

SCHOOL DISTRICT AUDITED FINANCIAL STATEMENTS FISCAL YEAR 2010/2011

SCHOOL DISTRICT NUMBER 05	NAME OF SCHOOL DISTRICT Southeast Kootenay	YEAR 2010/2011
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.

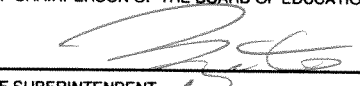
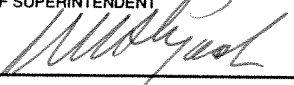
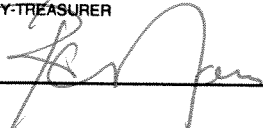
External Auditors

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, 2011.

SIGNATURE OF CHAIRPERSON OF THE BOARD OF EDUCATION 	DATE SIGNED Sept 13/2011
SIGNATURE OF SUPERINTENDENT 	DATE SIGNED Sept 13/11
SIGNATURE OF SECRETARY-TREASURER 	DATE SIGNED Sept 13/2011



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BDO Canada LLP
35 - 10th Avenue S
Cranbrook BC V1C 2M9 Canada

Independent Auditor's Report

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

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, 2011, 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, 2011 are prepared, in all material respects, in accordance with Canadian generally accepted accounting principles.

BDO Canada LLP

Chartered Accountants

Cranbrook, British Columbia
September 13, 2011



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Independent Auditor's Comments on Supplementary Financial Information

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

We have audited the financial statements of School District No.5 (Southeast Kootenay), which comprise the statement of financial position as at June 30, 2011 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 13, 2011 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.

BDO Canada LLP

Chartered Accountant

Cranbrook, BC
September 13, 2011

**SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)
2010/2011 AUDITED FINANCIAL STATEMENTS**

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SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2011

Statement 1

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2011	TOTAL 2010
ASSETS					
Current Assets					
Cash and Cash Equivalents	\$ 5,957,935	\$ 734,429		\$ 6,692,364	\$ 5,957,766
Short Term Investments (Note 3)	4,000,008	428,761		4,428,769	5,783,451
Accounts Receivable					
Due from LEA/Direct Funding	374,119			374,119	277,048
Other Receivables (Note 4)	671,348	33,565	126,716	831,629	430,896
Interfund Loans		1,258,899	3,429,724		
Prepaid Expenses	243,782			243,782	319,838
	<u>11,247,192</u>	<u>2,455,654</u>	<u>3,556,440</u>	<u>12,570,663</u>	<u>12,768,999</u>
Capital Assets - Net (Note 5)			73,083,445	73,083,445	72,430,409
TOTAL ASSETS	<u>\$ 11,247,192</u>	<u>\$ 2,455,654</u>	<u>\$ 76,639,885</u>	<u>\$ 85,654,108</u>	<u>\$ 85,199,408</u>
LIABILITIES AND FUND BALANCES					
Current Liabilities					
Accounts Payable and Accrued Liabilities					
Other	471,757	11,653	418,365	901,775	352,009
Interfund Loans	4,688,623				
Other Current Liabilities	2,754,284			2,754,284	2,779,744
	<u>7,914,664</u>	<u>11,653</u>	<u>418,365</u>	<u>3,656,059</u>	<u>3,131,753</u>
Deferred Revenue	510,560			510,560	584,046
Deferred Contributions					
Ministry of Education		608,539		608,539	3,758,859
Province - Other		18,091	1,637,529	1,655,620	11,479
Other		1,817,371		1,817,371	1,569,060
Accrued Employee Future Benefits (Note 8)	130,975			130,975	127,102
Deferred Capital Contributions			59,096,288	59,096,288	59,695,673
TOTAL LIABILITIES	<u>8,556,199</u>	<u>2,455,654</u>	<u>61,152,182</u>	<u>67,475,412</u>	<u>68,877,972</u>
Fund Balances					
Invested in Capital Assets			13,987,157	13,987,157	12,734,736
Internally Restricted	2,032,802		1,500,546	3,533,348	2,811,304
Unrestricted	658,191			658,191	775,396
TOTAL FUND BALANCES	<u>2,690,993</u>	<u>-</u>	<u>15,487,703</u>	<u>18,178,696</u>	<u>16,321,436</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 11,247,192</u>	<u>\$ 2,455,654</u>	<u>\$ 76,639,885</u>	<u>\$ 85,654,108</u>	<u>\$ 85,199,408</u>

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SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)
STATEMENT OF REVENUE AND EXPENSE
YEAR ENDED JUNE 30, 2011

