

School District No. 67
(Okanagan Skaha)
Financial Statements
For the year ended June 30, 2010

SCHOOL DISTRICT AUDITED FINANCIAL STATEMENTS FISCAL YEAR 2009/2010

SCHOOL DISTRICT NUMBER 67	NAME OF SCHOOL DISTRICT Okanagan Skaha	YEAR 2009/2010
OFFICE LOCATION 425 Jermyn Avenue		TELEPHONE NUMBER (250) 770-7700
CITY/PROVINCE Penticton, BC		POSTAL CODE V2A 1Z4
WEBSITE ADDRESS http://www.sd67.bc.ca		
NAME OF SUPERINTENDENT Wendy Hyer		NAME OF SECRETARY-TREASURER Ron Shongrunden

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. 67 (Okanagan Skaha) ("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.


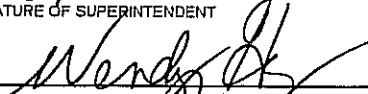

External Auditors

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. 67 (Okanagan Skaha) for the year ended June 30, 2010.

SIGNATURE OF CHAIRPERSON OF THE BOARD OF EDUCATION 	DATE SIGNED Sept 27/10
SIGNATURE OF SUPERINTENDENT 	DATE SIGNED Sept 16/10
SIGNATURE OF SECRETARY-TREASURER 	DATE SIGNED Sept 16/10

SCHOOL DISTRICT No. 67 (OKANAGAN SKAHA)
2009/2010 AUDITED FINANCIAL STATEMENTS

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Auditors' Report

To the Chairperson and Board of Education
School District No. 67 (Okanagan Skaha)

We have audited the statement of financial position of School District No. 67 (Okanagan Skaha) as at June 30, 2010 and the statement of revenue and expense, statement of changes in fund balances, and cash flows for year then ended. These financial statements are the responsibility of the School District No. 67 (Okanagan Skaha)'s management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether these financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the School District No. 67 (Okanagan Skaha) as at June 30, 2010 and the results of its operations and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

BDO CANADA LLP

Chartered Accountants

Penticton, British Columbia
August 20, 2010

SCHOOL DISTRICT No. 67 (OKANAGAN SKAHA)
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2010

Statement 1

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2010	TOTAL 2009
ASSETS					
Current Assets					
Cash and Cash Equivalents	\$ 4,441,370	\$ 969,807	\$ 1,902,530	\$ 7,313,707	\$ 5,587,912
Short Term Investments	4,000,000			4,000,000	
Accounts Receivable					
Due from Province - Ministry of Education	45,050			45,050	45,927
Due from LEA/Direct Funding	111,531			111,531	118,734
Other Receivables	342,832			342,832	412,113
Interfund Loans		627,925	226,257		
Prepaid Expenses	20,072			20,072	12,407
	8,960,855	1,597,732	2,128,787	11,833,192	6,177,093
Investments				-	4,000,000
Capital Assets - Net			95,124,703	95,124,703	93,259,933
TOTAL ASSETS	\$ 8,960,855	\$ 1,597,732	\$ 97,253,490	\$ 106,957,895	\$ 103,437,026
LIABILITIES AND FUND BALANCES					
Current Liabilities					
Accounts Payable and Accrued Liabilities					
Due to Province - Other	11,917			11,917	11,939
Other	2,144,350		306,899	2,451,249	2,345,610
Interfund Loans	854,182				
Other Current Liabilities	1,990,967			1,990,967	2,186,562
	5,001,416	-	306,899	4,454,133	4,544,111
Deferred Revenue	76,080			76,080	94,598
Deferred Contributions					
Ministry of Education		627,925	(49,102)	578,823	(177,282)
Other		969,807	(171)	969,636	1,012,213
Accrued Employee Future Benefits	2,455,480			2,455,480	2,499,759
Deferred Capital Contributions			83,065,060	83,065,060	81,073,094
TOTAL LIABILITIES	7,532,976	1,597,732	83,322,686	91,599,212	89,046,493
Fund Balances					
Invested in Capital Assets			12,059,644	12,059,644	12,186,840
Internally Restricted	1,426,586		1,871,160	3,297,746	2,202,950
Unrestricted	1,293			1,293	743
TOTAL FUND BALANCES	1,427,879	-	13,930,804	15,358,683	14,390,533
TOTAL LIABILITIES AND FUND BALANCES	\$ 8,960,855	\$ 1,597,732	\$ 97,253,490	\$ 106,957,895	\$ 103,437,026

