

# SCHOOL DISTRICT AUDITED FINANCIAL STATEMENTS FISCAL YEAR 2011/2012

SCHOOL DISTRICT NUMBER 05	NAME OF SCHOOL DISTRICT Southeast Kootenay	YEAR 2011/2012
OFFICE LOCATION 940 Industrial Road #1		TELEPHONE NUMBER
CITY/PROVINCE Cranbrook BC		POSTAL CODE V1C 4C6
WEBSITE ADDRESS www.sd5.bc.ca		
NAME OF SUPERINTENDENT Bill Gook		NAME OF SECRETARY-TREASURER Robert G. 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.



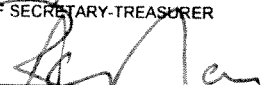
#### **External Auditors**

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, 2012.

SIGNATURE OF CHAIRPERSON OF THE BOARD OF EDUCATION 	DATE SIGNED Sept 27/12
SIGNATURE OF SUPERINTENDENT 	DATE SIGNED Sept 27/12
SIGNATURE OF SECRETARY-TREASURER 	DATE SIGNED Sept 27/12

**SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)  
2011/2012 AUDITED FINANCIAL STATEMENTS**

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Cranbrook BC V1C 2M9 Canada

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## Independent Auditor's Report

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

We have audited the accompanying financial statements of the School District No. 5 Southeast Kootenay, which comprise the statement of financial position as at June 30, 2012, and the statements of revenue and expense, changes in fund balances and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the presentation of the financial statements.

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

### Opinion

In our opinion, the financial statements of the School District No. 5 Southeast Kootenay for the year ended June 30, 2012 are prepared, in all material respects, in accordance with Canadian generally accepted accounting principles.



Chartered Accountants

Cranbrook, British Columbia  
September 24, 2012



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## Independent Auditor's Comments on Supplementary Financial Information

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

We have audited the financial statements of School District No.5 (Southeast Kootenay), which comprise the statement of financial position as at June 30, 2012 and the statements of revenue and expense, change in fund balances and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, and have issued our report thereon dated September 24, 2012 which contained an unmodified opinion on those financial statements. The audit was performed to form an opinion on the financial statements as a whole. The supplementary schedules presented hereinafter are for the purposes of additional analysis and are not a required part of the financial statements. Such supplementary information is the responsibility of management and was derived from the underlying accounting and other records used to prepare the financial statements.

The supplementary information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such supplementary information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves.

  
Chartered Accountant

Cranbrook, BC  
September 24, 2012

**SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2012**

**Statement 1**

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2012	TOTAL 2011
<b>ASSETS</b>					
Current Assets					
Cash and Cash Equivalents	\$ 4,417,823	\$ 732,516		\$ 5,150,339	\$ 6,692,364
Short Term Investments (Note 3)	5,305,276			5,305,276	4,428,769
Accounts Receivable					
Due from LEADirect Funding	221,278			221,278	374,119
Other Receivables (Note 4)	487,033	40,668	41,961	569,662	831,629
Interfund Loans		1,149,897	1,994,813		
Prepaid Expenses	280,905			280,905	243,782
	<u>10,712,315</u>	<u>1,923,081</u>	<u>2,036,774</u>	<u>11,527,460</u>	<u>12,570,663</u>
Capital Assets - Net (Note 5)			73,308,928	73,308,928	73,083,445
<b>TOTAL ASSETS</b>	<b>\$ 10,712,315</b>	<b>\$ 1,923,081</b>	<b>\$ 75,345,702</b>	<b>\$ 84,836,388</b>	<b>\$ 85,654,108</b>
<b>LIABILITIES AND FUND BALANCES</b>					
Current Liabilities					
Accounts Payable and Accrued Liabilities					
Other	324,502	13,236	18,335	356,073	901,775
Interfund Loans	3,144,710				
Other Current Liabilities	3,117,440			3,117,440	2,754,284
	<u>6,586,652</u>	<u>13,236</u>	<u>18,335</u>	<u>3,473,513</u>	<u>3,656,059</u>
Deferred Revenue	362,506			362,506	510,560
Deferred Contributions					
Ministry of Education		549,193		549,193	608,539
Province - Other		13,278	651,780	665,058	1,655,620
Other		1,347,374		1,347,374	1,817,371
Accrued Employee Future Benefits (Note 6)	121,042			121,042	130,975
Deferred Capital Contributions			58,814,776	58,814,776	59,096,288
<b>TOTAL LIABILITIES</b>	<b>7,070,200</b>	<b>1,923,081</b>	<b>59,484,891</b>	<b>65,333,462</b>	<b>67,475,412</b>
Fund Balances					
Invested in Capital Assets			14,494,152	14,494,152	13,987,157
Internally Restricted	3,436,202		1,366,659	4,802,861	3,533,348
Unrestricted	205,913			205,913	658,191
<b>TOTAL FUND BALANCES</b>	<b>3,642,115</b>	<b>-</b>	<b>15,860,811</b>	<b>19,502,926</b>	<b>18,178,696</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 10,712,315</b>	<b>\$ 1,923,081</b>	<b>\$ 75,345,702</b>	<b>\$ 84,836,388</b>	<b>\$ 85,654,108</b>

**SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)**  
**STATEMENT OF REVENUE AND EXPENSE**  
**YEAR ENDED JUNE 30, 2012**