Statement 2

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2011	TOTAL 2010
REVENUE					
Provincial Grants - Ministry of Education	\$ 49,941,367	\$ 1,751,582		\$ 51,692,949	\$ 50,352,694
Provincial Grants - Other	100,901	92,748		193,649	334,966
Other Revenue	1,921,128	1,830,389	8,000	3,759,517	4,250,988
Rentals and Leases	124,102			124,102	39,491
Investment Income	29,822	10,106	21,868	61,796	68,929
Amortization of Deferred Capital Contributions			2,514,302	2,514,302	2,521,517
	<u>52,117,320</u>	<u>3,684,825</u>	<u>2,544,170</u>	<u>58,346,315</u>	<u>57,568,585</u>
EXPENSE					
Salaries					
Teachers	22,128,085	14,532		22,142,617	21,858,484
Principals and Vice Principals	2,921,187			2,921,187	2,930,248
Educational Assistants	3,260,853	193,143		3,453,996	3,225,903
Support Staff	4,851,563			4,851,563	5,079,169
Other Professionals	1,626,193	104,175		1,730,368	1,709,115
Substitutes	1,534,842	9,547		1,544,389	1,576,074
	<u>36,322,723</u>	<u>321,397</u>	-	<u>36,644,120</u>	<u>36,378,993</u>
Employee Benefits	8,741,268	77,538		8,818,806	8,385,033
Services and Supplies	6,339,219	1,930,235		8,269,454	8,687,520
Amortization of Capital Assets			2,756,675	2,756,675	2,690,674
	<u>51,403,210</u>	<u>2,329,170</u>	<u>2,756,675</u>	<u>56,489,055</u>	<u>56,142,220</u>
NET REVENUE (EXPENSE)	<u>\$ 714,110</u>	<u>\$ 1,355,655</u>	<u>\$ (212,505)</u>	<u>\$ 1,857,260</u>	<u>\$ 1,426,365</u>

SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)
STATEMENT OF CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2011

Statement 3

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2011	TOTAL 2010
FUND BALANCES, BEGINNING OF YEAR	\$ 2,076,883		\$ 14,244,553	\$ 16,321,436	\$ 14,895,071
Changes for the Year					
Net Revenue (Expense) for the Year	714,110	1,355,655	(212,505)	1,857,260	1,426,365
Interfund Transfers					
Capital Assets Purchased		(1,355,655)	1,355,655	-	
Local Capital	(100,000)		100,000	-	
Net Changes for the Year	614,110	-	1,243,150	1,857,260	1,426,365
FUND BALANCES, END OF YEAR	\$ 2,690,993	\$ -	\$ 15,487,703	\$ 18,178,696	\$ 16,321,436

SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2011

Statement 4.1

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2011	TOTAL 2010
CASH PROVIDED BY (USED FOR)					
OPERATIONS					
Net Revenue (Expense) for the Year	\$ 714,110	\$ 1,355,655	\$ (212,505)	\$ 1,857,260	\$ 1,426,365
Changes in Non-Cash Working Capital					
Decrease (Increase)					
Short Term Investments	1,500,000	(145,318)		1,354,682	2,423,696
Accounts Receivable	(352,421)	(30,320)	(115,063)	(497,804)	282,598
Interfund Loans	(1,259,258)	648,004	611,254	-	
Prepaid Expenses	76,056			76,056	(171,674)
Increase (Decrease)					
Accounts Payable/Accrued Liabilities	145,545	(13,140)	417,361	549,766	(375,026)
Other Current Liabilities	(25,460)			(25,460)	(52,948)
Deferred Revenue	(73,486)			(73,486)	90,881
Deferred Contributions		(353,587)		(353,587)	(661,315)
Accrued Employee Future Benefits	3,873			3,873	(3,544)
Items Not Involving Cash					
Amortization of Capital Assets			2,756,675	2,756,675	2,690,674
Amortization of Deferred Capital Contributions			(2,514,302)	(2,514,302)	(2,521,517)
Interfund Transfers	(100,000)	(1,355,655)	1,455,655	-	
	<u>628,959</u>	<u>105,639</u>	<u>2,399,075</u>	<u>3,133,673</u>	<u>3,128,190</u>
FINANCING					
Deferred Contributions Received - Capital			1,010,636	1,010,636	441,223
			<u>-</u>	<u>1,010,636</u>	<u>441,223</u>
INVESTING					
Capital Assets Purchased - Special Purpose			(1,355,655)	(1,355,655)	(1,397,413)
Capital Assets Purchased - Local Capital			(139,139)	(139,139)	(918,816)
Capital Assets Purchased - Deferred Contributions - Capital			(1,914,917)	(1,914,917)	(672,119)
			<u>-</u>	<u>(3,409,711)</u>	<u>(2,988,348)</u>
NET INCREASE (DECREASE) IN CASH	\$ 628,959	\$ 105,639	\$ -	\$ 734,598	\$ 581,065

SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2011

Statement 4.2

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2011	TOTAL 2010
NET INCREASE (DECREASE) IN CASH	\$ 628,959	\$ 105,839	\$ -	\$ 734,598	\$ 581,065
Net Cash, Beginning of Year	5,328,976	628,790		5,957,766	5,376,701
NET CASH, END OF YEAR	<u>\$ 5,957,935</u>	<u>\$ 734,429</u>	<u>\$ -</u>	<u>\$ 6,692,364</u>	<u>\$ 5,957,766</u>
Cash	\$ 5,957,935	\$ 734,429		\$ 6,692,364	\$ 5,957,766
NET CASH, END OF YEAR	<u>\$ 5,957,935</u>	<u>\$ 734,429</u>	<u>\$ -</u>	<u>\$ 6,692,364</u>	<u>\$ 5,957,766</u>

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011

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, 2011

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, 2011

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, 2011

**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, 2011

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 1.35% and mature within the next fiscal period.