**SCHOOL DISTRICT No. 67 (OKANAGAN SKAHA)
STATEMENT OF REVENUE AND EXPENSE
YEAR ENDED JUNE 30, 2010**

Statement 2

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2010	TOTAL 2009
REVENUE					
Provincial Grants - Ministry of Education	\$ 54,590,005	\$ 1,604,822		\$ 56,194,827	\$ 56,375,006
Provincial Grants - Other	300,915			300,915	42,445
Other Revenue	2,072,500	2,501,597	218,850	4,792,947	4,871,068
Rentals and Leases	168,467			168,467	317,952
Investment Income	104,369	12,141	8,328	124,838	238,868
Amortization of Deferred Capital Contributions			2,612,874	2,612,874	1,969,875
	<u>57,236,256</u>	<u>4,118,560</u>	<u>2,840,052</u>	<u>64,194,868</u>	<u>63,815,214</u>
EXPENSE					
Salaries					
Teachers	24,850,574			24,850,574	25,209,727
Principals and Vice Principals	3,465,790			3,465,790	3,763,915
Educational Assistants	3,249,008	134,831		3,383,839	3,237,920
Support Staff	4,802,978			4,802,978	5,001,311
Other Professionals	1,637,108			1,637,108	1,396,113
Substitutes	1,453,711			1,453,711	1,578,985
	<u>39,459,169</u>	<u>134,831</u>	<u>-</u>	<u>39,594,000</u>	<u>40,187,971</u>
Employee Benefits	8,984,392			8,984,392	8,858,229
Services and Supplies	7,823,642	3,983,729	46,439	11,853,810	12,906,624
Amortization of Capital Assets			2,794,516	2,794,516	2,200,288
	<u>56,267,203</u>	<u>4,118,560</u>	<u>2,840,955</u>	<u>63,226,718</u>	<u>64,153,112</u>
NET REVENUE (EXPENSE)	<u>\$ 969,053</u>	<u>\$ -</u>	<u>\$ (903)</u>	<u>\$ 968,150</u>	<u>\$ (337,898)</u>

**SCHOOL DISTRICT No. 67 (OKANAGAN SKAHA)
STATEMENT OF CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2010**

Statement 3

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2010	TOTAL 2009
FUND BALANCES, BEGINNING OF YEAR	\$ 513,272		\$ 13,877,261	\$ 14,390,533	\$ 14,728,431
Changes for the Year					
Net Revenue (Expense) for the Year	969,053		(903)	968,150	(337,898)
Interfund Transfers					
Capital Assets Purchased	(54,446)		54,446	-	
Net Changes for the Year	<u>914,607</u>	-	<u>53,543</u>	<u>968,150</u>	<u>(337,898)</u>
FUND BALANCES, END OF YEAR	<u>\$ 1,427,879</u>	<u>\$ -</u>	<u>\$ 13,930,804</u>	<u>\$ 15,358,683</u>	<u>\$ 14,390,533</u>

**SCHOOL DISTRICT No. 67 (OKANAGAN SKAHA)
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2010**

Statement 4.1

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2010	TOTAL 2009
CASH PROVIDED BY (USED FOR) OPERATIONS					
Net Revenue (Expense) for the Year	\$ 969,053		\$ (903)	\$ 968,150	\$ (337,898)
Changes In Non-Cash Working Capital					
Decrease (Increase)					
Short Term Investments	(4,000,000)			(4,000,000)	
Accounts Receivable	77,362			77,362	294,935
Interfund Loans	536,627	799,374	(1,336,001)	-	
Prepaid Expenses	(7,665)			(7,665)	3,808
Increase (Decrease)					
Accounts Payable/Accrued Liabilities	447,027		(341,410)	105,617	(3,583,161)
Other Current Liabilities	(195,595)			(195,595)	(18,861)
Deferred Revenue	(18,518)			(18,518)	(118,160)
Deferred Contributions		(841,780)		(841,780)	(688,263)
Accrued Employee Future Benefits	(44,280)			(44,280)	208,876
Items Not Involving Cash					
Amortization of Capital Assets			2,794,516	2,794,516	2,200,288
Amortization of Deferred Capital Contributions			(2,612,874)	(2,612,874)	(1,969,875)
Interfund Transfers	(54,446)		54,446	-	
	<u>(2,290,435)</u>	<u>(42,406)</u>	<u>(1,442,226)</u>	<u>(3,775,067)</u>	<u>(4,008,311)</u>
FINANCING					
Deferred Contributions Received - Capital			6,160,148	6,160,148	7,532,526
	-	-	<u>6,160,148</u>	<u>6,160,148</u>	<u>7,532,526</u>
INVESTING					
Capital Assets Purchased - Operating			(54,446)	(54,446)	(46,561)
Capital Assets Purchased - Deferred Contributions - Capital			(4,604,840)	(4,604,840)	(109,000)
Transfer to DCC - Work in Progress				-	(8,190,642)
Asset Retirement Obligation				-	(758,322)
2 yr GIC Certificate	4,000,000			4,000,000	(4,000,000)
	<u>4,000,000</u>	<u>-</u>	<u>(4,659,286)</u>	<u>(659,286)</u>	<u>(13,104,525)</u>
NET INCREASE (DECREASE) IN CASH	<u>\$ 1,709,565</u>	<u>\$ (42,406)</u>	<u>\$ 58,636</u>	<u>\$ 1,725,795</u>	<u>\$ (9,580,310)</u>

SCHOOL DISTRICT No. 67 (OKANAGAN SKAHA)
 STATEMENT OF CASH FLOWS
 YEAR ENDED JUNE 30, 2010

Statement 4.2

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2010	TOTAL 2009
NET INCREASE (DECREASE) IN CASH	\$ 1,709,565	\$ (42,406)	\$ 58,636	\$ 1,725,795	\$ (9,580,310)
Net Cash, Beginning of Year	2,731,805	1,012,213	1,843,894	5,587,912	15,168,222
NET CASH, END OF YEAR	<u>\$ 4,441,370</u>	<u>\$ 969,807</u>	<u>\$ 1,902,530</u>	<u>\$ 7,313,707</u>	<u>\$ 5,587,912</u>
Cash	\$ 4,441,370	\$ 969,807	\$ 1,902,530	\$ 7,313,707	\$ 5,587,912
NET CASH, END OF YEAR	<u>\$ 4,441,370</u>	<u>\$ 969,807</u>	<u>\$ 1,902,530</u>	<u>\$ 7,313,707</u>	<u>\$ 5,587,912</u>

**SCHOOL DISTRICT 67 (OKANAGAN SKAHA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2010**

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. 67 (Okanagan Skaha)" and operates as "School District No. 67 (Okanagan Skaha)." 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 except as disclosed as a change in accounting policy.