**Statement 2**

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2012	TOTAL 2011
<b>REVENUE</b>					
Provincial Grants - Ministry of Education	\$ 50,285,542	\$ 1,233,754		\$ 51,519,296	\$ 51,692,949
Provincial Grants - Other				-	193,649
Other Revenue	1,947,790	2,602,215	8,000	4,558,005	3,759,517
Rentals and Leases	68,174			68,174	124,102
Investment Income	48,744		19,196	67,940	61,796
Amortization of Deferred Capital Contributions			2,523,448	2,523,448	2,514,302
	<u>52,350,250</u>	<u>3,835,969</u>	<u>2,550,644</u>	<u>58,736,863</u>	<u>58,346,315</u>
<b>EXPENSE</b>					
Salaries					
Teachers	22,005,644	14,819		22,020,463	22,142,617
Principals and Vice Principals	2,832,563			2,832,563	2,921,187
Educational Assistants	3,263,915	283,269		3,547,184	3,453,996
Support Staff	4,781,165			4,781,165	4,851,563
Other Professionals	1,858,880	66,815		1,925,695	1,730,368
Substitutes	1,530,136	5,096		1,535,232	1,544,389
	<u>36,272,303</u>	<u>369,999</u>	<u>-</u>	<u>36,642,302</u>	<u>36,644,120</u>
Employee Benefits	8,907,553	111,162		9,018,715	8,818,806
Services and Supplies	6,219,272	2,721,546		8,940,818	8,269,454
Amortization of Capital Assets			2,810,798	2,810,798	2,756,675
	<u>51,399,128</u>	<u>3,202,707</u>	<u>2,810,798</u>	<u>57,412,633</u>	<u>56,489,055</u>
<b>NET REVENUE (EXPENSE)</b>	<u><b>\$ 951,122</b></u>	<u><b>\$ 633,262</b></u>	<u><b>\$ (260,154)</b></u>	<u><b>\$ 1,324,230</b></u>	<u><b>\$ 1,857,260</b></u>

**SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)**  
**STATEMENT OF CHANGES IN FUND BALANCES**  
**YEAR ENDED JUNE 30, 2012**

**Statement 3**

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2012	TOTAL 2011
<b>FUND BALANCES, BEGINNING OF YEAR</b>	\$ 2,690,993	\$ -	\$ 15,487,703	\$ 18,178,696	\$ 16,321,436
<b>Changes for the Year</b>					
Net Revenue (Expense) for the Year	951,122	633,262	(260,154)	1,324,230	1,857,260
Interfund Transfers					
Capital Assets Purchased		(633,262)	633,262	-	
<b>Net Changes for the Year</b>	<u>951,122</u>	<u>-</u>	<u>373,108</u>	<u>1,324,230</u>	<u>1,857,260</u>
<b>FUND BALANCES, END OF YEAR</b>	<u><b>\$ 3,642,115</b></u>	<u><b>\$ -</b></u>	<u><b>\$ 15,860,811</b></u>	<u><b>\$ 19,502,926</b></u>	<u><b>\$ 18,178,696</b></u>

**SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED JUNE 30, 2012**

Statement 4.1

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2012	TOTAL 2011
<b>CASH PROVIDED BY (USED FOR)</b>					
<b>OPERATIONS</b>					
Net Revenue (Expense) for the Year	\$ 951,122	\$ 633,262	\$ (260,154)	\$ 1,324,230	\$ 1,857,260
Changes in Non-Cash Working Capital					
Decrease (Increase)					
Short Term Investments	(1,305,268)	428,761		(876,507)	1,354,682
Accounts Receivable	337,156	(7,103)	84,755	414,808	(497,804)
Interfund Loans	(1,543,913)	109,002	1,434,911	-	
Prepaid Expenses	(37,123)			(37,123)	76,056
Increase (Decrease)					
Accounts Payable/Accrued Liabilities	(147,255)	1,583	(400,030)	(545,702)	549,766
Other Current Liabilities	363,156			363,156	(25,460)
Deferred Revenue	(148,054)			(148,054)	(73,486)
Deferred Contributions		(534,156)		(534,156)	(353,587)
Accrued Employee Future Benefits	(9,933)			(9,933)	3,873
Items Not Involving Cash					
Amortization of Capital Assets			2,810,798	2,810,798	2,756,675
Amortization of Deferred Capital Contributions			(2,523,448)	(2,523,448)	(2,514,302)
Interfund Transfers		(633,262)	633,262	-	
	(1,540,112)	(1,913)	1,780,094	238,069	3,133,673
<b>FINANCING</b>					
Deferred Contributions Received - Capital			1,256,187	1,256,187	1,010,636
			1,256,187	1,256,187	1,010,636
<b>INVESTING</b>					
Capital Assets Purchased - Special Purpose			(633,262)	(633,262)	(1,355,655)
Capital Assets Purchased - Local Capital			(161,083)	(161,083)	(139,139)
Capital Assets Purchased - Deferred Contributions - Capital			(2,241,936)	(2,241,936)	(1,914,917)
			(3,036,281)	(3,036,281)	(3,409,711)
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>\$ (1,540,112)</b>	<b>\$ (1,913)</b>	<b>\$ -</b>	<b>\$ (1,542,025)</b>	<b>\$ 734,598</b>



**SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)  
STATEMENT OF CASH FLOWS  
YEAR ENDED JUNE 30, 2012**

Statement 4.2

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2012	TOTAL 2011
<b>NET INCREASE (DECREASE) IN CASH</b>	\$ (1,540,112)	\$ (1,913)	\$ -	\$ (1,542,025)	\$ 734,598
<b>Net Cash, Beginning of Year</b>	5,957,935	734,429	-	6,692,364	5,957,766
<b>NET CASH, END OF YEAR</b>	<u>\$ 4,417,823</u>	<u>\$ 732,516</u>	<u>\$ -</u>	<u>\$ 5,150,339</u>	<u>\$ 6,692,364</u>
Cash	\$ 4,417,823	\$ 732,516		\$ 5,150,339	\$ 6,692,364
<b>NET CASH, END OF YEAR</b>	<u>\$ 4,417,823</u>	<u>\$ 732,516</u>	<u>\$ -</u>	<u>\$ 5,150,339</u>	<u>\$ 6,692,364</u>

**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2012**

**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 4)

**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2012**

**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, 2012**

**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

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 cash and cash equivalents and 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, 2012**

**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 and accrued liabilities and other current liabilities. 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 8.0 years.

