanding that once a decision has been made, the Board speaks with one voice.

Signature of the Director

Printed Name of Director

Date

CCES BUILDING RENEWAL FIVE-YEAR PLAN
In preparation for the October 26 2016 Membership Meeting

A. PURPOSE OF PLAN

In addition to providing two additional classrooms, the 2014 building project at CCES also served to advance plans to update and renovate the school in general. The expanded scope included improvements such as a new roof, repainting of the building, updated hallways, updated fields and playground, new concrete walkways etc.

While the expanded scope of the 2014 project moved the agenda of updating the building along, considerable work remains in a number of areas. The Maintenance and IT Committees have undertaken a comprehensive review of the building and IT infrastructure, and developed a systematic 5-year maintenance plan to address outstanding projects.

The purpose of this report is to propose a 5-year plan for further improvements to the school, including options for funding and fundraising.

B. MAINTENANCE COMMITTEE: 5-YEAR PLAN

The five year maintenance plan is summarized in **Exhibit 1**. The plan begins in the school year beginning September 2016, and ends with the school year beginning 2020. The annual budget items are expected to be a rolling 5-year plan, renewed annually.

Exhibit 1 – Summary of Maintenance Committee 5-Year Plan

Expenditure	School Year Beginning					Total	Notes:
	2016	2017	2018	2019	2020		
Annual Budget Items	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$100,000	\$42,000 to \$50,000 over 4 years (2017 to 2020) plus additional year to year items
Major Capital Items	\$30,000	\$175,000			\$20,000	\$225,000	unfunded

Of specific note in **Exhibit 1**:

- There is a commitment to an annual budget for the maintenance committee for \$20,000 towards building improvements. This includes annual items from simple wear and tear, but also includes upgrade to items such as cabinets, counters, bathrooms etc.
- Three major capital items valued at \$225,000 are shown in this exhibit by year: (i) 2016 – gym improvements; (ii) 2017 – Heating/Ventilation/Air Conditioning (HVAC); and, (iii) 2020 – repaving of 75 percent of asphalt. These projects are unfunded.
- The HVAC costs are an estimate at this time, based in good measure upon quotes from last year. If this plan proceeds, the final costs will be subject to variables such as an engineering review, final scope of project etc. This project is proposed early in the 5-year plan as there is a sense of urgency to replacing the aging boiler system, and (at last) introduce air conditioning.

C. INFORMATION TECHNOLOGY: 5-YEAR PLAN

The five year maintenance plan as submitted summarized in **Exhibit 2**.

Exhibit 2 – Summary of IT Committee 5-Year Plan

Expenditure	School Year Beginning						Notes:
	2016	2017	2018	2019	2020	Total	
Annual Budget Items	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$30,000	funded
New laptops		\$15,000			\$15,000	\$30,000	unfunded

Of specific note in **Exhibit 2**:

- There is a commitment for an annual budget of \$6,000. This is expected to maintain the current levels of IT equipment including staff computers, smartboards, printers, monitors, document cameras etc.
- New laptops are scheduled for 2017 and 2020, on a three year cycle.

D. SUMMARY: 5-YEAR PLAN

Exhibit 3 presents a summary of the 5-year plans. In summary, we can plan to spend \$385,000 on building improvements over the next 5 years. The total unfunded (not part of annual budget) items is \$255,000.

Exhibit 3 – Summary of 5-Year Plans

Expenditure	School Year Beginning					
	2016	2017	2018	2019	2020	Total
Annual Budget Items - MC	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$100,000
Annual Budget Items - IT	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$30,000
Major Capital Items - MC	\$30,000	\$175,000			\$20,000	\$225,000
New laptops - IT		\$15,000			\$15,000	\$30,000
Sub-total - Annual Budget Items	\$26,000	\$26,000	\$26,000	\$26,000	\$26,000	\$130,000
Sub-total - Unfunded Items	\$30,000	\$190,000	\$0	\$0	\$35,000	\$255,000
Total	\$56,000	\$216,000	\$26,000	\$26,000	\$61,000	\$385,000

E. FUNDING SOURCES

Exhibit 4 summarizes the array of funding sources for the next 5-years.

