

SCHOOL DISTRICT AUDITED FINANCIAL STATEMENTS FISCAL YEAR 2008/2009

SCHOOL DISTRICT NUMBER 05	NAME OF SCHOOL DISTRICT Southeast Kootenay	YEAR 2008/2009
OFFICE LOCATION 940 Industrial Road #1		TELEPHONE NUMBER 250-426-4201
CITY/PROVINCE Cranbrook, BC		POSTAL CODE V1C 4C6
WEBSITE ADDRESS www.sd5.bc.ca		
NAME OF SUPERINTENDENT Bill Gook		NAME OF SECRETARY-TREASURER Rob Norum

DECLARATION AND SIGNATURES

SCHOOL DISTRICT MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules of The Board of Education of School District No. 05 (Southeast Kootenay) ("the Board") have been prepared by school district management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with Canadian generally accepted accounting principles for not-for-profit organizations.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school district's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that the accounting records may be relied upon to properly reflect the school district's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

The Board's Responsibility

The ultimate responsibility for the financial statements lies with the Board. The Board has reviewed and approved the financial statements.

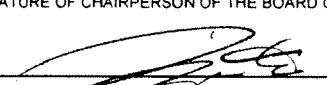
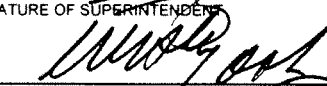

External Auditors

The Board appoints external auditors to audit the financial statements. The external auditors have full and free access to school district records, and present their report to the Board.

Declaration of Management and Board Chairperson

To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position, revenue and expense, changes in fund balances, and cash flows for the year in accordance with Canadian generally accepted accounting principles for not-for-profit organizations.

We, the undersigned, certify that the attached is a correct and true copy of the Audited Financial Statements of School District No. 05 (Southeast Kootenay) for the year ended June 30, 2009.

SIGNATURE OF CHAIRPERSON OF THE BOARD OF EDUCATION 	DATE SIGNED Sept 30, 2009
SIGNATURE OF SUPERINTENDENT 	DATE SIGNED Sept 30, 2009
SIGNATURE OF SECRETARY-TREASURER 	DATE SIGNED Sept 30, 2009

**SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)
2008/2009 AUDITED FINANCIAL STATEMENTS**

TABLE OF CONTENTS

AUDITORS' REPORT

FINANCIAL STATEMENTS

Statement of Financial Position	Statement 1
Statement of Revenue and Expense	Statement 2
Statement of Changes in Fund Balances	Statement 3
Statement of Cash Flows	Statement 4.1
Statement of Cash Flows	Statement 4.2

NOTES TO FINANCIAL STATEMENTS

SCHEDULES

Operating Fund

Surplus (Deficit)	Schedule A1
Comparative Schedule of Revenue by Source	Schedule A2
Comparative Schedule of Expense by Object	Schedule A3
Expense by Function, Program and Object	Schedule A4.1
Expense by Function, Program and Object	Schedule A4.2
Changes in Deferred Contributions	Schedule A5

Special Purpose Funds

Summary of Changes	Schedule B1
Changes in Ministry of Education Designated Special Purpose Funds	Schedule B2
Changes in Other Special Purpose Funds	Schedule B3

Capital Fund

Capital Assets	Schedule C1
Capital Assets - Work In Progress	Schedule C2
Deferred Capital Contributions	Schedule C3
Changes in Deferred Contributions	Schedule C4
Changes in Fund Balances	Schedule C5



BDO Dunwoody LLP
Chartered Accountants
and Advisors

35 - 10 Avenue South
Cranbrook BC, Canada V1C 2M9
Telephone: (250) 426-4285
Fax: (250) 426-8886
www.bdo.ca

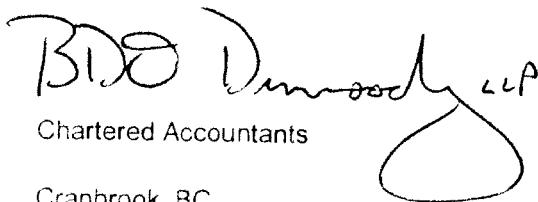
Auditors' Report

**To the Board of School Trustees of
School District No. 5 (Southeast Kootenay)**

We have audited the statement of financial position of School District No. 5 (Southeast Kootenay) as at June 30, 2009 and the statements of revenue and expense, changes in fund balances and cash flows for the year then ended. The financial statements are the responsibility of the School District's management. 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 plan and perform an audit to obtain reasonable assurance whether these financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of School District No. 5 (Southeast Kootenay) as at June 30, 2009, and the results of its operations for the year then ended in accordance with Canadian generally accepted accounting principles.


Chartered Accountants

Cranbrook, BC
August 21, 2009



BDO Dunwoody LLP
Chartered Accountants
and Advisors

35 - 10th Avenue South
Cranbrook BC, Canada V1C 2M9
Telephone: (250) 426-4285
Fax: (250) 426-8886
www.bdo.ca

Auditors' Comments on Supplementary Financial Information

To the Board of School Trustees of School District No. 5 (Southeast Kootenay)

We have audited the financial statements of School District No. 5 (Southeast Kootenay) as at June 30, 2009 and reported thereon dated August 21, 2009. The financial information presented hereinafter was derived from the accounting records tested by us as part of the auditing procedures followed in our examination of the financial statements and, in our opinion, it is fairly presented in all material respects in relation to the financial statements taken as a whole.



Chartered Accountants

Cranbrook, BC
August 21, 2009

SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2009

Statement 1

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2009	TOTAL 2008
ASSETS					
Current Assets					
Cash and Cash Equivalents	\$ 4,726,292	\$ 650,409		\$ 5,376,701	\$ 3,917,731
Short Term Investments (Note 3)	8,000,010	207,137		8,207,147	10,208,643
Accounts Receivable					
Due from Province - Ministry of Education				0	1,100,000
Due from LEA/Direct Funding	373,424			373,424	268,381
Other Receivables (Note 4)	600,118	4,116	12,884	617,118	440,605
Interfund Loans		2,615,675	4,991,038		
Prepaid Expenses	148,164			148,164	106,252
	<u>13,848,008</u>	<u>3,477,337</u>	<u>5,003,922</u>	<u>14,722,554</u>	<u>16,041,612</u>
Capital Assets - Net (Note 5)			72,132,735	72,132,735	69,836,589
TOTAL ASSETS	<u>\$ 13,848,008</u>	<u>\$ 3,477,337</u>	<u>\$ 77,136,657</u>	<u>\$ 86,855,289</u>	<u>\$ 85,878,201</u>
LIABILITIES AND FUND BALANCES					
Current Liabilities					
Accounts Payable and Accrued Liabilities					
Other	560,376	18,434	148,225	727,035	1,219,518
Interfund Loans	7,606,713				
Other Current Liabilities	2,832,692			2,832,692	2,847,726
	<u>10,999,781</u>	<u>18,434</u>	<u>148,225</u>	<u>3,559,727</u>	<u>4,067,244</u>
Deferred Revenue	493,165			493,165	196,120
Deferred Contributions					
Ministry of Education		1,900,244	2,726,929	4,627,173	5,220,633
Province - Other		22,058		22,058	35,592
Other		1,536,601		1,536,601	1,555,800
Accrued Employee Future Benefits (Note 7)	130,646			130,646	139,416
Deferred Capital Contributions			61,545,071	61,545,071	59,092,096
TOTAL LIABILITIES	<u>11,623,592</u>	<u>3,477,337</u>	<u>64,420,225</u>	<u>71,914,441</u>	<u>70,306,901</u>
Fund Balances					
Invested in Capital Assets			10,587,664	10,587,664	10,744,493
Internally Restricted	764,736		2,128,768	2,893,504	3,354,883
Unrestricted	1,459,680			1,459,680	1,471,924
TOTAL FUND BALANCES	<u>2,224,416</u>	<u>0</u>	<u>12,716,432</u>	<u>14,940,848</u>	<u>15,571,300</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 13,848,008</u>	<u>\$ 3,477,337</u>	<u>\$ 77,136,657</u>	<u>\$ 86,855,289</u>	<u>\$ 85,878,201</u>

SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)
STATEMENT OF REVENUE AND EXPENSE
YEAR ENDED JUNE 30, 2009

Statement 2

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2009	TOTAL 2008
REVENUE					
Provincial Grants - Ministry of Education	\$ 48,556,786	\$ 1,922,178		\$ 50,478,964	\$ 49,892,960
Provincial Grants - Other		101,623		101,623	121,892
Other Revenue	1,549,777	2,455,346		4,005,123	3,643,444
Rentals and Leases	41,200			41,200	39,851
Investment Income	317,413	46,471	32,551	396,435	571,525
Amortization of Deferred Capital Contributions			2,118,468	2,118,468	2,144,328
Gain on Disposal			184,959	184,959	
	<u>50,465,176</u>	<u>4,525,618</u>	<u>2,335,978</u>	<u>57,326,772</u>	<u>56,414,000</u>
EXPENSE					
Salaries					
Teachers	21,548,718	20,856		21,569,574	20,364,704
Principals and Vice Principals	2,793,014			2,793,014	3,011,073
Educational Assistants	2,969,579	301,543		3,271,122	3,231,137
Support Staff	4,913,234			4,913,234	4,958,395
Other Professionals	1,540,510	82,134		1,622,644	1,637,095
Substitutes	1,736,211	3,440		1,739,651	1,821,692
	<u>35,501,266</u>	<u>407,973</u>	<u>0</u>	<u>35,909,239</u>	<u>35,024,096</u>
Employee Benefits	8,062,645	98,489		8,161,134	8,076,832
Services and Supplies	7,198,765	4,019,156	368,569	11,586,490	11,715,503
Amortization of Capital Assets			2,300,361	2,300,361	2,338,489
	<u>50,762,676</u>	<u>4,525,618</u>	<u>2,668,930</u>	<u>57,957,224</u>	<u>57,154,920</u>
NET REVENUE (EXPENSE)	<u>\$ (297,500)</u>	<u>\$ 0</u>	<u>\$ (332,952)</u>	<u>\$ (630,452)</u>	<u>\$ (740,920)</u>

SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)
STATEMENT OF CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2009

Statement 3

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2009	TOTAL 2008
FUND BALANCES, BEGINNING OF YEAR	\$ 3,314,606		\$ 12,256,694	\$ 15,571,300	\$ 16,312,220
Changes for the Year					
Net Revenue (Expense) for the Year	(297,500)		(332,952)	(630,452)	(740,920)
Interfund Transfers					
Local Capital (Note 10)	(792,690)		792,690	0	
Net Changes for the Year	<u>(1,090,190)</u>	0	<u>459,738</u>	<u>(630,452)</u>	<u>(740,920)</u>
FUND BALANCES, END OF YEAR	<u>\$ 2,224,416</u>	<u>\$ 0</u>	<u>\$ 12,716,432</u>	<u>\$ 14,940,848</u>	<u>\$ 15,571,300</u>

SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2009

Statement 4.1

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2009	TOTAL 2008
CASH PROVIDED BY (USED FOR) OPERATIONS					
Net Revenue (Expense) for the Year	\$ (297,500)		\$ (332,952)	\$ (630,452)	\$ (740,920)
Changes in Non-Cash Working Capital					
Decrease (Increase)					
Accounts Receivable	(401,411)	6,700	1,213,154	818,443	(101,817)
Interfund Loans	661,794	532,211	(1,194,005)	0	0
Prepaid Expenses	(41,912)			(41,912)	71,370
Increase (Decrease)					
Accounts Payable/Accrued Liabilities	20,439	6,735	(519,656)	(492,482)	691,667
Other Current Liabilities	(15,034)			(15,034)	(198,407)
Deferred Revenue	297,045			297,045	196,120
Deferred Contributions		(510,133)		(510,133)	(706,926)
Accrued Employee Future Benefits	(8,770)			(8,770)	(8,802)
Loss (Gain) on Disposal of Capital Assets			(184,959)	(184,959)	
Items Not Involving Cash					
Amortization of Capital Assets			2,300,361	2,300,361	2,338,489
Amortization of Deferred Capital Contributions			(2,118,468)	(2,118,468)	(2,144,328)
Interfund Transfers	(792,690)		792,690	0	
	(578,039)	35,513	(43,835)	(586,361)	(603,554)
FINANCING					
Deferred Contributions Received - Capital			4,629,986	4,629,986	835,156
Proceeds from Disposal of Capital Assets			799,836	799,836	
MEd Restricted Portion of Proceeds on Disposal			(599,877)	(599,877)	
	0	0	4,829,945	4,829,945	835,156
INVESTING					
Capital Assets Purchased - Local Capital			(40,064)	(40,064)	
Capital Assets Purchased - Deferred Contributions - Capital			(4,746,046)	(4,746,046)	
	0	0	(4,786,110)	(4,786,110)	0
NET INCREASE (DECREASE) IN CASH	\$ (578,039)	\$ 35,513	\$ 0	\$ (542,526)	\$ 231,602

SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2009

Statement 4.2

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2009	TOTAL 2008
NET INCREASE (DECREASE) IN CASH	\$ (578,039)	\$ 35,513	\$ 0	\$ (542,526)	\$ 231,602
Net Cash, Beginning of Year	13,304,341	822,033		14,126,374	13,894,772
NET CASH, END OF YEAR	\$ 12,726,302	\$ 857,546	\$ 0	\$ 13,583,848	\$ 14,126,374
Cash Equivalents	4,726,292	650,409		5,376,701	3,917,731
Short Term Investments	8,000,010	207,137		8,207,147	10,208,643
NET CASH, END OF YEAR	\$ 12,726,302	\$ 857,546	\$ 0	\$ 13,583,848	\$ 14,126,374

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2009

NOTE 1 AUTHORITY AND PURPOSE

The School District operates under authority of the *School Act* of British Columbia as a corporation under the name of "The Board of Education of School District No. 5 (Southeast Kootenay)", and operates as "School District No. 5 (Southeast Kootenay)." A board of education (Board) elected for a three-year term governs the School District. The School District provides educational programs to students enrolled in schools in the district, and is principally funded by the Province of British Columbia through the Ministry of Education.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements were prepared in accordance with Canadian Generally Accepted Accounting Principles (GAAP) for not-for-profit organizations. These principles are consistent with those used in prior years.

The deferral method of accounting for contributions, which includes government grants, is used. Results are reported in the operating fund, special purpose funds and capital fund. Revenues and expenses are recorded on a gross and accrual basis.