The most recent valuation of the obligation was performed at March 31, 2010 and projected to June 30, 2014. The next valuation will be performed at March 31, 2013 for use at June 30, 2013. 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, 2012**

**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**

Operating fund short term investments consist of Guaranteed Investment Certificates that bear interest at 1.40% and mature within the next fiscal period.

**NOTE 4 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES**

	2012	2011
Other	<u>\$569,662</u>	<u>\$831,629</u>

**NOTE 5 CAPITAL ASSETS**

	<u>2012</u>	<u>2012</u>	<u>2011</u>
2012 Cost	Accumulated Amortization	Net Book Value	Net Book Value
Sites	\$5,987,977	0	\$5,987,977
Buildings	120,733,901	56,416,840	64,244,855
Furniture & Equipment	1,502,293	676,538	910,143
Vehicles	3,189,355	1,138,119	1,848,839
Computer Hardware	142,899	16,000	91,631
	<u>\$131,556,425</u>	<u>\$58,247,497</u>	<u>73,308,928</u>
		<u>\$73,083,445</u>	

**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2012**

**NOTE 6 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.

	2012	2011
<b>Reconciliation of Accrued Benefit Obligation</b>		
Accrued Benefit Obligation – April 1	\$156,034	\$170,687
Service Cost	9,447	9,034
Interest Cost	7,394	8,140
Benefit Payments	(27,956)	(16,616)
Actuarial (Gain)/Loss	12,293	(15,211)
Accrued Benefit Obligation – March 31	<u>\$157,212</u>	<u>\$156,034</u>

**Reconciliation of Funded Status at End of Fiscal Year**

	2012	2011
Accrued Benefit Obligation – March 31	\$157,212	\$156,034
Market Value of Plan Assets – March 31	0	0
Funded Status - Surplus/(Deficit)	\$(157,212)	\$(156,034)
Employer Contributions After Measurement Date	0	0
Unamortized Net Actuarial (Gain)/Loss	36,170	25,059
Accrued Benefit Asset/(Liability) – June 30	<u>\$(121,042)</u>	<u>\$(130,975)</u>

**Components of Net Benefit Expense**

Service Cost	\$ 9,447	\$ 9,034
Interest Cost	7,394	8,140
Amortization of Net Actuarial (Gain)/Loss	1,182	3,315
Net Benefit Expense (Income)	<u>\$18,023</u>	<u>\$20,489</u>

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

	<u>2012</u>	<u>2011</u>
Discount Rate – April 1	4.75%	5.00%
Discount Rate – March 31	4.25%	4.75%
Long Term Salary Growth – April 1	2.50% + seniority	2.50% + seniority
Long Term Salary Growth – March 31	2.50% + seniority	2.50% + seniority
EARSL – March 31	8.0	8.0

**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2012**

**NOTE 7      EMPLOYEE PENSION PLANS**

The School District and its employees contribute to the Teachers' Pension Plan and Municipal Pension Plan, jointly trustee 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 46,000 active members from school districts, and approximately 30,000 retired members from school districts. The Municipal Plan has about 173,000 active members, of which approximately 23,000 are from school districts.

The most recent valuation of the Teachers' Plan as at December 31, 2008 indicated a \$291 million deficit for basic pension benefits. The next valuation will be as at December 31, 2011 with results available in 2012. The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2009 indicated a \$1,024 million deficit for basic pension benefits. The next valuation will be as at December 31, 2012 with results available in 2013. Defined contribution plan accounting is applied to the plan as the plan exposes the participating entities to actual risks associated with the current and former employees of other entities, with the result that there is no consistent and reliable basis for allocating the obligation, plan assets and cost to individual entities participating in the plan. School District No. 5 (Southeast Kootenay) paid \$4,470,029 for employer contributions to these plans in the year ended June 30, 2012.



**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2012**

**NOTE 8 OPERATING FUND BALANCE, END OF YEAR**

Internally Restricted (appropriated) by Board for:

Subtotal Internally Restricted (see below)	\$3,436,202
Unrestricted Operating Surplus (Deficit)	<u>205,913</u>
Total Available for Future Operations	\$3,642,115

**Appropriations June 30, 2012**

<b>Summary</b>	<u>June 2012</u>	<u>June 2011</u>
Admin Pro-D	\$ 92,586	\$ 91,728
Aboriginal Education	246,898	126,980
Special Education		
District	180,227	175,949
District 0707	169,306	105,008
Schools	62,773	48,501
	<u>412,306</u>	<u>329,458</u>
Schools		
Operating	224,643	124,165
Learning Resources	89,860	68,830
Growth Plans	69,053	33,095
	<u>383,556</u>	<u>226,090</u>
Operating Projects (see following)	534,461	491,684
Resource Centre	5,211	2,743
International Education	(48,509)	(13,501)
Technology Plan	567,850	
Software Upgrades	227,257	
Achievement Contract	86,708	
Funds Allocated to 2012-2013	<u>927,878</u>	<u>777,620</u>
Appropriations - Restricted	<u>3,436,202</u>	<u>2,032,802</u>
Reserve Allocation		
ST01 30 June 2012	3,172,977	1,756,586
ST04 30 June 2012	(2,221,855)	159,012
Operating Surplus (Acct: 87000)	2,690,993	775,395
	<u>3,642,115</u>	<u>2,690,993</u>
Appropriations – Restricted	3,436,202	2,032,802
Appropriations - Unrestricted	205,913	658,191
	<u>3,642,115</u>	<u>2,690,993</u>