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 balance 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.
 - Funds collected and used at the school level (i.e. school-generated funds).
- 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 two years or less when purchased.

SCHOOL DISTRICT 67 (OKANAGAN SKAHA)

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2010

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

(c) Short Term Investments

Short term investments include securities with terms to maturity of greater than three months and less than one year. Investments include a \$4,000,000, 2 year 2 day term, non-redeemable Guaranteed Investment Certificate issued by the Royal Bank of Canada on April 23, 2009. The interest rate is 2.0000% per annum with a maturity date of April 25, 2011.

(d) Accounts Receivable

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

(e) Prepaid Expenses

Prepaid expenses include such items as prepaid taxes, and contracted services.

(f) 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. Current year additions and disposals are not included in the calculation of amortization. Estimated useful life is as follows:

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

(g) 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.

SCHOOL DISTRICT 67 (OKANAGAN SKAHA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2010

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

- 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.

(h) 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, 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.

(i) Financial Instruments

The School District complies with CICA Handbook Section 3861 "Financial Instruments – Disclosure and Presentation", for the presentation and disclosure of financial instruments and non-financial derivatives.

Financial instruments consist of cash and cash equivalents, accounts receivable, investments, accounts payable, accrued liabilities, and other current liabilities. Unless otherwise noted, it is management's opinion that the School District is not exposed to significant interest, currency or credit risks arising from its financial instruments. The fair value of its instruments approximate their carrying values, unless otherwise noted due to their short-term nature and/or market rates of interest.

SCHOOL DISTRICT 67 (OKANAGAN SKAHA)

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2010

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

Held for Trading

Cash and cash equivalents are designated as "held-for-trading" and are measured at carrying value with any period change in fair value being recorded through net income. This measurement has been chosen as it approximates fair value due to the short-term nature of these instruments.

Held to Maturity

Investments are classified as "held-to-maturity" and are measured at amortized cost using the effective interest rate method. Interest income is recorded in net income, as applicable.

Loans and Receivables

The School District has classified accounts receivable as loans and receivables. These financial instruments are non-derivative financial assets resulting 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 are initially recognized at fair value and are subsequently measured at the amortized cost using the effective interest rate method. Gains and losses arising from changes in fair value are recognized as incurred.

Other Financial Liabilities

The School District has classified accounts payable and accrued liabilities and other current liabilities as other financial liabilities. These financial instruments are initially recognized at fair value and are subsequently measured at the amortized cost using the effective interest rate method. Gains and losses arising from changes in fair value or recognized as incurred.

Measuring Fair Value

The fair value of a financial instrument is the amount of consideration that would be agreed upon in an arm's-length transaction between knowledgeable, willing parties who are under no compulsion to act. Fair values are determined by reference to quoted bid or asking prices as appropriate, in the most advantageous active market for that instrument to which the School District has immediate access.

Fair values determined using valuation models require the use of assumptions concerning the amount and timing of estimated future cash flows and discounted rates. In determining those assumptions, external readily observable market inputs including interest rate yield curves, currency rates and price and rate volatilities are considered, as applicable.

**SCHOOL DISTRICT 67 (OKANAGAN SKAHA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2010**

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

(j) 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.

(k) Employee Future Benefits

The School District provides certain post-employment benefits including vacation pay and retirement allowance 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 9.2 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.

NOTE 3 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	2010	2009
Due from Federal Government	\$ 100,965	\$ 162,333
Due from Schools and Other School Districts	24,316	51,711
Due from Others	217,551	198,069
	<u>\$ 342,832</u>	<u>\$ 412,113</u>

SCHOOL DISTRICT 67 (OKANAGAN SKAHA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2010

NOTE 4 CAPITAL ASSETS

	2010		2009	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Sites	\$ 8,118,186	\$ 0	\$ 8,118,186	\$ 8,118,186
Buildings	126,012,217	39,994,560	86,017,657	83,921,189
Furniture & Equipment	1,683,480	1,214,326	469,154	685,198
Vehicles	755,457	235,752	519,705	535,360
	<u>\$136,569,340</u>	<u>\$ 41,444,638</u>	<u>\$ 95,124,702</u>	<u>\$ 93,259,933</u>

NOTE 5 EMPLOYEE FUTURE BENEFITS

The School District accrues its obligations and related costs under employee future benefit plans. Employee future benefits include benefits that may be paid to employees retiring or terminating. The estimated liability for these benefits is determined by an actuarial study conducted by Mercer Human Resource Consulting. For the purposes of determining the financial position of the plans and the employee future benefit costs, a measurement date of March 31 has been adopted for all periods subsequent to July 1, 2004. The amount of employee future benefits, \$2,455,480, has been fully accrued in the financial statements.