Exhibit 4 – Summary of Funding Sources for 5-Year Plan

Funding Source	School Year Beginning					Total
	2016	2017	2018	2019	2020	
Annual Budget	\$26,000	\$26,000	\$26,000	\$26,000	\$26,000	\$130,000
Golf Tourney	\$30,000	\$15,000	\$15,000	\$15,000	\$15,000	\$90,000
IT Reserve		\$5,000				\$5,000
Restricted Reserve		\$25,000				\$25,000
Unrestricted Reserve		\$75,000				\$75,000
Sub-total: Annual Budget Items	\$26,000	\$26,000	\$26,000	\$26,000	\$26,000	\$130,000
Sub-total: Other funding	\$30,000	\$120,000	\$15,000	\$15,000	\$15,000	\$195,000
Total	\$56,000	\$146,000	\$41,000	\$41,000	\$41,000	\$325,000

In summary, we have \$325,000 in reliable funding available to us from the following sources:

- The **annual budget** funding is listed at the amounts referenced as planned expenses.
- It is assumed that the annual **golf tournament** will raise \$15,000 per year for the next five years. In 2017 and 2020, these funds could be dedicated to laptop replacement. There is also a small IT reserve of \$5,000 that could be dedicated to laptops or other expenses that could arise. This would leave \$50,000 in prospective revenue to fund other projects. The \$30,000 in 2016 reflects golf tournament proceeds for this year and next year. This would cover the gym upgrades.
- Last year we placed \$25,000 in a **restricted reserve** that would serve as seed money for this 5-year plan, and is readily accessible.
- We could also access \$75,000 in our **unrestricted reserve**. After this year's deficit budget, this would leave our unrestricted reserve at a fairly comfortable ~\$75,000.
- We are currently studying the implementation of FM systems for the classrooms. Should it be decided to implement a system like this, Credo Aid may support this expense through their ongoing fundraising efforts.

F. OUTSTANDING FUNDING

In summary, the estimated cost of the 5-year plan is \$385,000. Of this, \$325,000 can be accessed from reliable sources, leaving a deficit of \$60,000.

As this plan stands:

- CCES would commit to \$20,000 per year for building upgrades from the annual budget, and \$6,000 per year for IT upgrades from the annual budget.
- Laptops in 2017 and 2020 would be covered by golf tournament proceeds
- FM systems may be covered by Credo Aid, pending a review by the Board this year.
- Funds for the driveway repaving and HVAC would be effectively be from the reserve, remaining golf tournament proceeds, and a fundraising effort of \$60,000.
- Surplus funds (if any) could be (i) dedicated to maintenance committee items, thereby reducing the demands on the annual budget; (ii) used to shorten the timeframe; or (iii) used for unanticipated projects.

While this note provides the general parameters of a 5-year plan, current cost estimates and timing are preliminary. Upon delivery of the 5-year plan, some latitude will be required regarding timing and allocation of funds.

G. FUNDRAISING

Due to the timing of this project, the smaller fundraising goal, and its front loaded costs we propose that a sub-committee be struck up immediately to manage a membership drive. Pledge sheets should be sent out to the membership before the end of the year. The following notes can be made:

- The average cost per family is around \$600 per family.
- The HVAC timing is scheduled for the summer of 2017 and the monies would need to be received by the end of March 2017.
- Encouragement will be given to the membership through regular fundraising updates.
- If membership is given the opportunity to immediately donate, there is flexibility for donations in the 2016 calendar year as well as 2017.

H. OTHER CONSIDERATIONS - PORTABLE

Planning for this strategic 5-year plan is based on current analysis of the enrolment forecast. Enrolment remains dynamic, but at this point we do not envision needing a portable for program delivery within 5 years.