Statement 2 (Statement of Revenue and Expense), Statement 3 (Statement of Changes in Fund Balances) and Statement 4 (Statement of Cash Flows) present annual results of each fund, changes in fund balances and cash flows for the year. Statement 1 (Statement of Financial Position) presents the assets, liabilities and fund balances as at June 30th. Interfund transfers and loans are recognized in each fund and eliminated in the consolidated totals.

a) Fund Accounting

The resources and operations of the School District are segregated into various funds for accounting and financial reporting purposes based on the types of restrictions on the use of contributions by governments or other granting agencies, and appropriations or other internal restrictions by the Board. While separate accounts are maintained for each fund, for financial reporting purposes, funds with similar characteristics are grouped together:

- Operating fund reports assets, liabilities, revenues and expenses for general operations.
- Special purpose funds report assets, liabilities, revenues and expenses for:
 - Contributions restricted in use by the *School Act* or Ministry of Education.
 - Contributions restricted in use by other external bodies.
 - Endowment funds.
 - Funds collected and used at the school level (i.e. school-generated funds).
 - Controlled and/or related entities.
- Capital fund reports assets, liabilities, revenues and expenses for capital. Contributions of other funds used for capital purposes are transferred to the capital fund.

b) Cash and Cash Equivalents

Cash and cash equivalents include cash and highly liquid securities with original terms to maturity of three months or less when purchased.

c) Accounts Receivable

Accounts receivable are shown net of allowance for doubtful accounts. (See Note 3)

**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2009**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND
REPORTING PRACTICES (Continued)**

d) Prepaid Expenses

Materials and supplies held for use within the district are included as a prepaid expense and stated at acquisition cost. Other prepaid expenses include insurance, dues and fees, and licenses.

e) Capital Assets

The following criteria apply:

- Capital assets acquired or constructed are recorded at cost. Donated capital assets are recorded at their fair market value on the date of donation.
- Work-in-progress is recorded as an acquisition to the applicable asset class at substantial completion.
- Sites and buildings that no longer contribute to the ability of the district to provide services are written-down to residual value.
- Buildings that are demolished or destroyed are written-off.
- Amortization is recorded on a straight-line basis over the estimated useful life of the asset. Estimated useful life is as follows:

Buildings	40 years
Furniture & Equipment	10 years
Vehicles	10 years
Computer Hardware	5 years

f) Revenue Recognition

Unrestricted operating government grants, are recognized as revenue when received. Such grants, if contributed for a future period, are deferred and reported as deferred contributions until that future period. Other unrestricted revenue, including tuition fees and sales of services/products are reported as revenue when services are provided or products delivered.

Externally restricted contributions, grants, and donations are reported as revenue depending on the nature of restrictions imposed on the use of the funds by the contributors:

- Non-capital contributions for specific purposes are recorded as deferred contributions and recognized as revenue in the year related expenses are incurred.
- Contributions restricted for capital purposes are recorded as deferred contributions until the amount is invested in capital assets.
 - If the capital asset is a site, the amount invested is recorded as a direct increase to net assets invested in capital assets.
 - If the capital asset is not a site, the amount invested is recorded as a deferred capital contribution and amortized over the useful life of the asset.
 - Donated capital assets are recorded at fair market value and treated as a deferred capital contribution.

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2009

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Continued)

g) Expenditures

- Categories of Salaries
 - Principals, Vice Principals, and Directors of Instruction employed under an administrative officer contract are categorized as Principals and Vice Principals.
 - Superintendents, Assistant Superintendents, Secretary-Treasurers, Directors of Instruction, Trustees and other employees excluded from union contracts are categorized as Other Professionals.
- Allocation of Costs
 - Operating expenses are reported by function, program, and object. Whenever possible, expenditures are determined by actual identification. Additional costs pertaining to specific instructional programs, such as special and aboriginal education, are allocated to these programs. All other costs are allocated to regular programs.
 - Actual salaries of personnel assigned to two or more functions or programs are allocated based on the time spent in each function and program. School-based clerical salaries are allocated to school administration and partially to other programs to which they may be assigned. Principals and Vice-Principals salaries are allocated to school administration and may be partially allocated to other programs to recognize their other responsibilities.
 - Employee benefits and allowances are allocated to the same programs, and in the same proportions, as the individual's salary.
 - Supplies and services are allocated based on actual identification of program.

h) Financial Instruments

The School District complies with CICA Handbook Section 3861 - *Financial Instruments – Disclosure and Presentation*, for the presentation and disclosure of financial instruments. Financial instruments are defined as a contractual right to either receive or deliver cash or another financial instrument to another party.

The School District utilizes various financial instruments. Unless otherwise noted, it is management's opinion that the School District is not exposed to significant interest, currency or credit risks arising from these financial instruments and the carrying amounts approximate fair values.

The School District classifies its financial instruments into one of the following categories based on the purpose for which the asset was acquired. The School District's accounting policy for each category is as follows:

Held-for-trading

Any financial instrument whose fair value can be reliably measured may be designated as held-for-trading on initial recognition or adoption of this new standard. The School District has designated short term investments as held-for trading. These financial instruments are carried on the balance sheet at fair value and net gains and losses arising from changes in fair value, determined by published price quotations in an active market, are recognized immediately in income. Transaction costs related to these instruments are recognized as expense on the settlement date.

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2009

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND
REPORTING PRACTICES (Continued)**

Loans and receivables

These assets result from the delivery of cash or other assets by a lender to a borrower in return for a promise to repay on a specified date or dates, or on demand. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets. The School District has designated accounts receivable as loans and receivables. These instruments are initially recognized at fair value and subsequently carried at amortized cost, using the effective interest rate method, less any provision for impairment.

Other financial liabilities

Other financial liabilities include all financial liabilities other than those classified as held-for-trading and is comprised of accounts payable. These liabilities are initially recognized at fair value and subsequently carried at amortized cost using the effective interest rate method.

i) Use of Estimates

Preparation of financial statements in accordance with Canadian Generally Accepted Accounting Principles requires management to make estimates and assumptions that impact reported amounts for assets and liabilities at the date of the financial statements and revenues and expenses during the reporting periods. Significant areas requiring the use of management estimates relate to the potential impairment of assets, rates for amortization and estimated employee future benefits. Actual results could differ from those estimates.

j) Employee Future Benefits

The School District provides certain post-employment benefits including vacation pay and retirement allowances for certain employees pursuant to certain contracts and union agreements.

The School District accrues its obligations and related costs under employee future benefit plans. The future benefits cost is actuarially determined using the projected unit credit method pro-rata on service and using management's best estimate of expected salary escalation, termination and retirement rates and mortality. The discount rate used to measure obligations is based on market rates at the measurement date.

The excess of cumulative unrecognized actuarial gains (losses) over 10 percent of the accrued benefit obligation is amortized over the expected average remaining service lifetime (EARSL) of active employees covered under the plan. The EARSL for employees of the School District is 7.9 years.

The most recent valuation of the obligation was performed at March 31, 2007 and projected to June 30, 2011. The next valuation will be performed at March 31, 2010 for use at June 30, 2010. For the purposes of determining the financial position of the plans and the employee future benefit costs, a measurement date of March 31 was adopted for all periods subsequent to July 1, 2004.

**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2009**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Continued)

k) Capital Disclosures

The School District's primary objective when managing capital is to safeguard its ability to provide services to students. The School District considers its capital to be net assets invested in capital assets and other net assets. The School District is not subject to any externally imposed capital requirements.