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

Fiscal Year	2010	2009
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	2,248,038	2,311,711
Service Cost	158,753	173,392
Interest Cost	160,874	131,799
Benefit Payments	(355,608)	(106,289)
Actuarial (Gain)/Loss	32,439	(262,575)
Accrued Benefit Obligation – March 31	<u>2,244,496</u>	<u>2,248,038</u>

**SCHOOL DISTRICT 67 (OKANAGAN SKAHA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2010**

NOTE 5 EMPLOYEE FUTURE BENEFITS (Continued)

	2010	2009
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation - March 31	2,244,496	2,248,038
Market Value of Plan Assets - March 31	0	0
Funded Status - Deficit	(2,244,496)	(2,248,038)
Employer Contributions After Measurement Date	28,547	26,295
Unamortized Net Actuarial (Gain)	(239,531)	(278,017)
Accrued Benefit Asset - June 30	(2,455,480)	(2,499,760)
 Components of Net Benefit Expense		
Service Cost	158,753	173,392
Interest Cost	160,874	131,799
Amortization of Net Actuarial (Gain)	(6,047)	0
Net Benefit Expense	313,580	305,191

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

Fiscal Year	2010	2009
Assumptions		
Discount Rate - April 1	7.00%	5.50%
Discount Rate - March 31	5.00%	7.00%
Long Term Salary Growth - April 1	3.25% + seniority	3.25% + seniority
Long Term Salary Growth - March 31	2.50% + seniority	3.25% + seniority
EARSL - March 31	9.2	8.8

NOTE 6 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 48,000 active members from school districts, and approximately 27,000 retired members from school districts. The Municipal Pension Plan has about 158,000 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' Pension Plan as at December 31, 2008 indicated a \$291 million unfunded liability for basic pension benefits.

**SCHOOL DISTRICT 67 (OKANAGAN SKAHA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2010**

NOTE 6 EMPLOYEE PENSION PLANS (continued)

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, 2006 indicated surplus of \$438 million for basic pension benefits. The next valuation will be as at December 31, 2009 with results available in 2010. The actuary does not attribute portions of the unfunded liability to individual employers. The School District No. 67 (Okanagan Skaha) paid \$4,606,940 for employer contributions to these plans in the year ended June 30, 2010.

NOTE 7 OPERATING FUND BALANCE, END OF YEAR

Internally Restricted (appropriated) by Board for:		
Decentralized school budget surpluses	\$ 430,487	
District budget surpluses		
School flex funds	35,798	
Literacy initiatives	58,428	
Aboriginal education	62,163	
Special education	101,025	
Other	40,522	
Budgeted surplus	698,163	
Subtotal Internally Restricted	1,426,586	
Unrestricted Operating Surplus		1,293
Total Available for Future Operations		<u>\$ 1,427,879</u>

NOTE 8 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, 2010, transfers were as follows:

- Capital Assets Purchase transferred from operating \$54,446

NOTE 9 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 10 BUDGET FIGURES

Budget figures included in the financial statements are not audited. They were approved by the Board through the adoption of an amended annual budget on February 09, 2010.

NOTE 11 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

SCHOOL DISTRICT 67 (OKANAGAN SKAHA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2010

NOTE 11 ECONOMIC DEPENDENCE (continued)

statements have been prepared in accordance with Canadian GAAP for not-for-profit organizations. This contemplates continuation of the School District as a "going concern".

NOTE 12 ASSET RETIREMENT OBLIGATIONS

The School District has signed a capital project agreement for an amount of \$44,341,947 for new construction at Penticton Secondary School. At June 30, 2010, construction valued at \$41,763,482 has been completed. The balance of construction is planned for completion by July 2012. In the process of constructing the new school facility, the School District has the responsibility for the demolition of school buildings and the removal of any hazardous materials found as a result of this demolition. On July 24, 2008 the School District awarded a tender for the removal of hazardous materials and building demolition for a value of \$758,322. This amount has been capitalized on the financial statements for June 30, 2009.

NOTE 13 COMPARITIVE FIGURES

The following prior year's figures have been reclassified to conform with the current year's presentation:

- 2009 Due from LEA/Direct funding reclassified from Other Receivables (Statement 1)
- 2009 Estimated Funding Recalculation reclassified to Operating Grants, MOE (Sch A2)

NOTE 14 DEFERRED CAPITAL REVENUE – PROVINCE OF BC

Funds advanced by the Province for approved capital projects are recorded by the School District as Deferred Capital Contributions – Province of BC. Amortization is recognized by the School District over the expected useful life of the capital asset and is recorded through investment in Capital Assets.

Amortization will begin the year after the capital asset addition and will be calculated on a straight line basis as follows:

DCC – Buildings	40 years
DCC – Furniture and Equipment	10 years
DCC – Vehicles	10 years

NOTE 15 CAPITAL DISCLOSURES

School District No. 67 (Okanagan Skaha) objectives when managing capital are to safeguard the School District's ability to carry on as a going concern so the School District can continue to provide its students and stakeholders with the best possible learning environment, to ensure capital projects are implemented for the benefit of the students, and staff and to make certain the Board mitigates any potential liability from safety concerns.

SCHOOL DISTRICT 67 (OKANAGAN SKAHA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2010

NOTE 15 CAPITAL DISCLOSURES (continued)

The management of the School District establishes an annual Capital Plan and an Annual Facilities Grant (AFG) plan that is presented to the Board and the Ministry of Education for approval. All projects are prioritized to address the most pressing needs of the School district's facilities.