NOTE 4 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	2011	2010
Other	<u>\$831,629</u>	<u>\$430,896</u>

NOTE 5 CAPITAL ASSETS

	2011		2010	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Sites	\$5,987,977	0	\$5,987,977	\$5,987,977
Buildings	118,276,127	54,031,272	64,244,855	63,729,657
Furniture & Equipment	1,456,879	546,736	910,143	905,633
Vehicles	2,715,416	866,577	1,848,839	1,752,563
Computer Hardware	99,631	8,000	91,631	54,579
	<u>\$128,536,030</u>	<u>\$55,452,585</u>	<u>\$73,083,445</u>	<u>\$72,430,409</u>

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011

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.

	2011	2010
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	\$170,687	\$105,794
Service Cost	9,034	7,537
Interest Cost	8,140	7,154
Benefit Payments	(16,616)	(16,248)
Actuarial (Gain)/Loss	(15,211)	66,630
Accrued Benefit Obligation – March 31	<u>\$156,034</u>	<u>\$170,687</u>

Reconciliation of Funded Status at End of Fiscal Year

	2011	2010
Accrued Benefit Obligation – March 31	\$156,034	\$170,687
Market Value of Plan Assets – March 31	0	0
Funded Status - Surplus/(Deficit)	\$156,034	\$170,687
Employer Contributions After Measurement Date	0	0
Unamortized Net Actuarial (Gain)/Loss	25,059	43,585
Accrued Benefit Asset/(Liability) – June 30	<u>\$(130,975)</u>	<u>\$(127,102)</u>

Components of Net Benefit Expense

Service Cost	\$ 9,034	\$ 7,537
Interest Cost	8,140	7,154
Amortization of Net Actuarial (Gain)/Loss	3,315	(1,807)
Net Benefit Expense (Income)	<u>\$20,489</u>	<u>\$12,884</u>

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

	<u>2011</u>	<u>2010</u>
Discount Rate – April 1	5.00%	7.00%
Discount Rate – March 31	4.75%	5.00%
Long Term Salary Growth – April 1	2.50% + seniority	3.25% + 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, 2011

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 47,000 active members from school districts, and approximately 29,000 retired members from school districts. The Municipal Plan has about 163,000 active members, of which approximately 23,000 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, 2008 indicated a \$291 million unfunded liability for basic pension benefits. The next valuation will be as at December 31, 2011 with results available in late 2012. The most recent valuation for the Municipal Pension Plan as at December 31, 2009 indicated an unfunded liability of \$1,024 million for basic pension benefits. The next valuation will be as at December 31, 2012 with results available in 2013. The actuary does not attribute portions of the unfunded liability to individual employers. School District No. 5 (Southeast Kootenay) paid \$4,382,773 for employer contributions to these plans in the year ended June 30, 2011.

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011

NOTE 8 OPERATING FUND BALANCE, END OF YEAR

Internally Restricted (appropriated) by Board for:

Subtotal Internally Restricted (see below)	\$2,032,802
Unrestricted Operating Surplus (Deficit)	\$ 658,191
Total Available for Future Operations	\$2,690,993

Appropriations June 30, 2011

Summary	<u>June 2011</u>	<u>June 2010</u>
Admin Pro-D	\$ 91,728	\$ 84,382
Aboriginal Education	126,980	17,065
Special Education		
District	175,949	264,408
District 0707	105,008	
Schools	48,501	37,472
	329,458	301,880
Schools		
Operating	124,165	48,388
Learning Resources	68,830	38,201
Growth Plans	33,095	12,686
	226,090	99,275
Operating Projects (see following)	491,684	211,715
Resource Centre	2,743	5,405
International Education	(13,501)	(35,922)
Climate Action	-	252,687
	777,620	365,000
Funds Allocated to 2010-2011	777,620	365,000
Appropriations - Restricted	2,032,802	1,301,487
Appropriations - Unrestricted	658,191	775,396
Appropriations - Total	\$2,690,993	\$2,076,883