I. RECOMMENDATION

The following motion will be proposed to membership at the October 26 2016 Membership meeting:

“That the Board be directed to deliver the building renewal plan proposed in the CCES 5-Year Plan Report including the use of \$25,000 from the Restricted for capital repairs and replacements fund and \$75,000 from the Unrestricted fund.”

CANADIAN REFORMED SCHOOL ASSOCIATION OF LANGLEY

FINANCIAL STATEMENTS
(Unaudited)

JUNE 30, 2016

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REVIEW ENGAGEMENT REPORT

To the Directors of
Canadian Reformed School Association of Langley

We have reviewed the statement of financial position of the Canadian Reformed School Association of Langley as at June 30, 2016 and the statements of operations and changes in net assets and cash flows for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to us by the school board.

A review does not constitute an audit and consequently we do not express an audit opinion on these financial statements.

Based on our review nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.

The financial statements for the year ended June 30, 2015 were reviewed by another accounting firm and are presented for comparative purposes only.



Langley, BC
October 5, 2016

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CANADIAN REFORMED SCHOOL ASSOCIATION OF LANGLEY

STATEMENT OF FINANCIAL POSITION
(Unaudited)

AS AT JUNE 30, 2016

	2016	2015
ASSETS		
CURRENT		
Cash	\$ 409,797	\$ 450,435
Accounts receivable (note 3)	210,418	184,907
GST/HST receivable	5,150	6,306
Accrued interest receivable	472	1,210
Inventory of school supplies, at cost	2,500	2,500
Prepaid expenses	14,364	24,502
Total current assets	642,701	669,860
PROPERTY, PLANT & EQUIPMENT (note 4)	1,065,471	1,104,324
INVESTMENT - Combined Christian Schools Transportation Association	3,189	3,189
	\$ 1,711,361	\$ 1,777,373

LIABILITIES

CURRENT		
Accounts payable and accrued liabilities	\$ 169,361	\$ 164,180
Deferred donations (note 5)	410,388	433,827
Prepaid grants	-	60,390
Total current liabilities	579,749	658,397
NET ASSETS	1,131,612	1,118,976
	\$ 1,711,361	\$ 1,777,373

APPROVED ON BEHALF OF THE BOARD:

_____ Director

_____ Director

CANADIAN REFORMED SCHOOL ASSOCIATION OF LANGLEY

STATEMENT OF CHANGES IN NET ASSETS
(Unaudited)

FOR THE YEAR ENDED JUNE 30, 2016

							2016	2015
<i>Net Assets</i>	Invested in property, plant & equipment	Restricted for grant reserve	Restricted for special education reserve	Restricted for computer lab replacement	Restricted for capital repairs and replacements	Unrestricted	Total	Total
Balance at beginning of year	\$ 693,597	\$ 219,133	\$ 24,044	\$ 5,000	\$ 25,000	\$ 152,202	\$1,118,976	\$ 1,055,588
Excess (deficiency) of revenues over expenses								
- general fund	(17,206)			-		27,854	10,648	43,853
- special education fund			26,032				26,032	24,044
Investment in property, plant & equipment	5,279			-		(5,279)	-	-
Transfer to current special education program			(24,044)		-	-	(24,044)	(4,509)
Balance at end of year	\$ 681,670	\$ 219,133	\$ 26,032	\$ 5,000	\$ 25,000	\$ 174,777	\$1,131,612	\$ 1,118,976

CANADIAN REFORMED SCHOOL ASSOCIATION OF LANGLEY

STATEMENT OF OPERATIONS - GENERAL FUND

(Unaudited)