A Local Capital Reserve is also available to support capital projects and is funded from operating surpluses, when available.

The Board ensures that there is adequate cash flow to complete the capital projects based on the priority list above. The Board manages the capital project structure and makes adjustments to it in light of changes in economic conditions and the availability of cash flow from operations.

NOTE 16 SUPPLEMENTARY INFORMATION - STATEMENT OF CASH FLOWS

Non-cash working capital items consist of the following:
 June 30, 2010

	<u>2010</u>	<u>2009</u>
Accounts receivable	499,413	576,744
Prepaid expenses	20,072	12,407
Accounts payable and accrued liabilities	4,454,133	4,544,111
Deferred revenue	1,624,539	929,529



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102 - 100 Front Street
Penticton BC V2A 1H1 Canada

AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

To the Chairperson and Board of Trustees
School District No. 67 (Okanagan Skaha)

We have audited and reported separately on the consolidated financial statements of School District No. 67 (Okanagan Skaha) as at and for the year ended June 30, 2010 in accordance with Canadian generally accepted auditing standards.

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole in accordance with Canadian generally accepted accounting principles. The supplementary information included in the following Exhibits and Schedules for the year ended June 30, 2010 is presented for purposes of additional information and is not a required part of the consolidated financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the consolidated financial statements taken as a whole.

BDO CANADA LLP
Chartered Accountants

Penticton, British Columbia
August 20, 2010

SCHOOL DISTRICT No. 67 (OKANAGAN SKAHA)
OPERATING FUND
SURPLUS (DEFICIT)
YEAR ENDED JUNE 30, 2010

Schedule A1

	2010	2010	2009
	ACTUAL	AMENDED ANNUAL BUDGET	ACTUAL
REVENUE			
Provincial Grants - Ministry of Education	\$ 54,590,005	\$ 54,448,269	\$ 54,733,976
Provincial Grants - Other	300,915	300,916	42,445
Other Revenue	2,072,500	2,133,906	1,975,215
Rentals and Leases	168,467	150,000	317,952
Investment Income	104,369	100,000	201,720
	<u>57,236,256</u>	<u>57,133,091</u>	<u>57,271,308</u>
EXPENSE			
Salaries			
Teachers	24,850,574	24,857,215	25,209,727
Principals and Vice Principals	3,465,790	3,457,300	3,763,915
Educational Assistants	3,249,008	3,387,500	3,237,920
Support Staff	4,802,978	5,158,300	5,001,311
Other Professionals	1,637,108	1,658,900	1,396,113
Substitutes	1,453,711	1,579,023	1,578,985
	<u>39,459,169</u>	<u>40,098,238</u>	<u>40,187,971</u>
Employee Benefits	8,984,392	9,156,600	8,858,229
Services and Supplies	7,823,642	7,692,371	8,456,642
	<u>56,267,203</u>	<u>56,947,209</u>	<u>57,502,842</u>
NET REVENUE (EXPENSE), FOR THE YEAR	969,053	185,882	(231,534)
INTERFUND TRANSFERS			
Capital Assets Purchased	(54,446)		(46,561)
OTHER ADJUSTMENTS TO OPERATING FUND BALANCE			
BUDGETED ALLOCATION (RETIREMENT) OF SURPLUS (DEFICIT)		512,281	
SURPLUS (DEFICIT), FOR THE YEAR	<u>914,607</u>	<u>\$ 698,163</u>	<u>(278,095)</u>
SURPLUS (DEFICIT), BEGINNING OF YEAR	513,272		791,367
SURPLUS (DEFICIT), END OF YEAR			
(Section 156 (12) of School Act)	<u>\$ 1,427,879</u>		<u>\$ 513,272</u>
SURPLUS (DEFICIT), END OF YEAR			
Internally Restricted	1,426,586		
Unrestricted	1,293		
	<u>\$ 1,427,879</u>		

SCHOOL DISTRICT No. 67 (OKANAGAN SKAHA)
OPERATING FUND
COMPARATIVE SCHEDULE OF REVENUE BY SOURCE
YEAR ENDED JUNE 30, 2010

Schedule A2

	2010	2010	2009
	ACTUAL	AMENDED ANNUAL BUDGET	ACTUAL
PROVINCIAL GRANTS - MINISTRY OF EDUCATION			
Operating Grant, Ministry of Education	\$ 54,812,361	\$ 54,812,012	\$ 54,481,149
INAC/LEA Recovery	(1,115,313)	(1,187,340)	(1,187,340)
Other Ministry of Education Grants			
Pay Equity Grant	441,194	441,194	441,194
Carbon Tax Rebate	24,988		
Ready Set Learn	26,950	26,950	27,500
Community Link	125,137	125,137	378,293
Exempt Staff Labour Market Adjustment			379,978
Literacy Innovation			56,007
FSA Scorer/Spec Ed/Training	13,769		11,400
Other (Education Guarantee)	44,393		2,584
BCeSIS Implementation Grant	67,410	67,400	
Foundation Skills Assessment		13,800	
OLEP Federal French Programs	149,116	149,116	143,211
	<u>54,590,005</u>	<u>54,448,269</u>	<u>54,733,976</u>
PROVINCIAL GRANTS - OTHER	<u>300,915</u>	<u>300,916</u>	<u>42,445</u>
FEDERAL GRANTS			
OTHER REVENUE			
Other School District/Education Authorities	228,276	225,000	171,357
Summer School Fees			90
Offshore Tuition Fees	360,194	360,000	509,759
LEA/Direct Funding from First Nations	1,115,313	1,187,340	1,187,340
Miscellaneous			
BCPSEA Trades Adjustment	111,566	111,566	99,158
Technology Revenue	250,000	250,000	
Other	7,151		7,511
	<u>2,072,500</u>	<u>2,133,906</u>	<u>1,975,215</u>
RENTALS AND LEASES	<u>168,467</u>	<u>150,000</u>	<u>317,952</u>
INVESTMENT INCOME	<u>104,369</u>	<u>100,000</u>	<u>201,720</u>
TOTAL OPERATING REVENUE	<u>\$ 57,236,256</u>	<u>\$ 57,133,091</u>	<u>\$ 57,271,308</u>