**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2012**

**Appropriations**  
**Operating Projects**  
**June 30, 2012**

	June 2012	June 2011
450 Hockey School	8,595	10,614
452 Ready Set Learn	33,467	28,924
456 Found Skill Asst - FSA	12,752	8,912
467 Tipi Pole Harvesting	-	193
534 Speech to Text	17,180	20,211
538 BCSTA Early Learning Grant	-	7,117
540 WIATT-III Level 2	15,656	17,000
545 Literacy Innovation 08/09	17,454	17,479
546 Sound Connections	653	7,261
548 Literacy Innovation 09/10	12,115	14,143
552 Soundfield Systems	-	9,000
560 Climate Action	373,521	302,292
563 Yes-to-it	(769)	1,245
566 Wild Voices for Kids	1,729	1,067
569 Reference and Regulate	11,542	9,000
570 Teck Coal AED Units	4,777	
621 Ace-It Training	655	6,665
622 Roots of Empathy	9,751	10,023
805 Art Starts in Schools	827	2,306
807 One to One Reading	1,217	2,861
830 Elementary Band	13,339	13,015
914 CUPE Pro-D Trust	-	2,356
	<u>\$534,461</u>	<u>\$491,684</u>

**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2012**

**NOTE 9 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, 2012, there were no interfund transfers.

**NOTE 10 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 11 CONTRACTUAL OBLIGATIONS**

Lease Commitments:

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

Fiscal Year	Amount
2012-13	\$132,349
2013-14	\$ 22,058

**NOTE 12 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 generally accepted accounting principles for government controlled for not-for-profit organizations. This contemplates continuation of the School District as a "going concern".

**NOTE 13 CONTINGENCIES**

(a) In the ordinary course of operations, the School District has legal proceedings brought against it which remain outstanding at the year end. It is the opinion of management that final determination of these claims will not have material effect on the financial position or operations of the School District.

(b) The School District has been served with a writ of summons in a class action lawsuit involving 25 other school districts throughout the province, seeking recovery of tuition fees paid for summer school courses in prior fiscal periods. As at the year end, neither the outcome of this action nor any potential financial consequences are determinable, if any.

**SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)**  
**OPERATING FUND**  
**SURPLUS (DEFICIT)**  
**YEAR ENDED JUNE 30, 2012**

Schedule A1

	2012 ACTUAL	2012 AMENDED ANNUAL BUDGET	2011 ACTUAL
<b>REVENUE</b>			
Provincial Grants - Ministry of Education	\$ 50,285,542	\$ 50,336,832	\$ 49,941,367
Provincial Grants - Other			100,901
Other Revenue	1,947,790	1,861,133	1,921,128
Rentals and Leases	68,174	101,875	124,102
Investment Income	48,744	15,000	29,822
	<u>52,350,250</u>	<u>52,314,840</u>	<u>52,117,320</u>
<b>EXPENSE</b>			
Salaries			
Teachers			
Principals and Vice Principals	22,005,644	23,104,107	22,128,085
Educational Assistants	2,832,563	2,818,129	2,921,187
Support Staff	3,263,915	3,378,734	3,260,853
Other Professionals	4,781,165	5,051,873	4,851,563
Substitutes	1,858,880	1,895,297	1,626,193
	<u>1,530,136</u>	<u>1,764,783</u>	<u>1,534,842</u>
Employee Benefits	36,272,303	38,012,923	36,322,723
Services and Supplies	8,907,553	9,035,787	8,741,268
	<u>6,219,272</u>	<u>7,523,395</u>	<u>6,339,219</u>
	<u>51,399,128</u>	<u>54,572,105</u>	<u>51,403,210</u>
<b>NET REVENUE (EXPENSE), FOR THE YEAR</b>	951,122	(2,257,265)	714,110
<b>INTERFUND TRANSFERS</b>			
Local Capital			(100,000)
<b>OTHER ADJUSTMENTS TO OPERATING FUND BALANCE</b>			
<b>BUDGETED ALLOCATION (RETIREMENT) OF SURPLUS (DEFICIT)</b>			
<b>SURPLUS (DEFICIT), FOR THE YEAR</b>	<u>951,122</u>	<u>\$ (2,257,265)</u>	<u>614,110</u>
<b>SURPLUS (DEFICIT), BEGINNING OF YEAR</b>	2,690,993		2,076,883
<b>SURPLUS (DEFICIT), END OF YEAR</b>			
(Section 156 (12) of School Act)	<u>\$ 3,642,115</u>		<u>\$ 2,690,993</u>
<b>SURPLUS (DEFICIT), END OF YEAR</b>			
Internally Restricted	3,436,202		
Unrestricted	205,913		
	<u>\$ 3,642,115</u>		

**SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)**  
**OPERATING FUND**  
**COMPARATIVE SCHEDULE OF REVENUE BY SOURCE**  
**YEAR ENDED JUNE 30, 2012**