FOR THE YEAR ENDED JUNE 30, 2016

	2016 Operating Budget	2016 Actual	2015 Actual
REVENUES			
BC government grants	\$ 747,846	\$ 766,777	\$ 750,087
Tuition	992,154	1,009,885	969,168
Membership and entrance fees	84,000	88,780	96,980
Donations	15,150	17,916	10,875
Credo Aid donations	-	10,674	8,894
Fundraising revenue	15,000	13,848	-
Interest income	2,000	2,391	4,718
Federal French grant	-	472	450
Other income	-	4,560	2,365
Total revenues	1,856,150	1,915,303	1,843,537
EXPENSES			
Payroll and benefits	975,000	1,004,816	946,722
Educational resources	57,950	55,522	49,434
French grant expenditures	-	472	450
Special grant expenditures	-	902	1,159
Special education program share	43,130	24,690	32,650
General			
Accounting and legal	4,000	4,477	4,895
High school payments	530,135	531,874	520,852
Reformed curriculum development fund	2,260	2,304	2,232
Teachers' College payments	4,000	4,000	4,000
Advertising	300	66	1,081
Bad debts (recoveries)	-	(50)	(600)
Bank charges and interest	850	840	926
Gifts	4,000	5,292	4,515
Office supplies	4,975	5,054	5,277
Publications	4,700	4,956	1,659
Staff room expenses	600	849	807
Student insurance	450	447	440
Telephone and fax	2,800	3,059	2,800
FISA membership	1,050	1,047	1,063
Total general	560,120	564,215	549,947
Building			
Repairs and maintenance	73,800	74,431	53,437
Insurance and utilities	30,000	31,062	28,554
Total building	103,800	105,493	81,991
Transportation	107,500	120,665	109,278

CANADIAN REFORMED SCHOOL ASSOCIATION OF LANGLEY

STATEMENT OF OPERATIONS - GENERAL FUND

(Unaudited)

FOR THE YEAR ENDED JUNE 30, 2016

	2016 Operating Budget	2016 Actual	2015 Actual
EXPENSES (continued)			
Reimbursed by Credo Aid			
Library		1,000	1,000
Educational resources		668	822
Sports		1,550	1,500
Field trips		4,482	4,687
Miscellaneous		2,974	885
		10,674	8,894
Total operating expenses	1,847,500	1,887,449	1,780,525
EXCESS OF REVENUES OVER EXPENSES BEFORE AMORTIZATIONS	8,650	27,854	63,012
AMORTIZATIONS			
Amortization of deferred donations and income	-	26,927	32,010
Amortization of property, plant & equipment	-	(44,133)	(51,169)
EXCESS OF REVENUES OVER EXPENSES	\$ 8,650	\$ 10,648	\$ 43,853

CANADIAN REFORMED SCHOOL ASSOCIATION OF LANGLEY

STATEMENT OF OPERATIONS
(Unaudited)

FOR THE YEAR ENDED JUNE 30, 2016

Special Education Fund

	2016 Operating Budget	2016 Actual	2015 Actual
REVENUES			
BC government grant	\$ 109,800	\$ 131,950	\$ 109,800
William of Orange	16,130	8,660	11,350
Donations	3,500	7,797	10,328
Transfer from general fund	43,020	24,690	32,650
Transfer from prior year's reserve	-	24,044	4,509
Total revenues	172,450	197,141	168,637
EXPENSES			
Salaries and benefits	150,700	145,064	121,314
Textbooks and supplies	600	1,185	1,184
Therapists	18,150	22,531	21,172
Consultants	2,000	490	487
Miscellaneous	1,000	1,839	436
Total expenses	172,450	171,109	144,593
EXCESS OF REVENUES OVER EXPENSES	\$ -	\$ 26,032	\$ 24,044

CANADIAN REFORMED SCHOOL ASSOCIATION OF LANGLEY

STATEMENT OF CASH FLOWS

(Unaudited)