SCHOOL DISTRICT No. 67 (OKANAGAN SKAHA)
 OPERATING FUND
 COMPARATIVE SCHEDULE OF EXPENSE BY OBJECT
 YEAR ENDED JUNE 30, 2010

Schedule A3

	2010		
	2010 ACTUAL	AMENDED ANNUAL BUDGET	2009 ACTUAL
SALARIES			
Teachers	\$ 24,850,574	\$ 24,857,215	\$ 25,209,727
Principals and Vice Principals	3,465,790	3,457,300	3,763,915
Educational Assistants	3,249,008	3,387,500	3,237,920
Support Staff	4,802,978	5,158,300	5,001,311
Other Professionals	1,637,108	1,658,900	1,396,113
Substitutes	1,453,711	1,579,023	1,578,985
	<u>39,459,169</u>	<u>40,098,238</u>	<u>40,187,971</u>
EMPLOYEE BENEFITS	<u>8,984,392</u>	<u>9,156,600</u>	<u>8,858,229</u>
TOTAL SALARIES AND BENEFITS	<u>48,443,561</u>	<u>49,254,838</u>	<u>49,046,200</u>
SERVICES AND SUPPLIES			
Services	1,367,221	1,529,335	1,517,551
Student Transportation	672,012	720,001	709,822
Professional Development and Travel	299,564	381,630	464,388
Rentals and Leases	892	5,500	
Dues and Fees	28,547	29,600	22,026
Insurance	120,839	135,600	120,834
Supplies	3,782,046	3,366,370	4,024,765
Utilities	1,552,521	1,524,335	1,597,256
TOTAL SERVICES AND SUPPLIES	<u>7,823,642</u>	<u>7,692,371</u>	<u>8,456,642</u>
TOTAL OPERATING EXPENSE	<u>\$ 56,267,203</u>	<u>\$ 56,947,209</u>	<u>\$ 57,502,842</u>

**SCHOOL DISTRICT No. 67 (OKANAGAN SKAHA)
OPERATING FUND
EXPENSE BY FUNCTION, PROGRAM AND OBJECT
YEAR ENDED JUNE 30, 2010**

	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	\$ 19,055,324	\$ 1,097,917	\$ 66,831	\$ 522,150	\$ 128,972	\$ 904,078	\$ 21,775,272
1.03 Career Programs	141,529		362			10,456	152,347
1.07 Library Services	720,305	34,877		235,505		43,072	1,033,760
1.08 Counselling	634,108					33,970	668,078
1.10 Special Education	3,495,724	(3,318)	3,047,926	8,908	404,458	328,342	7,283,040
1.30 English as a Second Language	151,502					6,170	157,672
1.31 Aboriginal Education	244,554	104,534	133,889			18,818	501,793
1.41 School Administration		2,198,966		949,446	33,447	46,075	3,227,934
1.60 Summer School						31,306	31,306
1.62 Off Shore Students	127,312			43,579		5,185	132,497
1.64 Other				4,956		1,859	45,438
1.65 Conseil Scolaire Francophone	79,216	32,803				3,226	120,201
Total Function 1	24,850,574	3,465,779	3,249,008	1,764,545	566,877	1,432,555	35,329,338
4 DISTRICT ADMINISTRATION							
4.11 Educational Administration		11		9,109	187,517	422	197,059
4.40 School District Governance					77,340		77,340
4.41 Business Administration				197,304	493,880	9,783	700,767
Total Function 4	-	11	-	206,413	758,537	10,205	975,166
5 OPERATIONS AND MAINTENANCE							
5.41 Operations and Maintenance Administration				38,628	228,776		267,404
5.50 Maintenance Operations				2,282,550	54,682	10,951	2,348,153
5.52 Maintenance of Grounds				377,161			377,161
Total Function 5	-	-	-	2,698,309	283,458	10,951	2,992,718
7 TRANSPORTATION AND HOUSING							
7.41 Transportation and Housing Administration					28,236		28,236
7.70 Student Transportation				133,711			133,711
Total Function 7	-	-	-	133,711	28,236	-	161,947
9 DEBT SERVICES (OPERATING)							
Total Function 9	-	-	-	-	-	-	-
TOTAL FUNCTIONS 1 - 9	\$ 24,850,574	\$ 3,465,790	\$ 3,249,008	\$ 4,802,978	\$ 1,637,108	\$ 1,453,711	\$ 39,459,169

SCHOOL DISTRICT No. 67 (OKANAGAN SKAHA)
 OPERATING FUND
 EXPENSE BY FUNCTION, PROGRAM AND OBJECT
 YEAR ENDED JUNE 30, 2010