The School District's object when managing capital is to maintain a stable financial structure by matching its capital to the underlying nature and terms of the asset being funded and to hold sufficient unrestricted net assets to enable it to withstand negative unexpected financial events. The School District seeks to maintain sufficient liquidity to enable it to meet its obligations as they become due and follows a prudent investment policy designed to ensure a low risk return on investment consistent with the long-term goals and future obligations of the School District.

NOTE 3 SHORT TERM INVESTMENTS

Short term investments consist of Guaranteed Investment Certificates that bear interest at 0.9% and mature within the next fiscal period.

NOTE 4 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	2009	2008
Other	\$617,118	\$440,605

NOTE 5 CAPITAL ASSETS

	2009	2009	2008	2008
Cost	Accumulated Amortization	Net Book Value	Net Book Value	Net Book Value
Sites	\$ 5,987,977	\$ 0	\$ 5,987,977	\$ 6,002,977
Buildings	113,192,876	49,387,882	63,804,994	61,943,386
Furniture & Equipment	1,243,706	367,020	876,686	400,663
Vehicles	2,433,184	1,002,078	1,431,106	1,440,199
Computer Hardware	86,958	54,986	31,972	49,364
	\$122,944,701	\$50,811,966	\$72,132,735	\$69,836,589

NOTE 6 DEFERRED CONTRIBUTIONS

The nature and amount of changes in deferred contribution balances are disclosed in accordance with *CICA Handbook* section 4410.53-.54.

**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2009**

NOTE 7 EMPLOYEE FUTURE BENEFITS

The accrued benefit obligation for employee future benefits is not funded as funding is provided when the benefits are paid. Accordingly, there are no plan assets. Although no plan assets are uniquely identified, the School District has provided for the payment of these benefits. The portion of these benefits that have not been provided for is identified as Unfunded Accrued Employee Future Benefits and Vacation Pay on Statement 1 (Statement of Financial Position).

The period of amortization is equal to the expected average remaining service lifetime (EARSL) of active employees.

	2009	2008
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	\$ 125,449	\$ 148,521
Service Cost	8,129	8,160
Interest Cost	6,617	6,956
Benefit Payments	(23,336)	(23,918)
Actuarial (Gain)/Loss	(11,065)	(14,270)

Reconciliation of Funded Status at End of Fiscal Year

	2009	2008
Accrued Benefit Obligation – March 31	\$ 105,794	\$ 125,449
Market Value of Plan Assets – March 31	0	0
Funded Status - Surplus/(Deficit)	(105,794)	(125,449)
Employer Contributions After Measurement Date	0	0
Unamortized Net Actuarial (Gain)/Loss	(24,852)	(13,967)
Accrued Benefit Asset/(Liability) – June 30	<u>\$(130,646)</u>	<u>\$(139,416)</u>

Components of Net Benefit Expense

Service Cost	\$ 8,129	\$ 8,160
Interest Cost	6,617	6,956
Amortization of Net Actuarial (Gain)/Loss	0	0
Net Benefit Expense (Income)	<u>\$ 14,566</u>	<u>\$ 15,116</u>

The significant actuarial assumptions adopted for measuring the School District's accrued benefit obligations are:

Discount Rate – April 1	5.50%	5.00%
Discount Rate – March 31	7.00%	5.50%
Long Term Salary Growth – April 1	3.25% + seniority	3.25% + seniority
Long Term Salary Growth – March 31	3.25% + seniority	3.25% + seniority
EARSL – March 31	7.9	7.9

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2009

NOTE 8 EMPLOYEE PENSION PLANS

The School District and its employees contribute to the Teachers' Pension Plan and Municipal Pension Plan, jointly trusteed pension plans. The boards of trustees for these plans represent plan members and employers and are responsible for the management of the pension plan including investment of the assets and administration of benefits. The pension plans are multi-employer contributory pension plans. Basic pension benefits provided are defined. The Teachers' Pension Plan has about 48,000 active members from school districts, and approximately 24,000 retired members from school districts. The Municipal Plan has about 145,000 active members, of which approximately 21,000 are from school districts.

Every three years, an actuarial valuation is performed to assess the financial position of the plans and the adequacy of plan funding. The most recent valuation of the Teachers' Plan as at December 31, 2005 indicated a \$904 million unfunded liability for basic pension benefits. The next valuation will be as at December 31, 2008 with results available in late 2009. The most recent valuation for the Municipal Pension Plan as at December 31, 2006 indicated a surplus of \$438 million for basic pension benefits. The next valuation will be as at December 31, 2009 with results available in 2010. The actuary does not attribute portions of the unfunded liability to individual employers. School District No. 5 (Southeast Kootenay) paid \$4,059,244 for employer contributions to these plans in the year ended June 30, 2009.

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2009

NOTE 9 OPERATING FUND BALANCE, END OF YEAR

Internally Restricted (appropriated) by Board for:

Subtotal Internally Restricted (see below)	\$ 1,842,682
Unrestricted Operating Surplus (Deficit)	\$ 1,471,924
Total Available for Future Operations	\$ 3,314,606

Appropriations 2008-2009

Summary	<u>2008/2009</u>	<u>2007/2008</u>
Admin Pro-D	\$ 70,892	\$ 67,594
Aboriginal Education	46,897	47,324
Special Education		
District	138,752	188,641
Schools	48,058	39,303
	186,810	227,944
Schools		
Operating	10,408	(49,138)
Learning Resources	61,439	73,476
Growth Plans	20,732	6,301
	92,579	30,639
Operating Projects (see below)	327,219	1,018,056
Education Project Accounts		
Resource Centre	9,807	7,848
School Fees/Art		
School Telephone Systems		26,000
SDS Server		24,000
Fernie Board Office Rental Upgrade		26,000
Move Sr. Alt Program		10,000
Move Jr. Alt Program		8,000
Move Resource Centre		110,000
Move Sparwood Secondary School		60,000
Move MVES/FJMES		30,000
Playground Allocation		45,000
School Photocopier Agreement	5,091	39,277
District Office Upgrade		15,000
Energy Conservation	25,441	
	30,532	\$ 393,277
Proceeds Sale of Capital Assets		50,000
Appropriations – Restricted	764,736	\$1,842,682

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2009

Appropriations
Operating Projects
2008-2009

	2008-2009	2007-2008
424 Legacies Now MBSS		\$ 10,336
425 Legacies Now RMES		7,000
427 Legacies Now GTES	\$ 5,951	
452 Ready Set Learn	42,404	30,689
458 Connected Learners Online		497
460 CES Sec School Apprentice	(10,339)	
500 MOE School Grant		5,000
501 Rural Tech Program		2,500
Community Connections		75,766
527 Jaffray Playground	38,950	
530 MOE District Grant		4,303
531 Literacy Innovation 06/07		7,182
532 BCeSIS Implementation		4,970
534 Enrolment Recalculation		605,690
537 Literacy Innovation 07/08	17,280	34,913
538 BCSTA Early Learning Grant	7,867	40,767
542 Crystal Methamphetamine	2,040	2,040
543 Social Justice Draft Course	1,105	1,127
544 Tobacco Reduction Grant	595	1,303
545 Literacy Innovation 08/09	40,240	51,538
546 Sound Connections	62,653	
548 Literacy Innovation Grant	51,538	
550 Carbon Tax Reimbursement	10,929	
555 Reserve Allocation	37,998	84,702
617 Ed Change Elementary	(1,691)	14,552
618 Ed Change Secondary	9,776	13,707
621 Ace-It Training	(15,067)	(7,109)
622 Roots of Empathy	10,408	7,451
805 Art Starts in Schools	2,769	174
807 One to One Reading	298	266
830 Elementary Band	7,690	8,734
836 Delt Fund	504	4,913
914 Cupe Pro-D Trust	3,321	5,045
	<u>\$ 327,219</u>	<u>\$ 1,018,056</u>

**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2009**

NOTE 10 INTERFUND TRANSFERS

Interfund transfers between the operating, special purpose and capital funds are reported on Statement 3 (Statement of Changes in Fund Balances). For the year ended June 30, 2009, transfers were as follows:

- \$792,690 from Operating Fund to Capital Fund

NOTE 11 RELATED PARTY TRANSACTIONS

The School District is related through common ownership to all Province of British Columbia ministries, agencies, school districts, health authorities, colleges, universities, and crown corporations. Transactions with these entities, unless disclosed separately, are generally considered to be in the normal course of operations and are recorded at the exchange amount.