Schedule A2

	2012 ACTUAL	2012 AMENDED ANNUAL BUDGET	2011 ACTUAL
<b>PROVINCIAL GRANTS - MINISTRY OF EDUCATION</b>			
Operating Grant, Ministry of Education	\$ 49,917,942	\$ 50,074,964	\$ 49,655,864
AANDC/LEA Recovery	(335,894)	(392,803)	(392,803)
Other Ministry of Education Grants			
Pay Equity	457,171	457,171	457,171
Education Guarantee	12,737		12,183
Ready Set Learn	29,400	24,500	26,950
Strong Start Centres	128,000	128,000	120,000
Carbon Tax Rebate	67,490	45,000	53,306
FSA Scorer	8,696		8,696
	<u>50,285,542</u>	<u>50,336,832</u>	<u>49,941,367</u>
<b>PROVINCIAL GRANTS - OTHER</b>			
			<u>100,901</u>
<b>FEDERAL GRANTS</b>			
<b>OTHER REVENUE</b>			
Offshore Tuition Fees	1,376,589	1,432,550	1,361,164
LEA/Direct Funding from First Nations	316,831	392,803	392,803
Miscellaneous			
Hockey School	9,123	21,780	30,611
LMA/HVAC Trades	3,000	3,000	5,999
SSEAC Skills	2,459		41,599
Miscellaneous	63,289	11,000	88,952
Industry Training Authority	75,000		
Career Education Society	21,070		
Utility Rebates	80,429		
	<u>1,947,790</u>	<u>1,861,133</u>	<u>1,921,128</u>
<b>RENTALS AND LEASES</b>			
	<u>68,174</u>	<u>101,875</u>	<u>124,102</u>
<b>INVESTMENT INCOME</b>			
	<u>48,744</u>	<u>15,000</u>	<u>29,822</u>
<b>TOTAL OPERATING REVENUE</b>	<u><b>\$ 52,350,250</b></u>	<u><b>\$ 52,314,840</b></u>	<u><b>\$ 52,117,320</b></u>

**SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)**  
**OPERATING FUND**  
**COMPARATIVE SCHEDULE OF EXPENSE BY OBJECT**  
**YEAR ENDED JUNE 30, 2012**

Schedule A3

	2012	2012	2011
	ACTUAL	AMENDED ANNUAL BUDGET	ACTUAL
<b>SALARIES</b>			
Teachers	\$ 22,005,644	\$ 23,104,107	\$ 22,128,085
Principals and Vice Principals	2,832,563	2,818,129	2,921,187
Educational Assistants	3,263,915	3,378,734	3,260,853
Support Staff	4,781,165	5,051,873	4,851,563
Other Professionals	1,858,880	1,895,297	1,626,193
Substitutes	1,530,136	1,764,783	1,534,842
	<u>36,272,303</u>	<u>38,012,923</u>	<u>36,322,723</u>
<b>EMPLOYEE BENEFITS</b>	8,907,553	9,035,787	8,741,268
<b>TOTAL SALARIES AND BENEFITS</b>	<u>45,179,856</u>	<u>47,048,710</u>	<u>45,063,991</u>
<b>SERVICES AND SUPPLIES</b>			
Services	2,117,936	2,160,408	2,101,853
Student Transportation	54,291	51,625	54,458
Professional Development and Travel	486,439	630,584	456,099
Rentals and Leases	50,363	47,600	54,272
Dues and Fees	59,596	70,300	65,995
Insurance	187,715	236,700	225,111
Supplies	2,113,497	3,160,178	2,196,137
Utilities	1,149,435	1,166,000	1,185,294
<b>TOTAL SERVICES AND SUPPLIES</b>	<u>6,219,272</u>	<u>7,523,395</u>	<u>6,339,219</u>
<b>TOTAL OPERATING EXPENSE</b>	<u>\$ 51,399,128</u>	<u>\$ 54,572,105</u>	<u>\$ 51,403,210</u>

SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)  
 OPERATING FUND  
 EXPENSE BY FUNCTION, PROGRAM AND OBJECT  
 YEAR ENDED JUNE 30, 2012

Schedule A4.1

	TEACHERS SALARIES	PRINCIPALS & VICE PRINCIPALS SALARIES	EDUCATIONAL ASSISTANTS SALARIES	SUPPORT STAFF SALARIES	OTHER PROFESSIONALS SALARIES	SUBSTITUTES SALARIES	TOTAL SALARIES
<b>1 INSTRUCTION</b>							
1.02 Regular Instruction	\$ 18,530,249	\$ 995,802		\$ 284,502	\$ 188,853	\$ 1,019,939	\$ 21,019,345
1.03 Career Programs	76,450					3,840	80,290
1.07 Library Services	539,966			119,210		30,842	690,018
1.08 Counselling	689,656						689,656
1.10 Special Education	2,083,874		2,863,826	10,851	335,781	274,905	724,296
1.30 English as a Second Language	30,580					18,948	5,569,237
1.31 Aboriginal Education	2,077		375,021		122,264		49,528
1.41 School Administration		1,834,600		776,188			499,362
1.60 Summer School	22,878					32,459	2,643,247
1.62 Off Shore Students	29,914		25,068		188,364	866	23,764
<b>Total Function 1</b>	<b>22,005,644</b>	<b>2,830,402</b>	<b>3,263,915</b>	<b>1,190,751</b>	<b>835,262</b>	<b>1,417,381</b>	<b>31,543,355</b>
<b>4 DISTRICT ADMINISTRATION</b>							
4.11 Educational Administration					196,671		196,671
4.40 School District Governance					116,001		116,001
4.41 Business Administration				218,890	438,193	9,773	666,856
<b>Total Function 4</b>				<b>218,890</b>	<b>750,865</b>	<b>9,773</b>	<b>979,528</b>
<b>5 OPERATIONS AND MAINTENANCE</b>							
5.41 Operations and Maintenance Administration		2,161		62,988	216,612	1,979	283,740
5.50 Maintenance Operations				2,426,173		72,999	2,499,172
5.52 Maintenance of Grounds				94,886			94,886
<b>Total Function 5</b>		<b>2,161</b>		<b>2,584,047</b>	<b>216,612</b>	<b>74,978</b>	<b>2,877,798</b>
<b>7 TRANSPORTATION AND HOUSING</b>							
7.41 Transportation and Housing Administration					56,141	2,833	58,974
7.70 Student Transportation				787,477		25,171	812,648
<b>Total Function 7</b>				<b>787,477</b>	<b>56,141</b>	<b>28,004</b>	<b>871,622</b>
<b>9 DEBT SERVICES (OPERATING)</b>							
<b>Total Function 9</b>							
<b>TOTAL FUNCTIONS 1 - 9</b>	<b>\$ 22,005,644</b>	<b>\$ 2,832,563</b>	<b>\$ 3,263,915</b>	<b>\$ 4,781,165</b>	<b>\$ 1,858,860</b>	<b>\$ 1,530,136</b>	<b>\$ 36,272,303</b>

SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)  
 OPERATING FUND  
 EXPENSE BY FUNCTION, PROGRAM AND OBJECT  
 YEAR ENDED JUNE 30, 2012

Schedule A4.2

	TOTAL SALARIES	EMPLOYEE BENEFITS	TOTAL SALARIES AND BENEFITS	SERVICES AND SUPPLIES	2012 ACTUAL	2012 AMENDED ANNUAL BUDGET	2011 ACTUAL
<b>1 INSTRUCTION</b>							
1.02 Regular Instruction	\$ 21,019,345	\$ 5,058,813	\$ 26,078,158	\$ 2,077,511	28,155,669	\$ 29,700,617	\$ 28,357,007
1.03 Career Programs	80,290	17,710	98,000	53,442	151,442	183,672	148,659
1.07 Library Services	690,018	160,964	850,982	93,477	944,459	930,628	930,036
1.08 Counselling	724,296	159,762	884,058	16,093	900,151	901,904	887,473
1.10 Special Education	5,569,237	1,446,461	7,015,698	137,821	7,153,519	7,563,366	7,139,893
1.30 English as a Second Language	49,528	9,954	59,482	467	59,949	58,700	56,077
1.31 Aboriginal Education	499,362	139,719	639,081	80,841	719,922	968,869	656,134
1.41 School Administration	2,643,247	669,519	3,312,766	13,497	3,326,263	3,440,552	3,318,205
1.60 Summer School	23,764	4,266	28,050	1,577	29,627	39,800	26,387
1.62 Off Shore Students	244,268	64,502	308,770	664,002	972,772	980,224	923,743
<b>Total Function 1</b>	31,543,355	7,731,690	39,275,045	3,138,728	42,413,773	44,768,532	42,443,814
<b>4 DISTRICT ADMINISTRATION</b>							
4.11 Educational Administration	196,671	51,857	248,528	41,052	289,580	299,867	287,417
4.40 School District Governance	116,001	2,155	118,156	106,522	224,678	236,208	189,309
4.41 Business Administration	666,856	167,277	834,133	334,182	1,168,315	1,192,163	1,134,694
<b>Total Function 4</b>	979,528	221,289	1,200,817	481,756	1,682,573	1,728,238	1,611,420
<b>5 OPERATIONS AND MAINTENANCE</b>							
5.41 Operations and Maintenance Administration	283,740	68,198	351,938	82,273	434,211	479,173	413,933
5.50 Maintenance Operations	2,489,172	624,383	3,123,555	750,717	3,874,272	4,094,325	3,833,933
5.52 Maintenance of Grounds	94,886	25,036	119,922	158,719	278,641	322,836	370,731
5.56 Utilities	-	-	-	1,149,435	1,149,435	1,557,292	1,185,294
<b>Total Function 5</b>	2,877,798	717,617	3,595,415	2,141,144	5,736,559	6,453,626	5,803,891
<b>7 TRANSPORTATION AND HOUSING</b>							
7.41 Transportation and Housing Administration	58,974	17,813	76,787	2,650	79,437	84,247	72,605
7.70 Student Transportation	812,648	219,144	1,031,792	454,994	1,486,786	1,537,462	1,471,680
<b>Total Function 7</b>	871,622	236,957	1,108,579	457,644	1,566,223	1,621,709	1,544,285
<b>9 DEBT SERVICES (OPERATING)</b>							
<b>Total Function 9</b>	-	-	-	-	-	-	-
<b>TOTAL FUNCTIONS 1 - 9</b>	\$ 36,272,303	\$ 8,907,553	\$ 45,179,856	\$ 6,219,272	\$ 51,399,128	\$ 54,572,105	\$ 51,403,210



**SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)**  
**OPERATING FUND**  
**CHANGES IN DEFERRED CONTRIBUTIONS**  
**YEAR ENDED JUNE 30, 2012**

Schedule A5

BALANCE, BEGINNING OF YEAR

**Changes for the Year**

Increase:

Decrease:

**Net Changes for the Year**

**BALANCE, END OF YEAR**

	-
	-
	-
	-
	-
<b>\$</b>	-

SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)  
 SPECIAL PURPOSE FUNDS  
 SUMMARY OF CHANGES  
 YEAR ENDED JUNE 30, 2012