FOR THE YEAR ENDED JUNE 30, 2016

	2016 Budget	2016 Actual	2015 Actual
CASH RECEIPTS			
BC government grants	\$ 747,846	\$ 766,777	\$ 750,087
Tuition	992,154	1,009,885	969,168
Membership and entrance fees	84,000	88,780	96,980
Donations	15,150	35,252	206,352
Credo Aid donations	-	10,674	8,894
Deferred grants	-	-	2,754
Interest income	2,000	2,391	4,718
Federal French grant	-	472	450
Other income	-	4,560	2,365
Total receipts	1,841,150	1,918,791	2,041,768
CASH EXPENDITURES			
Payroll and benefits	975,000	1,004,816	946,722
Education			
Educational aids	3,000	2,299	2,559
Textbooks	6,700	6,588	4,330
Supplies	15,500	16,502	16,119
Professional development	14,000	14,171	9,462
Library	4,500	3,784	4,195
Computer maintenance	3,000	1,200	1,200
Photocopier	11,000	10,800	11,290
Subscriptions	250	178	279
French grant expenditures	-	472	450
Special grant expenditures	-	902	1,159
Total education	57,950	56,896	51,043
Special Education			
Special education program share	43,130	24,690	32,650

CANADIAN REFORMED SCHOOL ASSOCIATION OF LANGLEY

STATEMENT OF CASH FLOWS

(Unaudited)

FOR THE YEAR ENDED JUNE 30, 2016

	2016 Budget	2016 Actual	2015 Actual
EXPENDITURES (continued)			
General			
Accounting and legal	4,000	4,477	4,895
High school payments	530,135	531,874	520,852
Reformed curriculum development fund	2,260	2,304	2,232
Teachers' College payments	4,000	4,000	4,000
Advertising	300	66	1,081
Bad debts (recovered)	-	(50)	(600)
Bank charges and interest	850	840	926
Gifts	4,000	5,292	4,515
Office supplies	4,975	5,054	5,277
Publications	4,700	4,956	1,659
Staff room expenses	600	849	807
Student insurance	450	447	440
Telephone and fax	2,800	3,059	2,800
FISA membership	1,050	1,047	1,063
Total general	560,120	564,215	549,947
Property, plant & equipment			
Equipment, furniture, musical instruments	2,150	5,280	-
Computer equipment	2,000	-	685
Special project - building expansion	-	-	411,750
Total property, plant & equipment	4,150	5,280	412,435
Building			
Repairs and maintenance	73,800	74,431	53,437
Insurance and utilities	30,000	31,062	28,554
Total building	103,800	105,493	81,991
Transportation	107,500	120,665	109,278
Reimbursed by Credo Aid			
Library		1,000	1,000
Educational resources		668	822
Sports		1,550	1,500
Field trips		4,482	4,687
Miscellaneous		2,974	885
		10,674	8,894
Total operating expenses	1,851,650	1,892,729	2,192,960
NET INCREASE (DECREASE) IN CASH - General	\$ (10,500)	\$ 26,062	\$ (151,192)

CANADIAN REFORMED SCHOOL ASSOCIATION OF LANGLEY

STATEMENT OF CASH FLOWS

(Unaudited)

FOR THE YEAR ENDED JUNE 30, 2016

	2016 Budget	2016 Actual	2015 Actual
SPECIAL EDUCATION FUND			
RECEIPTS			
BC government grant	\$ 109,800	\$ 131,950	\$ 109,800
William of Orange	16,130	8,660	11,350
Donations	3,500	7,797	10,328
Transfer from general fund	43,020	24,690	32,650
Total revenues	172,450	173,097	164,128
EXPENDITURES			
Salaries and benefits	150,700	145,064	121,314
Textbooks and supplies	600	1,185	1,184
Therapists	18,150	22,531	21,172
Consultants	2,000	490	487
Miscellaneous	1,000	1,839	436
Total expenses	172,450	171,109	144,593
NET INCREASE IN CASH - Special Education	\$ -	\$ 1,988	\$ 19,535
SUMMARY OF CASH FLOWS			
Net increase (decrease) in cash - general	\$ (10,500)	\$ 26,062	\$ (151,192)
Net increase (decrease) in cash - special education	-	1,988	19,535
Decrease (increase) in accounts receivable		(25,511)	(11,918)
Decrease (increase) in GST/HST receivable		1,156	3,827
Decrease (increase) in accrued interest receivable		738	(1,210)
Decrease (increase) in prepaid expenses		10,138	5,730
Increase (decrease) in accounts payable		5,181	1,568
Increase (decrease) in prepaid grants		(60,390)	29,097
CASH, beginning of year	450,435	450,435	554,998
CASH, end of year	\$ 439,935	\$ 409,797	\$ 450,435