NOTE 12 CONTRACTUAL OBLIGATIONS

On November 3, 2006, School District No. 5 (Southeast Kootenay) entered into an agreement with Vector Projects Group Ltd. in the amount of \$15,473,447 for the construction of Sparwood Secondary School. As at June 30, 2009, the balance of the contract remaining, including all holdbacks and deficiencies, was \$147,966.76 which is expected to be completed and paid in the next fiscal period.

Lease Commitments:

The School District has equipment under operating leases. Lease commitments over the next five years are due as follows:

Year	Amount
2009	\$103,543
2010	\$124,252
2011	\$124,252
2012	\$124,252
2013	\$ 20,709

NOTE 13 BUDGET FIGURES

Budget figures included in the financial statement schedules are not audited. They were approved by the Board through the adoption of an amended annual budget on February 10, 2009.

NOTE 14 ECONOMIC DEPENDENCE

Operations of the School District are dependent on continued funding from the Ministry of Education and various governmental agencies to carry out its programs. These financial statements have been prepared in accordance with Canadian GAAP for not-for-profit organizations. This contemplates continuation of the School District as a "going concern".

NOTE 15 COMPARATIVE FIGURES

Certain of the prior year's figures have been reclassified to conform with the current year's presentation.

SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)
OPERATING FUND
SURPLUS (DEFICIT)
YEAR ENDED JUNE 30, 2009

Schedule A1

	2009 ACTUAL	2009 AMENDED ANNUAL BUDGET	2008 ACTUAL
REVENUE			
Provincial Grants - Ministry of Education	\$ 48,556,786	\$ 48,076,875	\$ 47,635,052
Provincial Grants - Other			48,400
Other Revenue	1,549,777	1,302,391	1,517,500
Rentals and Leases	41,200	32,400	39,851
Investment Income	317,413	163,000	427,542
	<u>50,465,176</u>	<u>49,574,666</u>	<u>49,668,345</u>
EXPENSE			
Salaries			
Teachers	21,548,718	21,540,271	20,344,314
Principals and Vice Principals	2,793,014	2,891,093	3,011,073
Educational Assistants	2,969,579	3,051,454	2,911,876
Support Staff	4,913,234	5,090,431	4,951,181
Other Professionals	1,540,510	1,539,201	1,568,026
Substitutes	1,736,211	1,721,361	1,820,340
	<u>35,501,266</u>	<u>35,833,811</u>	<u>34,606,810</u>
Employee Benefits	8,062,645	7,918,616	7,977,309
Services and Supplies	7,198,765	7,800,543	7,683,223
	<u>50,762,676</u>	<u>51,552,970</u>	<u>50,267,342</u>
NET REVENUE (EXPENSE), FOR THE YEAR	(297,500)	(1,978,304)	(598,997)
INTERFUND TRANSFERS			
Local Capital	(792,690)	(792,690)	(229,000)
OTHER ADJUSTMENTS TO OPERATING FUND BALANCE			
BUDGETED ALLOCATION (RETIREMENT) OF SURPLUS (DEFICIT)		2,770,994	
SURPLUS (DEFICIT), FOR THE YEAR	<u>(1,090,190)</u>	<u>\$ 0</u>	<u>(827,997)</u>
SURPLUS (DEFICIT), BEGINNING OF YEAR	3,314,606		4,142,603
SURPLUS (DEFICIT), END OF YEAR			
(Section 156 (12) of School Act)	<u>\$ 2,224,416</u>		<u>\$ 3,314,606</u>
SURPLUS (DEFICIT), END OF YEAR			
Internally Restricted	764,736		
Unrestricted	1,459,680		
	<u>\$ 2,224,416</u>		

SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)
OPERATING FUND
COMPARATIVE SCHEDULE OF REVENUE BY SOURCE
YEAR ENDED JUNE 30, 2009

Schedule A2

	2009 ACTUAL	2009 AMENDED ANNUAL BUDGET	2008 ACTUAL
PROVINCIAL GRANTS - MINISTRY OF EDUCATION			
Operating Grant, Ministry of Education	\$ 48,073,589	\$ 47,643,751	\$ 47,291,948
INAC Recovery	(349,296)	(263,966)	(263,966)
Other Ministry of Education Grants			
Pay Equity	457,171	457,171	457,171
Other MOE Grants			149,899
Trades LMA	90,536	70,419	
Ready Set Learn	27,500	27,500	
Strong Start Centres	108,000	107,000	
Sound Connections	69,000	35,000	
Literacy Innovations	56,538		
Carbon Tax Rebate	10,929		
FSA Scorer	7,200		
Exam Marker Training	3,800		
Education Guarantee	1,819		
	<u>48,556,786</u>	<u>48,076,875</u>	<u>47,635,052</u>
PROVINCIAL GRANTS - OTHER			
			<u>48,400</u>
FEDERAL GRANTS			
OTHER REVENUE			
Offshore Tuition Fees	950,858	985,000	867,068
LEA/Direct Funding from First Nations	349,296	263,966	263,966
Miscellaneous			
Miscellaneous	37,389	35,425	386,466
LMA -BCPSEA	70,419		
Sale of Assets	16,728		
CES Apprenticeships	15,000		
All Day K	21,600	18,000	
ITA	46,042		
Community Connections	42,445		
	<u>1,549,777</u>	<u>1,302,391</u>	<u>1,517,500</u>
RENTALS AND LEASES			
	<u>41,200</u>	<u>32,400</u>	<u>39,851</u>
INVESTMENT INCOME			
	<u>317,413</u>	<u>163,000</u>	<u>427,542</u>
TOTAL OPERATING REVENUE	<u><u>\$ 50,465,176</u></u>	<u><u>\$ 49,574,666</u></u>	<u><u>\$ 49,668,345</u></u>

**SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)
OPERATING FUND
COMPARATIVE SCHEDULE OF EXPENSE BY OBJECT
YEAR ENDED JUNE 30, 2009**