Schedule B1

	MINISTRY OF EDUCATION DESIGNATED	OTHER	SCHOOL GENERATED FUNDS	RELATED ENTITIES	TOTAL
<b>DEFERRED CONTRIBUTIONS</b>					
<b>DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR</b>					
Add: Contributions Received	\$ 419,847	\$ 1,289,725	\$ 734,423		\$ 2,444,001
Provincial Grants - Ministry of Education	573,145	494,541			1,067,686
Provincial Grants - Other	99,360	74,950	2,049,490		2,124,440
Other	2,549	7,778			10,327
Investment Income	575,684	676,629	2,049,490		3,301,813
Less: Allocated to Revenue	638,069	1,146,496	2,051,404		3,835,969
<b>DEFERRED CONTRIBUTIONS, END OF YEAR</b>	\$ 357,472	\$ 819,856	\$ 732,515	\$ -	\$ 1,909,845
<b>REVENUE AND EXPENSE</b>					
<b>REVENUE</b>					
Provincial Grants - Ministry of Education	638,069	595,685			1,233,754
Other Revenue	638,069	550,811	2,051,404		2,602,215
<b>EXPENSE</b>					
Salaries		1,146,496	2,051,404		3,835,969
Teachers					
Educational Assistants		14,819			14,819
Other Professionals		283,269			283,269
Substitutes		66,815			66,815
Employee Benefits		5,096			5,096
Services and Supplies		369,999			369,999
		111,162			111,162
	4,807	665,335	2,051,404		2,721,546
	4,807	1,146,496	2,051,404		3,202,707
<b>NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS</b>	633,262	-	-	-	633,262
<b>INTERFUND TRANSFERS</b>					
Capital Assets Purchased	(633,262)				(633,262)
<b>NET REVENUE (EXPENSE)</b>	\$ -	\$ -	\$ -	\$ -	\$ -

SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)  
SPECIAL PURPOSE FUNDS

Schedule B2

CHANGES IN MINISTRY OF EDUCATION DESIGNATED SPECIAL PURPOSE FUNDS  
YEAR ENDED JUNE 30, 2012

	207 Annual Facility Grant	250 Special Education Equipment	TOTAL
<b>DEFERRED CONTRIBUTIONS</b>			
<b>DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR</b>			
Add: Contributions Received	\$ 401,101	\$ 18,746	\$ 419,847
Provincial Grants - Ministry of Education	560,754	12,391	573,145
Investment Income	2,549		2,549
	563,303	12,391	575,694
Less: Allocated to Revenue	633,262	4,807	638,069
<b>DEFERRED CONTRIBUTIONS, END OF YEAR</b>	<b>\$ 331,142</b>	<b>\$ 28,330</b>	<b>\$ 357,472</b>
<b>REVENUE AND EXPENSE</b>			
<b>REVENUE</b>			
Provincial Grants - Ministry of Education	\$ 633,262	\$ 4,807	\$ 638,069
<b>EXPENSE</b>			
Salaries	633,262	4,807	638,069
Services and Supplies	-	-	-
	-	4,807	4,807
<b>NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS</b>	<b>633,262</b>	<b>-</b>	<b>633,262</b>
<b>INTERFUND TRANSFERS</b>			
Capital Assets Purchased	(633,262)		(633,262)
	(633,262)	-	(633,262)
<b>NET REVENUE (EXPENSE)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)  
SPECIAL PURPOSE FUNDS  
CHANGES IN OTHER SPECIAL PURPOSE FUNDS  
YEAR ENDED JUNE 30, 2012

Schedule B3

	DSLDP	Federal French	KeyCity Theatre	MCF Programs	Community Link	Scholarships	TOTAL
<b>DEFERRED CONTRIBUTIONS</b>							
<b>DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR</b>							
Add: Contributions Received	\$ 428,761	\$ 115,136	\$ 3,496	\$ 18,081	\$ 73,556	\$ 650,685	\$ 1,289,725
Provincial Grants - Ministry of Education		146,540			348,001		494,541
Provincial Grants - Other		10,189	23,701	99,360		41,060	99,360
Investment Income		156,729	23,701	99,360	348,001	48,838	7,778
Less: Allocated to Revenue	428,761	132,936	25,704	104,173	368,765	86,157	1,146,496
<b>DEFERRED CONTRIBUTIONS, END OF YEAR</b>	\$ -	\$ 138,929	\$ 1,493	\$ 13,278	\$ 52,792	\$ 613,366	\$ 819,858
<b>REVENUE AND EXPENSE</b>							
<b>REVENUE</b>							
Provincial Grants - Ministry of Education		122,747		104,173	368,765		595,685
Other Revenue	428,761	10,189	25,704			86,157	550,811
<b>EXPENSE</b>	428,761	132,936	25,704	104,173	368,765	86,157	1,146,496
Salaries							
Teachers							
Educational Assistants		14,819					14,819
Other Professionals		24,363			258,906		283,269
Substitutes		5,096		66,815			66,815
Employee Benefits		44,278		66,815	258,906		369,999
Services and Supplies		9,320		22,740	79,102		111,162
<b>NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS</b>	428,761	79,338	25,704	14,618	30,757	86,157	665,335
	428,761	132,936	25,704	104,173	368,765	86,157	1,146,496
<b>INTERFUND TRANSFERS</b>							
<b>NET REVENUE (EXPENSE)</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)