CANADIAN REFORMED SCHOOL ASSOCIATION OF LANGLEY

NOTES TO THE FINANCIAL STATEMENTS

(Unaudited)

JUNE 30, 2016

1. INCORPORATION AND ORGANIZATION

The Canadian Reformed School Association of Langley (the Society) was incorporated under the British Columbia Society Act and operates an independent elementary school located in Langley, BC.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

Property, Plant & Equipment Amortization Policy

Amortization is provided for over the assets' estimated useful lives, with no residual value anticipated, at the following annual rates:

Building	- 2% declining balance basis
Furniture, equipment, field improvements, musical instruments	- 10% straight-line basis
Computer equipment	
Acquired prior to July 01, 2009	- 10% straight-line basis
Acquired after June 30, 2009	- 33.3% straight-line basis

The Society reviews the useful lives and the carrying values of its property, plant & equipment on an ongoing basis for continued appropriateness, taking into consideration any events or changes in circumstances which might have impaired their carrying values. Any impairment loss is measured at the amount by which the carrying amount of an asset exceeds its fair value.

Revenue Recognition

Tuition, membership fees, and government grants are recognized as revenue in the year in which the related expenses are incurred.

Deferred Revenue

Deferred revenue represents the unamortized portion of donations received for the funding of capital asset purchases. Such deferred capital funding is amortized to revenue on the same basis and using the same amortization rates as the related capital assets.

Use of Estimates

The preparation of financial statements in conformity with Canadian standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. By their nature, these estimates are subject to measurement uncertainty and actual results could differ from these estimates.

Financial Instruments

Cash is designated as held-for-trading, which is measured at fair value. Accounts receivable and GST/HST receivable are classified as loans and receivables, which are measured at amortized cost. Accounts payable and accrued liabilities and deferred donations are classified as other financial liabilities, which are measured at amortized cost.

Tuition, Membership, and Salary accruals

Tuition and membership fees with respect to the school year ended June 30th are payable to the school over a twelve-month period commencing September 1st. Accordingly, the Society has included in accounts receivable the sum of \$185,680 for tuition and membership fees which are due in the months of July and August, 2016. Similarly, salaries and benefits for the school year also extend into July and August, 2016 and \$145,440 is included in accounts payable to cover these costs.

CANADIAN REFORMED SCHOOL ASSOCIATION OF LANGLEY

NOTES TO THE FINANCIAL STATEMENTS

(Unaudited)

JUNE 30, 2016

3. ACCOUNTS RECEIVABLE

	2016	2015
Current year's fees and memberships	\$ 210,418	\$ 184,907
Prior years' accounts	-	6,220
	<u>210,418</u>	<u>191,127</u>
Less: Allowance for uncollectible accounts	-	6,220
	<u>\$ 210,418</u>	<u>\$ 184,907</u>

4. PROPERTY, PLANT & EQUIPMENT

	Cost		Accumulated Amortization		Net Book Value	
	2016	2015	2016	2015	2016	2015
Land	\$ 135,000	\$ 135,000	\$ -	\$ -	\$ 135,000	\$ 135,000
Building	1,030,362	1,030,362	283,902	268,668	746,460	761,694
Furniture, equipment, improvements	377,962	372,683	198,581	172,440	179,381	200,243
Musical instruments	3,745	3,745	1,873	1,498	1,872	2,247
Computer equipment	56,205	119,746	53,447	114,606	2,758	5,140
	<u>\$1,603,274</u>	<u>\$1,661,536</u>	<u>\$ 537,803</u>	<u>\$ 557,212</u>	<u>\$ 1,065,471</u>	<u>\$1,104,324</u>