Schedule A3

	2009 ACTUAL	2009 AMENDED ANNUAL BUDGET	2008 ACTUAL
SALARIES			
Teachers	\$ 21,548,718	\$ 21,540,271	\$ 20,344,314
Principals and Vice Principals	2,793,014	2,891,093	3,011,073
Educational Assistants	2,969,579	3,051,454	2,911,876
Support Staff	4,913,234	5,090,431	4,951,181
Other Professionals	1,540,510	1,539,201	1,568,026
Substitutes	1,736,211	1,721,361	1,820,340
	<u>35,501,266</u>	<u>35,833,811</u>	<u>34,606,810</u>
EMPLOYEE BENEFITS	8,062,645	7,918,616	7,977,309
TOTAL SALARIES AND BENEFITS	<u>43,563,911</u>	<u>43,752,427</u>	<u>42,584,119</u>
SERVICES AND SUPPLIES			
Services	2,113,572	2,282,866	2,369,012
Student Transportation	90,359	53,548	105,377
Professional Development and Travel	588,911	642,453	618,037
Rentals and Leases	83,353	77,500	49,537
Dues and Fees	73,274	68,000	70,650
Insurance	164,920	167,850	153,121
Supplies	2,779,817	3,178,326	3,044,563
Utilities	1,304,559	1,330,000	1,272,926
TOTAL SERVICES AND SUPPLIES	<u>7,198,765</u>	<u>7,800,543</u>	<u>7,683,223</u>
TOTAL OPERATING EXPENSE	<u>\$ 50,762,676</u>	<u>\$ 51,552,970</u>	<u>\$ 50,267,342</u>

SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)
 OPERATING FUND
 EXPENSE BY FUNCTION, PROGRAM AND OBJECT
 YEAR ENDED JUNE 30, 2009

	TEACHERS SALARIES	PRINCIPALS & VICE PRINCIPALS SALARIES	EDUCATIONAL ASSISTANTS SALARIES	SUPPORT STAFF SALARIES	OTHER PROFESSIONALS SALARIES	SUBSTITUTES SALARIES	TOTAL SALARIES
1 INSTRUCTION							
1.02 Regular Instruction	\$ 18,195,145	\$ 1,043,400		\$ 225,510	\$ 134,804	\$ 1,192,075	\$ 20,790,934
1.03 Career Programs	69,515					3,925	73,440
1.07 Library Services	510,375			83,765		32,813	626,753
1.08 Counselling	567,659					29,014	596,673
1.10 Special Education	2,139,045		2,617,233	14,978	281,587	287,504	5,340,347
1.30 English as a Second Language	20,854					2,719	23,573
1.31 Aboriginal Education		48,682	324,902		50,730		424,314
1.41 School Administration		1,700,932		796,967		53,892	2,551,591
1.60 Summer School	29,441					2,166	31,607
1.62 Off Shore Students	16,684		27,444		161,792	2,210	208,130
Total Function 1	21,548,718	2,793,014	2,969,579	1,121,220	628,913	1,605,918	30,667,362
4 DISTRICT ADMINISTRATION							
4.11 Educational Administration					175,563		175,563
4.40 School District Governance					122,233		122,233
4.41 Business Administration				335,038	346,849	19,479	701,366
Total Function 4				335,038	644,645	19,479	998,162
5 OPERATIONS AND MAINTENANCE							
5.41 Operations and Maintenance Administration				51,264	215,624		266,888
5.50 Maintenance Operations				2,443,183		61,190	2,504,373
5.52 Maintenance of Grounds				135,317			135,317
Total Function 5				2,629,764	215,624	61,190	2,906,578
7 TRANSPORTATION AND HOUSING							
7.41 Transportation and Housing Administration					51,328	3,365	54,693
7.70 Student Transportation				827,212		46,259	873,471
Total Function 7				827,212	51,328	49,624	928,164
9 DEBT SERVICES (OPERATING)							
Total Function 9							
TOTAL FUNCTIONS 1 - 9	\$ 21,548,718	\$ 2,793,014	\$ 2,969,579	\$ 4,913,234	\$ 1,540,510	\$ 1,736,211	\$ 35,501,266

SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)
 OPERATING FUND
 EXPENSE BY FUNCTION, PROGRAM AND OBJECT
 YEAR ENDED JUNE 30, 2009

	TOTAL SALARIES	EMPLOYEE BENEFITS	TOTAL SALARIES AND BENEFITS	SERVICES AND SUPPLIES	2009	2009	2008
					ACTUAL	AMENDED ANNUAL BUDGET	ACTUAL
1 INSTRUCTION							
1.02 Regular Instruction	\$ 20,790,934	\$ 4,633,940	\$ 25,424,874	\$ 2,823,270	\$ 28,248,144	\$ 28,132,738	\$ 27,461,350
1.03 Career Programs	73,440	15,932	89,372	61,080	150,452	183,240	189,351
1.07 Library Services	626,753	143,617	770,370	83,881	854,251	864,845	874,922
1.08 Counselling	596,673	130,101	726,774	3,653	730,427	732,881	682,133
1.10 Special Education	5,340,347	1,259,728	6,600,075	182,660	6,782,735	6,969,545	7,082,545
1.30 English as a Second Language	23,573	5,832	29,405	769	30,174	33,700	57,943
1.31 Aboriginal Education	424,314	99,063	523,377	76,009	599,386	646,283	604,594
1.41 School Administration	2,551,591	582,624	3,134,215	10,188	3,144,403	3,195,114	3,185,214
1.60 Summer School	31,607	5,554	37,161	1,139	38,300	27,000	52,395
1.62 Off Shore Students	208,130	42,188	250,318	493,058	743,376	772,000	694,995
Total Function 1	30,667,362	6,918,579	37,585,941	3,735,707	41,321,648	41,577,346	40,878,442
4 DISTRICT ADMINISTRATION							
4.11 Educational Administration	175,563	45,367	220,930	43,370	264,300	271,077	323,267
4.40 School District Governance	122,233	2,450	124,683	131,862	256,545	261,597	248,177
4.41 Business Administration	701,366	170,766	872,132	398,607	1,270,739	1,263,931	1,245,905
Total Function 4	899,162	218,583	1,117,745	573,839	1,791,584	1,798,605	1,817,349
5 OPERATIONS AND MAINTENANCE							
5.41 Operations and Maintenance Administration	266,888	58,742	325,630	82,988	408,618	438,462	413,020
5.50 Maintenance Operations	2,504,373	615,760	3,120,133	898,646	4,018,779	4,346,969	3,993,273
5.52 Maintenance of Grounds	135,317	23,888	159,215	143,345	302,560	363,656	313,469
5.56 Utilities				1,304,559	1,304,559	1,330,000	1,272,924
Total Function 5	2,906,578	698,400	3,604,978	2,429,538	6,034,516	6,479,117	5,992,706
7 TRANSPORTATION AND HOUSING							
7.41 Transportation and Housing Administration	54,693	14,372	69,065	10,400	79,465	99,245	70,220
7.70 Student Transportation	873,471	212,711	1,086,182	448,281	1,535,463	1,600,657	1,508,625
Total Function 7	928,164	227,083	1,155,247	458,681	1,614,928	1,699,902	1,578,845
9 DEBT SERVICES (OPERATING)							
Total Function 9							
TOTAL FUNCTIONS 1 - 9	\$ 35,501,266	\$ 8,062,645	\$ 43,563,911	\$ 7,198,765	\$ 50,762,876	\$ 51,552,970	\$ 50,267,342

SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)
OPERATING FUND
CHANGES IN DEFERRED CONTRIBUTIONS
YEAR ENDED JUNE 30, 2009

Schedule A5

BALANCE, BEGINNING OF YEAR

Changes for the Year

Increase:

_____ 0

Decrease:

_____ 0

Net Changes for the Year

_____ 0

BALANCE, END OF YEAR

 \$ 0

SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)
 SPECIAL PURPOSE FUNDS
 SUMMARY OF CHANGES
 YEAR ENDED JUNE 30, 2009