Schedule C1

CAPITAL FUND  
CAPITAL ASSETS  
YEAR ENDED JUNE 30, 2012

	SITES	BUILDINGS	FURNITURE AND EQUIPMENT	VEHICLES	COMPUTER SOFTWARE	COMPUTER HARDWARE	TOTAL
	\$ 5,987,977	\$ 118,276,127	\$ 1,456,879	\$ 2,715,416		\$ 99,631	\$ 128,536,030
		858,897	57,912	382,112			1,298,921
		939,627	3,388				943,015
		633,262					633,262
		25,988		91,827		43,268	161,083
		2,457,774	61,300	473,939		43,268	3,036,281
			15,886				15,886
	5,987,977	120,733,901	1,502,293	3,189,355		142,899	131,556,425
	\$ 5,987,977	\$ 120,733,901	\$ 1,502,293	\$ 3,189,355	\$ -	\$ 142,899	\$ 131,556,425
	\$	\$ 54,031,272	\$ 546,736	\$ 866,577	\$	\$ 8,000	\$ 55,452,585
		2,385,568	145,688	271,542		8,000	2,810,798
			15,886				15,886
		\$ 56,416,840	\$ 676,538	\$ 1,138,119	\$ -	\$ -	\$ 58,247,497
	\$ 5,987,977	\$ 64,317,061	\$ 825,755	\$ 2,051,236	\$ -	\$ 126,899	\$ 73,308,928

COST, BEGINNING OF YEAR

Changes for the Year

Increase:

Purchases from:

Deferred Contributions - B/yaw

Deferred Contributions - Other

Special Purpose Funds

Local Capital

Decrease:

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:

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, 2012

Schedule C2

	BUILDINGS	FURNITURE AND EQUIPMENT	COMPUTER SOFTWARE	COMPUTER HARDWARE	TOTAL
WORK IN PROGRESS, BEGINNING OF YEAR					\$ -
Changes for the Year					
Increase					
Decrease					
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, 2012**

Schedule C3

	BYLAW CAPITAL	OTHER PROVINCIAL	OTHER CAPITAL	TOTAL CAPITAL
<b>DEFERRED CAPITAL CONTRIBUTIONS, BEGINNING OF YEAR</b>	\$ 57,495,434	\$ 1,010,049	\$ 590,805	\$ 59,096,288
<b>Changes for the Year</b>				
Increase				
Transferred from Deferred Contributions - Capital Additions	1,298,921	939,627	3,388	2,241,936
	<u>1,298,921</u>	<u>939,627</u>	<u>3,388</u>	<u>2,241,936</u>
Decrease				
Amortization of Deferred Capital Contributions	2,426,486	25,259	71,703	2,523,448
	<u>2,426,486</u>	<u>25,259</u>	<u>71,703</u>	<u>2,523,448</u>
<b>Net Changes for the Year</b>	<u>(1,127,565)</u>	<u>914,368</u>	<u>(68,315)</u>	<u>(281,512)</u>
<b>DEFERRED CAPITAL CONTRIBUTIONS, END OF YEAR</b>	<u>\$ 56,367,869</u>	<u>\$ 1,924,417</u>	<u>\$ 522,490</u>	<u>\$ 58,814,776</u>
<b>WORK IN PROGRESS, BEGINNING OF YEAR</b>				\$ -
<b>Changes for the Year</b>				
Increase				
	-	-	-	-
Decrease				
	-	-	-	-
<b>Net Changes for the Year</b>	-	-	-	-
<b>WORK IN PROGRESS, END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>TOTAL DEFERRED CAPITAL CONTRIBUTIONS, END OF YEAR</b>	<u>\$ 56,367,869</u>	<u>\$ 1,924,417</u>	<u>\$ 522,490</u>	<u>\$ 58,814,776</u>

**SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)  
CAPITAL FUND  
CHANGES IN DEFERRED CONTRIBUTIONS  
YEAR ENDED JUNE 30, 2012**

	BYLAW CAPITAL	MINISTRY OF EDUCATION RESTRICTED CAPITAL	OTHER PROVINCIAL CAPITAL	LAND CAPITAL	OTHER CAPITAL	TOTAL
<b>BALANCE, BEGINNING OF YEAR</b>	\$ 73,982	\$ 1,563,547				\$ 1,637,529
<b>Changes for the Year</b>						
Increase:						
Provincial Grants - Ministry of Education	1,241,009	11,790	3,388			1,241,009
Investment Income						11,790
Donation			3,388			3,388
Decrease:						
Transferred to DCC - Capital Additions	1,241,009	11,790	3,388			1,256,187
	1,298,921	939,627	3,388			2,241,936
	1,298,921	939,627	3,388			2,241,936
	(57,912)	(927,837)				(985,749)
<b>Net Changes for the Year</b>						
<b>BALANCE, END OF YEAR</b>	\$ 16,070	\$ 635,710	\$ -	\$ -	\$ -	\$ 651,780

**BALANCE, BEGINNING OF YEAR**

**Changes for the Year**

Increase:

Provincial Grants - Ministry of Education

Investment Income

Donation

Decrease:

Transferred to DCC - Capital Additions

**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, 2012**

Schedule C5

	INVESTED IN CAPITAL ASSETS	LOCAL CAPITAL	FUND BALANCE
<b>BALANCE, BEGINNING OF YEAR</b>	\$ 13,987,157	\$ 1,500,546	\$ 15,487,703
<b>Changes for the Year</b>			
Investment Income		19,196	19,196
Amortization of Deferred Capital Contributions	2,523,448		2,523,448
Capital Assets Purchased from Local Capital	161,083	(161,083)	-
Interfund Transfers - Capital Assets Purchased	633,262		633,262
Amortization of Capital Assets	(2,810,798)		(2,810,798)
Repayment of MBSS Sports Bus		8,000	8,000
<b>Net Changes for the Year</b>	<u>506,995</u>	<u>(133,887)</u>	<u>373,108</u>
<b>BALANCE, END OF YEAR</b>	<u>\$ 14,494,152</u>	<u>\$ 1,366,659</u>	<u>\$ 15,860,811</u>