	TOTAL SALARIES	EMPLOYEE BENEFITS	TOTAL SALARIES AND BENEFITS	SERVICES AND SUPPLIES	2010 ACTUAL	2010 AMENDED ANNUAL BUDGET	2009 ACTUAL
1 INSTRUCTION							
1.02 Regular Instruction	\$ 21,775,272	\$ 4,824,221	\$ 26,599,493	\$ 2,663,385	\$ 29,262,878	\$ 29,109,871	\$ 29,982,600
1.03 Career Programs	152,347	40,866	193,213	107,985	301,018	277,600	269,958
1.07 Library Services	1,033,760	228,452	1,262,212	125,710	1,387,922	1,400,850	1,450,595
1.08 Counselling	888,078	180,974	1,049,052	7,202	1,056,254	1,065,320	1,088,553
1.10 Special Education	7,293,040	1,693,466	8,976,506	503,812	9,480,318	10,107,971	9,722,364
1.30 English as a Second Language	157,672	32,871	190,543	1,793	192,336	195,032	189,093
1.31 Aboriginal Education	501,793	111,828	613,621	16,724	632,345	653,006	643,282
1.41 School Administration	3,227,934	739,651	3,967,585	144,578	4,112,163	4,089,392	4,089,392
1.60 Summer School	31,306	5,852	37,158	1,147	38,305	24,600	30,120
1.62 Off Shore Students	132,487	27,953	160,450	13,927	174,377	260,200	241,032
1.64 Other	45,438	14,244	59,682	56,844	118,526	87,992	121,660
1.65 Conseil Scolaire Francophone	120,201	25,597	145,798		145,798	136,500	128,692
Total Function 1	35,329,338	7,925,795	43,255,133	3,647,107	46,902,240	47,491,974	47,977,341
4 DISTRICT ADMINISTRATION							
4.11 Educational Administration	197,059	39,718	236,777	54,867	291,644	291,500	297,669
4.40 School District Governance	77,340	960	78,300	76,888	157,188	158,400	207,828
4.41 Business Administration	700,767	147,982	848,749	242,615	1,091,364	1,176,200	1,211,542
Total Function 4	975,166	188,660	1,163,826	376,370	1,540,196	1,628,100	1,717,037
5 OPERATIONS AND MAINTENANCE							
5.41 Operations and Maintenance Administration	267,404	54,884	322,288	106,959	431,247	497,500	451,905
5.50 Maintenance Operations	2,348,153	694,390	3,042,543	1,240,167	4,282,710	4,243,700	4,196,946
5.52 Maintenance of Grounds	377,161	78,525	455,686	167,823	623,509	566,000	593,146
5.56 Utilities	-	-	-	1,552,521	1,552,521	1,524,335	1,597,256
Total Function 5	2,992,718	827,799	3,820,517	3,069,470	6,889,987	6,831,535	6,839,253
7 TRANSPORTATION AND HOUSING							
7.41 Transportation and Housing Administration	28,236	4,420	32,656	23,051	55,707	49,900	50,318
7.70 Student Transportation	133,711	37,718	171,429	707,644	879,073	945,700	918,893
Total Function 7	161,947	42,138	204,085	730,695	934,780	995,600	969,211
9 DEBT SERVICES (OPERATING)							
Total Function 9	-	-	-	-	-	-	-
TOTAL FUNCTIONS 1 - 9	\$ 39,459,169	\$ 8,984,392	\$ 48,443,561	\$ 7,823,642	\$ 56,267,203	\$ 56,947,209	\$ 57,502,842

SCHOOL DISTRICT No. 67 (OKANAGAN SKAHA)
OPERATING FUND
CHANGES IN DEFERRED CONTRIBUTIONS
YEAR ENDED JUNE 30, 2010

BALANCE, BEGINNING OF YEAR

Changes for the Year

Increase:

Decrease:

Net Changes for the Year

BALANCE, END OF YEAR

	-
	-
	-
	-
	-
	\$ -

SCHOOL DISTRICT No. 67 (OKANAGAN SKAHA)
 SPECIAL PURPOSE FUNDS
 SUMMARY OF CHANGES
 YEAR ENDED JUNE 30, 2010

	MINISTRY OF EDUCATION DESIGNATED	OTHER	SCHOOL GENERATED FUNDS	RELATED ENTITIES	TOTAL
DEFERRED CONTRIBUTIONS					
DEFERRED CONTRIBUTIONS, BEGINNINGS OF YEAR	\$ 1,291,346	\$ 135,953	\$ 1,012,213	\$ -	\$ 2,439,512
Add: Contributions Received					
Provincial Grants - Ministry of Education	650,147	146,500	2,459,191	-	804,647
Other	1,000	-	5,154	-	2,459,191
Investment Income	7,789	-	2,463,345	-	12,942
	666,935	146,500	-	-	3,276,780
Less: Allocated to Revenue	1,443,900	168,909	2,505,751	-	4,118,560
DEFERRED CONTRIBUTIONS, END OF YEAR	\$ 514,381	\$ 113,544	\$ 969,807	\$ -	\$ 1,597,732
REVENUE AND EXPENSE					
REVENUE					
Provincial Grants - Ministry of Education	\$ 1,435,913	\$ 168,909	-	\$ -	\$ 1,604,822
Other Revenue	1,000	-	2,500,597	-	2,501,597
Investment Income	6,987	-	5,154	-	12,141
	1,443,900	168,909	2,505,751	-	4,118,560
EXPENSE					
Salaries					
Educational Assistants		134,831	-	-	134,831
		134,831	-	-	134,831
Services and Supplies	1,443,900	34,078	2,505,751	-	3,983,729
	1,443,900	168,909	2,505,751	-	4,118,560
NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS	-	-	-	-	-
INTERFUND TRANSFERS					
NET REVENUE (EXPENSE)	\$ -	\$ -	\$ -	\$ -	\$ -