	MINISTRY OF EDUCATION DESIGNATED	OTHER	SCHOOL GENERATED FUNDS	RELATED ENTITIES	TOTAL
DEFERRED CONTRIBUTIONS					
DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR	\$ 2,275,549	\$ 1,080,087	\$ 613,400	\$	\$ 3,969,036
Add: Contributions Received					
Provincial Grants - Ministry of Education	974,762	470,016			1,444,778
Provincial Grants - Other	86,089				86,089
Other	69,549	2,366,598			2,436,147
Investment Income	35,546	10,925			46,471
	1,010,308	638,579	2,366,598	0	4,015,485
Less: Allocated to Revenue	1,468,042	727,987	2,329,589		4,525,618
DEFERRED CONTRIBUTIONS, END OF YEAR	\$ 1,817,815	\$ 990,679	\$ 650,409	\$ 0	\$ 3,458,903
REVENUE AND EXPENSE					
REVENUE					
Provincial Grants - Ministry of Education	1,432,496	489,682			1,922,178
Provincial Grants - Other	101,623	125,757			227,380
Other Revenue		10,925	2,329,589		2,455,346
Investment Income	35,546				35,546
	1,468,042	727,987	2,329,589	0	4,525,618
EXPENSE					
Salaries					
Teachers					
Educational Assistants		20,856			20,856
Other Professionals		301,543			301,543
Substitutes		82,134			82,134
		344,533			344,533
Employee Benefits	0	407,973	0	0	407,973
Services and Supplies	1,468,042	96,489	2,329,589		3,894,110
	1,468,042	727,987	2,329,589	0	4,015,485
NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS	0	0	0	0	0
INTERFUND TRANSFERS					
NET REVENUE (EXPENSE)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)
 SPECIAL PURPOSE FUNDS
 CHANGES IN MINISTRY OF EDUCATION DESIGNATED SPECIAL PURPOSE FUNDS
 YEAR ENDED JUNE 30, 2009

	207 Annual Facility Grant	250 Special Education Equipment	TOTAL
DEFERRED CONTRIBUTIONS			
DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR			
Add: Contributions Received	\$ 2,265,726	\$ 9,823	\$ 2,275,549
Provincial Grants - Ministry of Education	962,379	12,383	974,762
Investment Income	35,546		35,546
	997,925	12,383	1,010,308
Less: Allocated to Revenue	1,459,855	8,187	1,468,042
DEFERRED CONTRIBUTIONS, END OF YEAR	\$ 1,803,796	\$ 14,019	\$ 1,817,816
REVENUE AND EXPENSE			
REVENUE			
Provincial Grants - Ministry of Education	\$ 1,424,309	\$ 8,187	\$ 1,432,496
Investment Income	35,546		35,546
	1,459,855	8,187	1,468,042
EXPENSE			
Salaries			
Services and Supplies	0	0	0
	1,459,855	8,187	1,468,042
NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS	0	0	0
INTERFUND TRANSFERS			
	0	0	0
NET REVENUE (EXPENSE)	\$ 0	\$ 0	\$ 0

SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)
 SPECIAL PURPOSE FUNDS
 CHANGES IN OTHER SPECIAL PURPOSE FUNDS
 YEAR ENDED JUNE 30, 2009

Schedule B3

	DSLP	ETHNOBOTANY WALKS	FEDERAL FRENCH	KEYCITY THEATRE	MCF PROGRAMS	COMMUNITY LINK	SCHOLARSHIPS
DEFERRED CONTRIBUTIONS							
DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR							
Add: Contributions Received	\$ 208,634	\$ 4,655	\$ 48,538	\$ 26,664	\$ 35,592	\$ 52,557	\$ 702,447
Provincial Grants - Ministry of Education			123,393			346,623	
Provincial Grants - Other		855	6,000	12,001	88,089		50,693
Other							10,925
Investment Income	0	855	123,393	12,001	88,089	346,623	61,518
Less: Allocated to Revenue	1,497	5,510	126,521	38,167	101,623	369,161	85,508
DEFERRED CONTRIBUTIONS, END OF YEAR	\$ 207,137	\$ 0	\$ 52,410	\$ 488	\$ 22,068	\$ 30,019	\$ 678,567
REVENUE AND EXPENSE							
REVENUE							
Provincial Grants - Ministry of Education		\$	120,521			369,161	
Provincial Grants - Other					101,623		
Other Revenue	1,497	5,510	6,000	38,167			74,583
Investment Income							10,925
	1,497	5,510	126,521	38,167	101,623	369,161	85,508
EXPENSE							
Salaries							
Teachers			20,856				
Educational Assistants			54,792			246,751	
Other Professionals						15,968	
Substitutes			1,272			2,168	
Employee Benefits	0	0	76,920	0	66,566	264,487	0
Services and Supplies	1,497	5,510	17,909		14,032	68,548	
	1,497	5,510	31,692	38,167	21,025	38,126	85,508
	1,497	5,510	126,521	38,167	101,623	369,161	85,508
NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS	0	0	0	0	0	0	0
INTERFUND TRANSFERS							
	0	0	0	0	0	0	0
NET REVENUE (EXPENSE)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)
SPECIAL PURPOSE FUNDS
CHANGES IN OTHER SPECIAL PURPOSE FUNDS
YEAR ENDED JUNE 30, 2009

Schedule B3

	TOTAL
DEFERRED CONTRIBUTIONS	
DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR	\$ 1,080,087
Add: Contributions Received	
Provincial Grants - Ministry of Education	470,016
Provincial Grants - Other	86,069
Other	69,549
Investment Income	10,925
	638,579
Less: Allocated to Revenue	727,987
DEFERRED CONTRIBUTIONS, END OF YEAR	\$ 990,679
REVENUE AND EXPENSE	
REVENUE	
Provincial Grants - Ministry of Education	489,682
Provincial Grants - Other	101,623
Other Revenue	125,757
Investment Income	10,925
	727,987
EXPENSE	
Salaries	
Teachers	20,856
Educational Assistants	301,543
Other Professionals	82,134
Substitutes	3,440
	407,973
Employee Benefits	98,489
Services and Supplies	221,525
	727,987
NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS	0
INTERFUND TRANSFERS	
	0
NET REVENUE (EXPENSE)	\$ 0

SCHOOL DISTRICT No. 06 (SOUTHEAST KOOTENAY)
CAPITAL FUND
CAPITAL ASSETS
YEAR ENDED JUNE 30, 2009

Schedule C1

	SITES	BUILDINGS	FURNITURE AND EQUIPMENT	VEHICLES	COMPUTER SOFTWARE	COMPUTER HARDWARE	TOTAL
COST, BEGINNING OF YEAR	\$ 6,002,977	\$ 97,044,149	\$ 1,225,208	\$ 2,514,036	\$ 0	\$ 86,958	\$ 106,873,328
Changes for the Year							
Increase:							
Purchases from:							
Deferred Contributions - Bylaw		7,788	2,028	220,671			230,487
Deferred Contributions - Other			578,092				578,092
Local Capital			18,424	21,640			40,064
Transferred from Work in Progress		17,669,303					17,669,303
Decrease:							
Disposed of	15,000	1,528,364		242,311	0	0	18,517,946
Deemed Disposals			580,046	323,163			1,543,364
COST, END OF YEAR	15,000	1,528,364	580,046	323,163	0	0	903,209
WORK IN PROGRESS, END OF YEAR	5,987,977	113,192,876	1,243,706	2,433,184	0	86,958	122,944,701
COST AND WORK IN PROGRESS, END OF YEAR	\$ 5,987,977	\$ 113,192,876	\$ 1,243,706	\$ 2,433,184	\$ 0	\$ 86,958	\$ 122,944,701
ACCUMULATED AMORTIZATION, BEGINNING OF YEAR							
Changes for the Year							
Increase	\$ 48,832,599		824,545	1,073,837			\$ 50,768,575
Decrease:							
Disposed of	1,909,044		122,521	251,404		17,392	2,300,361
Deemed Disposals	1,353,761		580,046	323,163			1,353,761
ACCUMULATED AMORTIZATION, END OF YEAR	0	1,353,761	580,046	323,163	0	0	903,209
CAPITAL ASSETS - NET	\$ 0	\$ 48,387,882	\$ 367,020	\$ 1,002,078	\$ 0	\$ 54,986	\$ 50,811,966
	\$ 5,987,977	\$ 63,804,994	\$ 876,686	\$ 1,431,106	\$ 0	\$ 31,972	\$ 72,132,735