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011

Appropriations
Operating Projects
June 30, 2011

	June 2011	June 2010
427 Legacies Now GTES	-	969
450 Hockey School	10,614	3,668
452 Ready Set Learn	28,924	27,759
456 Found Skill Asst - FSA	8,912	5,204
460 CES Sec School Apprentice	-	13,767
461 UBC Sensory Impairment	-	2,992
462 Great Conferences	-	2,873
467 Tipi Pole Harvesting	193	-
534 Speech to Text	20,211	-
538 BCSTA Early Learning Grant	7,117	7,867
540 WIATT-III Level 2	17,000	-
542 Crystal Methamphetamine	-	1,885
543 Social Justice Draft Course	-	1,105
544 Tobacco Reduction Grant	-	520
545 Literacy Innovation 08/09	17,479	18,149
546 Sound Connections	7,261	15,525
548 Literacy Innovation 09/10	14,143	25,240
552 Soundfield Systems	9,000	-
553 Kootenay Boundary AGM	-	350
554 Full Day Kindergarten	-	(1,357)
560 Climate Action	302,292	49,515
563 Yes-to-it	1,245	-
566 Wild Voices for Kids	1,067	3,050
569 Reference and Regulate	9,000	-
618 Ed Change Secondary	-	84
621 Ace-It Training	6,665	5,864
622 Roots of Empathy	10,023	10,033
805 Art Starts in Schools	2,306	2,486
807 One to One Reading	2,861	1,866
830 Elementary Band	13,015	9,946
914 Cupe Pro-D Trust	2,356	2,355
	<u>\$491,684</u>	<u>\$211,715</u>

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011

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, 2011, transfers were as follows:

- \$100,000 from Operating Fund to Capital Fund

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 four years are due as follows:

Year	Amount
2011	\$124,252
2012	\$124,252
2013	\$ 20,709

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, 2011

Schedule A1

	2011 ACTUAL	2011 AMENDED ANNUAL BUDGET	2010 ACTUAL
REVENUE			
Provincial Grants - Ministry of Education	\$ 49,941,367	\$ 50,129,140	\$ 48,709,071
Provincial Grants - Other	100,901		59,931
Other Revenue	1,921,128	1,756,768	1,697,675
Rentals and Leases	124,102	62,400	39,491
Investment Income	29,822	10,000	56,163
	<u>52,117,320</u>	<u>51,958,308</u>	<u>50,562,331</u>
EXPENSE			
Salaries	22,128,085	22,252,435	21,836,712
Teachers	2,921,187	2,962,754	2,930,248
Principals and Vice Principals	3,260,853	3,376,501	2,954,798
Educational Assistants	4,851,563	5,115,917	5,079,169
Support Staff	1,626,193	1,577,366	1,623,912
Other Professionals	1,534,842	1,870,884	1,569,756
Substitutes	<u>36,322,723</u>	<u>37,155,857</u>	<u>35,994,595</u>
Employee Benefits	8,741,268	8,039,454	8,286,978
Services and Supplies	6,339,219	7,964,484	6,173,514
	<u>51,403,210</u>	<u>53,159,795</u>	<u>50,455,087</u>
NET REVENUE (EXPENSE), FOR THE YEAR	714,110	(1,201,487)	107,244
INTERFUND TRANSFERS			
Local Capital	(100,000)	(100,000)	(209,000)
OTHER ADJUSTMENTS TO OPERATING FUND BALANCE			
BUDGETED ALLOCATION (RETIREMENT) OF SURPLUS (DEFICIT)		1,301,487	
SURPLUS (DEFICIT), FOR THE YEAR	614,110	\$ -	(101,756)
SURPLUS (DEFICIT), BEGINNING OF YEAR	2,076,883		2,178,639
SURPLUS (DEFICIT), END OF YEAR			
(Section 156 (12) of School Act)	<u>\$ 2,690,993</u>		<u>\$ 2,076,883</u>
SURPLUS (DEFICIT), END OF YEAR			
Internally Restricted	2,032,802		
Unrestricted	658,191		
	<u>\$ 2,690,993</u>		

SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)
OPERATING FUND
COMPARATIVE SCHEDULE OF REVENUE BY SOURCE
YEAR ENDED JUNE 30, 2011

Schedule A2

	2011	2011	2010
	ACTUAL	AMENDED ANNUAL BUDGET	ACTUAL
PROVINCIAL GRANTS - MINISTRY OF EDUCATION			
Operating Grant, Ministry of Education	\$ 49,655,864	\$ 49,829,155	\$ 48,323,652
INAC/LEA Recovery	(392,803)	(301,686)	(301,686)
Other Ministry of Education Grants			
Pay Equity	457,171	457,171	457,171
Education Guarantee	12,183		23,002
Ready Set Learn	26,950	24,500	29,400
Strong Start Centres	120,000	120,000	130,250
Carbon Tax Rebate	53,306		38,586
FSA Scorer	8,696		8,696
	<u>49,941,367</u>	<u>50,129,140</u>	<u>48,709,071</u>
PROVINCIAL GRANTS - OTHER	<u>100,901</u>		<u>59,931</u>
FEDERAL GRANTS			
OTHER REVENUE			
Offshore Tuition Fees	1,361,164	1,334,140	1,113,273
LEA/Direct Funding from First Nations	392,803	301,686	301,686
Miscellaneous			
HockeySchool	30,611	24,050	26,400
LMA HVAC/Trades	5,999	85,892	81,156
SSEAC Skills	41,599		42,466
Miscellaneous	88,952	11,000	132,694
	<u>1,921,128</u>	<u>1,756,768</u>	<u>1,697,675</u>
RENTALS AND LEASES	<u>124,102</u>	<u>62,400</u>	<u>39,491</u>
INVESTMENT INCOME	<u>29,822</u>	<u>10,000</u>	<u>56,163</u>
TOTAL OPERATING REVENUE	<u>\$ 52,117,320</u>	<u>\$ 51,958,308</u>	<u>\$ 50,562,331</u>

SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)
OPERATING FUND
COMPARATIVE SCHEDULE OF EXPENSE BY OBJECT
YEAR ENDED JUNE 30, 2011

Schedule A3

	2011	2011	2010
	ACTUAL	AMENDED ANNUAL BUDGET	ACTUAL
SALARIES			
Teachers	\$ 22,128,085	\$ 22,252,435	\$ 21,836,712
Principals and Vice Principals	2,921,187	2,962,754	2,930,248
Educational Assistants	3,260,853	3,376,501	2,954,798
Support Staff	4,851,563	5,115,917	5,079,169
Other Professionals	1,626,193	1,577,366	1,623,912
Substitutes	1,534,842	1,870,884	1,569,756
	<u>36,322,723</u>	<u>37,155,857</u>	<u>35,994,595</u>
EMPLOYEE BENEFITS	8,741,268	8,039,454	8,286,978
TOTAL SALARIES AND BENEFITS	<u>45,063,991</u>	<u>45,195,311</u>	<u>44,281,573</u>
SERVICES AND SUPPLIES			
Services	2,101,853	2,259,553	1,867,729
Student Transportation	54,458	63,682	58,660
Professional Development and Travel	456,099	611,097	544,857
Rentals and Leases	54,272	53,350	60,844
Dues and Fees	65,995	68,300	58,466
Insurance	225,111	189,180	178,189
Supplies	2,196,137	3,444,822	2,342,615
Utilities	1,185,294	1,274,500	1,062,154
TOTAL SERVICES AND SUPPLIES	<u>6,339,219</u>	<u>7,964,484</u>	<u>6,173,514</u>
TOTAL OPERATING EXPENSE	<u>\$ 51,403,210</u>	<u>\$ 53,159,795</u>	<u>\$ 50,455,087</u>

**SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)
OPERATING FUND
EXPENSE BY FUNCTION, PROGRAM AND OBJECT
YEAR ENDED JUNE 30, 2011**

Schedule A4.1

	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	\$ 18,672,530	\$ 998,631		\$ 251,393	\$ 142,085	\$ 1,012,562	\$ 21,077,201
1.03 Career Programs	75,058					4,700	79,758
1.07 Library Services	528,706			124,864		31,944	685,514
1.08 Counselling	699,616					36,286	735,902
1.10 Special Education	2,089,766		2,899,133	9,787	316,298	297,774	5,612,758
1.30 English as a Second Language	22,517					26,293	48,810
1.31 Aboriginal Education		41,976	335,998		64,135	115	442,224
1.41 School Administration		1,854,645		774,354		37,214	2,666,213
1.60 Summer School	20,913					960	21,873
1.62 Off Shore Students	18,979		25,722		187,704		233,339
Total Function 1	22,128,085	2,895,252	3,260,853	1,160,398	710,222	1,448,782	31,603,592
4 DISTRICT ADMINISTRATION							
4.11 Educational Administration					196,672		196,672
4.40 School District Governance					116,001	996	116,997
4.41 Business Administration				225,473	387,419	5,938	618,830
Total Function 4				225,473	700,092	6,934	932,499
5 OPERATIONS AND MAINTENANCE							
5.41 Operations and Maintenance Administration		25,935		45,490	162,179	607	234,211
5.50 Maintenance Operations				2,492,458		58,549	2,551,007
5.52 Maintenance of Grounds				106,900		35	106,935
Total Function 5		25,935		2,644,848	162,179	59,191	2,892,153
7 TRANSPORTATION AND HOUSING							
7.41 Transportation and Housing Administration				820,844	53,700	19,935	894,479
7.70 Student Transportation				820,844	53,700	19,935	894,479
Total Function 7				1,641,688	107,400	39,870	1,789,058
9 DEBT SERVICES (OPERATING)							
Total Function 9							
TOTAL FUNCTIONS 1 - 9	\$ 22,128,085	\$ 2,921,187	\$ 3,260,853	\$ 4,851,563	\$ 1,626,193	\$ 1,534,842	\$ 36,322,723

SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)
 OPERATING FUND
 EXPENSE BY FUNCTION, PROGRAM AND OBJECT
 YEAR ENDED JUNE 30, 2011