5. DEFERRED DONATIONS

	2016	2015
Donations received which were restricted by the donors to be applied to building expansion and improvements		
Balance at beginning of year	\$ 236,399	\$ 237,966
Donations applied this year	-	3,258
Less: amortized to revenue on a 2% declining balance basis which coincides with the amortization of the building	<u>(4,728)</u>	<u>(4,825)</u>
Balance at end of year	<u>231,671</u>	<u>236,399</u>
Donations received which were restricted by the donors to be applied to the purchase of computer equipment:		
Balance at beginning of year	-	4,989
Less: amortized to revenue on a 33.3% straight-line basis which coincides with the amortization of the equipment	<u>-</u>	<u>(4,989)</u>
Balance at end of year	<u>-</u>	<u>-</u>

continued

CANADIAN REFORMED SCHOOL ASSOCIATION OF LANGLEY

NOTES TO THE FINANCIAL STATEMENTS
(Unaudited)

JUNE 30, 2016

5. DEFERRED DONATIONS (continued)

	2016	2015
Donations received which were restricted by the donors to be applied to field and playground improvements:		
Balance at beginning of year	117,874	8,929
Donations received during the year	-	123,031
Less: amortized to revenue on a 10% straight-line basis which coincides with the amortization of the improvements	<u>(14,089)</u>	<u>(14,086)</u>
Balance at end of year	<u>103,785</u>	<u>117,874</u>
Golfathon proceeds:		
2015 proceeds	-	13,848
2016 proceeds	<u>17,336</u>	<u>-</u>
Balance at end of year	<u>17,336</u>	<u>13,848</u>
Donations received which were restricted by the donors to be applied to equipment and furniture acquisitions:		
Balance at beginning of year	65,706	15,722
Donations received during the year	-	58,093
Less: amortized to revenue on a 10% straight-line basis which coincides with the amortization of the equipment and furniture	<u>(8,110)</u>	<u>(8,109)</u>
Balance at end of year	<u>57,596</u>	<u>65,706</u>
Total deferred donations	<u>\$ 410,388</u>	<u>\$ 433,827</u>

6. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The CPA Canada Handbook sets out criteria for the recognition and measurement of financial instruments. It requires all financial instruments to be measured at fair value or, when fair value is not relevant, at cost or amortized cost. Changes in fair value are recognized in the statements of operations or changes in net assets.

All financial instruments are classified into one of the following five categories: held-for-trading, held to maturity, loans and receivables, available for sale financial assets, or other financial liabilities. Initial and subsequent measurement and recognition of changes in the value of financial instruments depends on their initial classification.

The Society has adopted the following classifications for its financial instruments:

Cash is classified as held-for-trading. Changes in fair value are recorded in the statement of operations.

Accounts receivable are classified as loans and receivables. They are initially recorded at fair value and subsequently measured at amortized cost using the effective interest method.

Accounts payable and accrued liabilities are classified as other financial liabilities. They are initially recorded at fair value and subsequently measured at amortized cost using the effective interest method.

The fair market values of these financial instruments approximate their carrying values due to their short-term to maturity or capacity for prompt liquidation.

The Society is not exposed to currency risks because it does not transact in foreign currencies. It is management's opinion that the Society is not exposed to significant credit risk from these financial instruments. The Society does have cash on deposit in bank accounts and term deposits, however the amount of interest income earned on these assets is less than .3% of its total annual income. Accordingly, the Society is not exposed to significant risk of loss if the prevailing market rates change significantly.