COST, BEGINNING OF YEAR
Changes for the Year

Increase:
Purchases from:
Deferred Contributions - Bylaw
Deferred Contributions - Other
Local Capital
Transferred from Work in Progress

Decrease:
Disposed of
Deemed Disposals

COST, END OF YEAR

WORK IN PROGRESS, END OF YEAR
COST AND WORK IN PROGRESS, END OF YEAR

ACCUMULATED AMORTIZATION, BEGINNING OF YEAR
Changes for the Year

Increase
Amortization for the Year
Decrease:

Disposed of
Deemed Disposals

ACCUMULATED AMORTIZATION, END OF YEAR

CAPITAL ASSETS - NET

SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)
 CAPITAL FUND
 CAPITAL ASSETS - WORK IN PROGRESS
 YEAR ENDED JUNE 30, 2009

	BUILDINGS	FURNITURE AND EQUIPMENT	COMPUTER SOFTWARE	COMPUTER HARDWARE	TOTAL
\$	13,731,836				\$ 13,731,836
	3,937,467				3,937,467
	3,937,467	0	0	0	3,937,467
	17,669,303				17,669,303
	17,669,303	0	0	0	17,669,303
	(13,731,836)	0	0	0	(13,731,836)
\$	0	0	0	0	0

WORK IN PROGRESS, BEGINNING OF YEAR

Changes for the Year

Increase

Deferred Contributions - Bylaw

Decrease

Transferred to Capital Assets

Net Changes for the Year

WORK IN PROGRESS, END OF YEAR

SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)
CAPITAL FUND
DEFERRED CAPITAL CONTRIBUTIONS
YEAR ENDED JUNE 30, 2009

Schedule C3

	BYLAW CAPITAL (NET)	OTHER PROVINCIAL (NET)	OTHER CAPITAL (NET)	TOTAL CAPITAL
DEFERRED CAPITAL CONTRIBUTIONS, BEGINNING OF YEAR	\$ 45,360,260			\$ 45,360,260
Changes for the Year				
Increase				
Transferred from Deferred Contributions - Capital Additions	230,487		578,092	808,579
Transferred from Work in Progress	17,669,303			17,669,303
	<u>17,899,790</u>	<u>0</u>	<u>578,092</u>	<u>18,477,882</u>
Decrease				
Amortization of Deferred Capital Contributions	2,118,468			2,118,468
Revenue Recognized on Disposal of Buildings	174,603			174,603
	<u>2,293,071</u>	<u>0</u>	<u>0</u>	<u>2,293,071</u>
Net Changes for the Year	<u>15,606,719</u>	<u>0</u>	<u>578,092</u>	<u>16,184,811</u>
DEFERRED CAPITAL CONTRIBUTIONS, END OF YEAR	<u>\$ 60,966,979</u>	<u>\$ 0</u>	<u>\$ 578,092</u>	<u>\$ 61,545,071</u>
WORK IN PROGRESS, BEGINNING OF YEAR	\$ 13,731,836			\$ 13,731,836
Changes for the Year				
Increase				
Transferred from Deferred Contributions - Work in Progress	3,937,467			3,937,467
	<u>3,937,467</u>	<u>0</u>	<u>0</u>	<u>3,937,467</u>
Decrease				
Transferred to Deferred Capital Contributions	17,669,303			17,669,303
	<u>17,669,303</u>	<u>0</u>	<u>0</u>	<u>17,669,303</u>
Net Changes for the Year	<u>(13,731,836)</u>	<u>0</u>	<u>0</u>	<u>(13,731,836)</u>
WORK IN PROGRESS, END OF YEAR	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL DEFERRED CAPITAL CONTRIBUTIONS, END OF YEAR	<u>\$ 60,966,979</u>	<u>\$ 0</u>	<u>\$ 578,092</u>	<u>\$ 61,545,071</u>

SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)
 CAPITAL FUND
 CHANGES IN DEFERRED CONTRIBUTIONS
 YEAR ENDED JUNE 30, 2009

	BYLAW CAPITAL	MINISTRY OF EDUCATION RESTRICTED CAPITAL	OTHER PROVINCIAL CAPITAL	LAND CAPITAL	OTHER CAPITAL	TOTAL
BALANCE, BEGINNING OF YEAR	\$ 957,575	\$ 1,885,414				\$ 2,842,989
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	3,409,300					3,409,300
Investment Income		42,717				42,717
MED Restricted Portion of Proceeds on Disposal		599,877				599,877
Playground Addition					578,092	578,092
Decrease:						
Transferred to DCC - Capital Additions	230,487				578,092	808,579
Transferred to DCC - Work in Progress	3,937,467					3,937,467
	4,167,954	0	0	0	578,092	4,746,046
	(758,654)	642,594	0	0	0	(116,060)
Net Changes for the Year	\$ 198,921	\$ 2,528,008	\$ 0	\$ 0	\$ 0	\$ 2,726,929
BALANCE, END OF YEAR						

BALANCE, BEGINNING OF YEAR

Changes for the Year

Increase:
 Provincial Grants - Ministry of Education
 Investment Income
 MED Restricted Portion of Proceeds on Disposal
 Playground Addition

Decrease:
 Transferred to DCC - Capital Additions
 Transferred to DCC - Work in Progress

Net Changes for the Year

BALANCE, END OF YEAR

SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)
CAPITAL FUND
CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2009

Schedule C5

	INVESTED IN CAPITAL ASSETS	LOCAL CAPITAL	FUND BALANCE
BALANCE, BEGINNING OF YEAR	\$ 10,744,493	\$ 1,512,201	\$ 12,256,694
Changes for the Year			
Investment Income		32,551	32,551
District Portion of Proceeds on Disposal		199,959	199,959
Write-off/down of Buildings and Sites	(189,603)		(189,603)
Amortization of Deferred Capital Contributions	2,118,468		2,118,468
Capital Assets Purchased from Local Capital	40,064	(40,064)	0
Interfund Transfers - Local Capital		792,690	792,690
Amortization of Capital Assets	(2,300,361)		(2,300,361)
Local Capital Purchases Non-Capitalized		(368,569)	(368,569)
Write-off/down of Deferred Capital Contributions	174,603		174,603
Net Changes for the Year	<u>(156,829)</u>	<u>616,567</u>	<u>459,738</u>
BALANCE, END OF YEAR	<u>\$ 10,587,664</u>	<u>\$ 2,128,768</u>	<u>\$ 12,716,432</u>