	TOTAL SALARIES	EMPLOYEE BENEFITS	TOTAL SALARIES AND BENEFITS	SERVICES AND SUPPLIES	2011 ACTUAL	2011 AMENDED ANNUAL BUDGET	2010 ACTUAL
1 INSTRUCTION							
1.02 Regular Instruction	\$ 21,077,201	\$ 5,121,297	\$ 26,198,498	\$ 2,158,509	\$ 28,357,007	\$ 28,638,959	\$ 28,056,977
1.03 Career Programs	79,756	16,049	95,807	52,852	148,659	186,874	179,146
1.07 Library Services	685,514	150,447	835,961	94,075	930,036	919,667	896,961
1.08 Counselling	735,902	149,593	885,495	1,978	887,473	889,402	829,573
1.10 Special Education	5,612,758	1,342,495	6,955,253	184,640	7,139,893	7,442,608	6,755,489
1.30 English as a Second Language	48,810	6,648	55,458	619	56,077	42,000	37,290
1.31 Aboriginal Education	442,224	118,774	560,998	95,136	656,134	785,163	629,289
1.41 School Administration	2,666,213	637,264	3,303,477	14,728	3,318,205	3,409,023	3,211,799
1.60 Summer School	21,873	3,804	25,677	710	26,387	39,800	39,756
1.62 Off Shore Students	233,339	54,447	287,786	635,957	923,743	905,618	866,994
Total Function 1	31,603,592	7,600,818	39,204,410	3,239,204	42,443,614	43,459,114	41,503,274
4 DISTRICT ADMINISTRATION							
4.11 Educational Administration	196,672	53,831	250,503	36,914	287,417	298,185	285,780
4.40 School District Governance	116,997	2,025	119,022	70,287	189,309	206,397	213,777
4.41 Business Administration	618,830	148,379	767,209	367,485	1,134,694	1,123,081	1,093,017
Total Function 4	932,499	204,235	1,136,734	474,686	1,611,420	1,627,663	1,592,574
5 OPERATIONS AND MAINTENANCE							
5.41 Operations and Maintenance Administration	234,211	54,863	289,074	124,859	413,933	389,160	384,070
5.50 Maintenance Operations	2,551,007	624,808	3,175,815	658,118	3,833,933	4,132,479	4,068,967
5.52 Maintenance of Grounds	106,935	26,851	133,786	236,945	370,731	301,060	275,480
5.56 Utilities	-	-	-	1,185,294	1,185,294	1,626,702	1,062,154
Total Function 5	2,892,153	706,522	3,598,675	2,205,216	5,803,891	6,449,401	5,790,671
7 TRANSPORTATION AND HOUSING							
7.41 Transportation and Housing Administration	53,700	15,849	69,549	3,056	72,605	76,239	80,946
7.70 Student Transportation	840,779	213,844	1,054,623	417,057	1,471,680	1,547,378	1,487,622
Total Function 7	894,479	229,693	1,124,172	420,113	1,544,285	1,623,617	1,568,568
9 DEBT SERVICES (OPERATING)							
Total Function 9	-	-	-	-	-	-	-
TOTAL FUNCTIONS 1 - 9	\$ 36,322,723	\$ 8,741,268	\$ 45,063,991	\$ 6,339,219	\$ 51,403,210	\$ 53,159,795	\$ 50,455,087

SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)
OPERATING FUND
CHANGES IN DEFERRED CONTRIBUTIONS
YEAR ENDED JUNE 30, 2011

Schedule A5

BALANCE, BEGINNING OF YEAR

Changes for the Year

Increase:

-

Decrease:

-

-

Net Changes for the Year

-

BALANCE, END OF YEAR

\$ _____

-

SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)
 SPECIAL PURPOSE FUNDS
 SUMMARY OF CHANGES
 YEAR ENDED JUNE 30, 2011

	MINISTRY OF EDUCATION DESIGNATED	OTHER	SCHOOL GENERATED FUNDS	RELATED ENTITIES	TOTAL
DEFERRED CONTRIBUTIONS					
DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR	\$ 1,139,297	\$ 1,029,501	\$ 628,790		\$ 2,797,588
Add: Contributions Received	637,820	494,541			1,132,361
Provincial Grants - Ministry of Education	99,360				99,360
Provincial Grants - Other	206,113	1,674,447			2,080,560
Other	10,106	8,851			18,957
Investment Income	647,926	808,665	1,674,447		3,331,236
Less: Allocated to Revenue	1,367,376	548,641	1,768,808		3,684,825
DEFERRED CONTRIBUTIONS, END OF YEAR	\$ 419,847	\$ 1,289,725	\$ 734,429	\$ -	\$ 2,444,001
REVENUE AND EXPENSE					
REVENUE					
Provincial Grants - Ministry of Education	1,357,270	394,312			1,751,582
Provincial Grants - Other	92,748				92,748
Other Revenue	61,581		1,768,808		1,830,389
Investment Income	10,106				10,106
	1,367,376	548,641	1,768,808		3,684,825
EXPENSE					
Salaries					
Teachers		14,532			14,532
Educational Assistants		193,143			193,143
Other Professionals		104,175			104,175
Substitutes		9,547			9,547
		321,397			321,397
Employee Benefits		77,538			77,538
Services and Supplies	11,721	149,706	1,768,808		1,930,235
	11,721	548,641	1,768,808		2,329,170
NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS	1,355,655	-	-	-	1,355,655
INTERFUND TRANSFERS					
Capital Assets Purchased	(1,355,655)				(1,355,655)
	(1,355,655)				(1,355,655)
NET REVENUE (EXPENSE)	\$ -	\$ -	\$ -	\$ -	\$ -

SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)
 SPECIAL PURPOSE FUNDS
 CHANGES IN MINISTRY OF EDUCATION DESIGNATED SPECIAL PURPOSE FUNDS
 YEAR ENDED JUNE 30, 2011

	207 Annual Facility Grant	250 Special Education Equipment	TOTAL
DEFERRED CONTRIBUTIONS			
DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR	\$ 1,120,882	\$ 18,415	\$ 1,139,297
Add:			
Contributions Received			
Provincial Grants - Ministry of Education	625,768	12,052	637,820
Investment Income	10,106		10,106
	635,874	12,052	647,926
Less:			
Allocated to Revenue	1,355,655	11,721	1,367,376
DEFERRED CONTRIBUTIONS, END OF YEAR	\$ 401,101	\$ 18,746	\$ 419,847
REVENUE AND EXPENSE			
REVENUE			
Provincial Grants - Ministry of Education	\$ 1,345,549	\$ 11,721	\$ 1,357,270
Investment Income	10,106		10,106
	1,355,655	11,721	1,367,376
EXPENSE			
Salaries			
Services and Supplies		11,721	11,721
		11,721	11,721
NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS	1,355,655	-	1,355,655
INTERFUND TRANSFERS			
Capital Assets Purchased	(1,355,655)		(1,355,655)
	(1,355,655)		(1,355,655)
NET REVENUE (EXPENSE)	\$ -	\$ -	\$ -

SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)
 SPECIAL PURPOSE FUNDS
 CHANGES IN OTHER SPECIAL PURPOSE FUNDS
 YEAR ENDED JUNE 30, 2011

	DSLP	Federal French	KeyCity Theatre	MCF Programs	Community Link	Scholarships	TOTAL
DEFERRED CONTRIBUTIONS							
DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR	\$ 283,443	\$ 77,752	\$ 1,207	\$ 11,479	\$ -	\$ 655,620	\$ 1,029,501
Add:							
Contributions Received					348,001		494,541
Provincial Grants - Ministry of Education	146,540			99,360			99,360
Provincial Grants - Other	145,318	10,711	12,001		500	37,583	206,113
Other						8,851	8,851
Investment Income	145,318	157,251	12,001	99,360	348,501	46,434	808,865
Less:							
Allocated to Revenue	-	119,867	9,712	92,748	274,945	51,369	548,641
DEFERRED CONTRIBUTIONS, END OF YEAR	\$ 428,761	\$ 115,136	\$ 3,496	\$ 18,091	\$ 73,556	\$ 650,685	\$ 1,289,725
REVENUE AND EXPENSE							
REVENUE							
Provincial Grants - Ministry of Education		\$ 119,867		92,748	\$ 274,445		\$ 394,312
Provincial Grants - Other			9,712		500	51,369	61,581
Other Revenue		119,867	9,712	92,748	274,945	51,369	548,641
EXPENSE							
Salaries							
Teachers		14,532					14,532
Educational Assistants		18,125			175,018		193,143
Other Professionals		20,012		67,082	17,071		104,175
Substitutes		9,547					9,547
Employee Benefits		62,216		67,092	192,089		321,397
Services and Supplies		8,712		14,380	54,446		77,538
		48,939	9,712	11,276	28,410	51,369	149,706
		119,867	9,712	92,748	274,945	51,369	548,641
NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS							
INTERFUND TRANSFERS							
NET REVENUE (EXPENSE)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)
 CAPITAL FUND
 CAPITAL ASSETS
 YEAR ENDED JUNE 30, 2011

	SITES	BUILDINGS	FURNITURE AND EQUIPMENT	VEHICLES	COMPUTER SOFTWARE	COMPUTER HARDWARE	TOTAL
COST, BEGINNING OF YEAR	\$ 5,987,977	\$ 115,423,132	\$ 1,363,613	\$ 2,599,369		\$ 112,901	\$ 125,486,992
Changes for the Year							
Increase:							
Purchases from:							
Deferred Contributions - Bylaw		500,000	100,855	283,887			884,742
Deferred Contributions - Other		997,340	32,835				1,030,175
Special Purpose Funds		1,355,655					1,355,655
Local Capital			7,181	72,326		59,632	139,139
Decrease:							
Deemed Disposals		2,852,995	140,871	356,213		59,632	3,409,711
			47,605	240,166		72,902	360,673
			47,605	240,166		72,902	360,673
COST, END OF YEAR	5,987,977	118,276,127	1,456,879	2,715,416		99,631	128,536,030
WORK IN PROGRESS, END OF YEAR							
COST AND WORK IN PROGRESS, END OF YEAR	\$ 5,987,977	\$ 118,276,127	\$ 1,456,879	\$ 2,715,416	\$ -	\$ 99,631	\$ 128,536,030
ACCUMULATED AMORTIZATION, BEGINNING OF YEAR							
Changes for the Year							
Increase: Amortization for the Year	\$ 51,693,475	\$ 457,980	\$ 846,806			\$ 58,322	\$ 53,056,583
Decrease:							
Deemed Disposals	2,337,797	136,361	259,937			22,580	2,756,675
			47,605	240,166		72,902	360,673
			47,605	240,166		72,902	360,673
ACCUMULATED AMORTIZATION, END OF YEAR	\$ -	\$ 54,031,272	\$ 546,736	\$ 866,577	\$ -	\$ 8,000	\$ 55,452,585
CAPITAL ASSETS - NET	\$ 5,987,977	\$ 64,244,855	\$ 910,143	\$ 1,848,839	\$ -	\$ 91,631	\$ 73,083,445

SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)
 CAPITAL FUND
 CAPITAL ASSETS - WORK IN PROGRESS
 YEAR ENDED JUNE 30, 2011

	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, 2011

Schedule C3

	BYLAW CAPITAL	OTHER PROVINCIAL	OTHER CAPITAL	TOTAL CAPITAL
DEFERRED CAPITAL CONTRIBUTIONS, BEGINNING OF YEAR	\$ 59,056,248	\$ 13,035	\$ 628,390	\$ 59,695,673
Changes for the Year				
Increase				
Transferred from Deferred Contributions - Capital Additions	884,742	997,340	32,835	1,914,917
	<u>884,742</u>	<u>997,340</u>	<u>32,835</u>	<u>1,914,917</u>
Decrease				
Amortization of Deferred Capital Contributions	2,445,558	328	68,420	2,514,302
	<u>2,445,558</u>	<u>328</u>	<u>68,420</u>	<u>2,514,302</u>
Net Changes for the Year	<u>(1,560,814)</u>	<u>997,014</u>	<u>(35,585)</u>	<u>(599,385)</u>
DEFERRED CAPITAL CONTRIBUTIONS, END OF YEAR	<u>\$ 57,495,434</u>	<u>\$ 1,010,049</u>	<u>\$ 590,805</u>	<u>\$ 59,096,288</u>
WORK IN PROGRESS, BEGINNING OF YEAR				\$ -
Changes for the Year				
Increase	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Decrease	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes for the Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
WORK IN PROGRESS, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
TOTAL DEFERRED CAPITAL CONTRIBUTIONS, END OF YEAR	<u>\$ 57,495,434</u>	<u>\$ 1,010,049</u>	<u>\$ 590,805</u>	<u>\$ 59,096,288</u>

SCHOOL DISTRICT No. 05 (SOUTHEAST KOOTENAY)

Schedule C4

CAPITAL FUND
CHANGES IN DEFERRED CONTRIBUTIONS
YEAR ENDED JUNE 30, 2011

	BYLAW CAPITAL	MINISTRY OF EDUCATION RESTRICTED CAPITAL	OTHER PROVINCIAL CAPITAL	LAND CAPITAL	OTHER CAPITAL	TOTAL
\$	16,724	\$ 2,525,086	\$	\$	\$	2,541,810
	942,000					942,000
					12,500	12,500
					20,335	20,335
		35,801				35,801
	942,000	35,801	-	-	32,835	1,010,636
	884,742	997,340			32,835	1,914,917
	884,742	997,340			32,835	1,914,917
	57,258	(961,539)			-	(904,281)
\$	73,982	\$ 1,563,547	\$	\$	\$	1,637,529

BALANCE, BEGINNING OF YEAR

Changes for the Year

- Increase:
 - Provincial Grants - Ministry of Education
 - Provincial Grants - Other
 - Other
 - Investment Income
- Decrease:
 - Transferred to DCC - Capital Additions

Net Changes for the Year

BALANCE, END OF YEAR

**CAPITAL FUND
CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2011**

	INVESTED IN CAPITAL ASSETS	LOCAL CAPITAL	FUND BALANCE
BALANCE, BEGINNING OF YEAR	\$ 12,734,736	\$ 1,509,817	\$ 14,244,553
Changes for the Year			
Investment Income		21,868	21,868
Amortization of Deferred Capital Contributions	2,514,302		2,514,302
Capital Assets Purchased from Local Capital	139,139	(139,139)	-
Interfund Transfers - Capital Assets Purchased	1,355,655		1,355,655
Interfund Transfers - Local Capital		100,000	100,000
Amortization of Capital Assets	(2,756,675)		(2,756,675)
Repayment of MBSS Sports Bus		8,000	8,000
Net Changes for the Year	<u>1,252,421</u>	<u>(9,271)</u>	<u>1,243,150</u>
BALANCE, END OF YEAR	<u>\$ 13,987,157</u>	<u>\$ 1,500,546</u>	<u>\$ 15,487,703</u>