SCHOOL DISTRICT No. 67 (OKANAGAN SKAHA)
 SPECIAL PURPOSE FUNDS
 CHANGES IN MINISTRY OF EDUCATION DESIGNATED SPECIAL PURPOSE FUNDS
 YEAR ENDED JUNE 30, 2010

	207 Annual Facility Grant	231 Aboriginal Education Technology	250 Special Education Equipment	TOTAL
DEFERRED CONTRIBUTIONS				
DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR	\$ 1,235,800	\$ 40,499	\$ 15,047	\$ 1,291,346
Add: Contributions Received				
Provincial Grants - Ministry of Education	642,755		15,392	658,147
Other	6,987	801	1,000	1,000
Investment Income	649,742	801	16,392	666,935
Less: Allocated to Revenue	1,432,006	-	11,894	1,443,900
DEFERRED CONTRIBUTIONS, END OF YEAR	\$ 453,538	\$ 41,300	\$ 19,545	\$ 514,381
REVENUE AND EXPENSE				
REVENUE				
Provincial Grants - Ministry of Education	1,425,019		10,894	1,435,913
Other Revenue			1,000	1,000
Investment Income	6,987			6,987
	1,432,006		11,894	1,443,900
EXPENSE				
Salaries				
Services and Supplies	1,432,006		11,894	1,443,900
	1,432,006		11,894	1,443,900
NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS	-	-	-	-
INTERFUND TRANSFERS				
NET REVENUE (EXPENSE)	\$ -	\$ -	\$ -	\$ -

SCHOOL DISTRICT No. 67 (OKANAGAN SKAHA)
 SPECIAL PURPOSE FUNDS
 CHANGES IN OTHER SPECIAL PURPOSE FUNDS
 YEAR ENDED JUNE 30, 2010

Schedule B3

	Read Now	Strong Start	TOTAL
DEFERRED CONTRIBUTIONS			
DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR			
Add: Contributions Received	\$ 136,629	\$ (676)	\$ 135,953
Provincial Grants - Ministry of Education		146,500	146,500
	-	146,500	146,500
Less: Allocated to Revenue	30,864		166,909
DEFERRED CONTRIBUTIONS, END OF YEAR	\$ 105,745	\$ 7,799	\$ 113,544
REVENUE AND EXPENSE			
REVENUE			
Provincial Grants - Ministry of Education	\$ 30,864	\$ 138,025	\$ 168,909
	30,864	138,025	168,909
EXPENSE			
Salaries			
Educational Assistants	26,359	108,472	134,831
	26,359	108,472	134,831
Services and Supplies	4,525	29,553	34,078
	30,884	138,025	168,909
NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS			
INTERFUND TRANSFERS			
NET REVENUE (EXPENSE)	\$ -	\$ -	\$ -

SCHOOL DISTRICT No. 67 (OKANAGAN SKAHA)
 CAPITAL FUND
 CAPITAL ASSETS
 YEAR ENDED JUNE 30, 2010

	SITES	BUILDINGS	FURNITURE AND EQUIPMENT	VEHICLES	COMPUTER SOFTWARE	COMPUTER HARDWARE	TOTAL
COST, BEGINNING OF YEAR	\$ 8,118,186	\$ 111,271,772	\$ 2,162,153	\$ 701,011			\$ 122,253,122
Changes for the Year							
Increase:							
Purchases from:							
Operating Fund	-	-	-	54,446			54,446
Decrease:							
Deemed Disposals	-	-	478,844				478,844
COST, END OF YEAR	8,118,186	111,271,772	1,683,309	755,457			121,828,724
WORK IN PROGRESS, END OF YEAR		14,740,617					14,740,617
COST AND WORK IN PROGRESS, END OF YEAR	\$ 8,118,186	\$ 126,012,389	\$ 1,683,309	\$ 755,457	\$ -	\$ -	\$ 136,569,341
ACCUMULATED AMORTIZATION, BEGINNING OF YEAR							
Changes for the Year							
Increase: Amortization for the Year			1,476,955	165,651			
Decrease:							
Deemed Disposals		2,508,200	216,215	70,101			
ACCUMULATED AMORTIZATION, END OF YEAR			478,844				478,844
CAPITAL ASSETS - NET	\$ 8,118,186	\$ 86,017,829	\$ 468,983	\$ 519,705	\$ -	\$ -	\$ 95,124,703

SCHOOL DISTRICT No. 67 (OKANAGAN SKAHA)
 CAPITAL FUND
 CAPITAL ASSETS - WORK IN PROGRESS
 YEAR ENDED JUNE 30, 2010

	BUILDINGS	FURNITURE AND EQUIPMENT	COMPUTER SOFTWARE	COMPUTER HARDWARE	TOTAL
WORK IN PROGRESS, BEGINNING OF YEAR	\$ 10,135,777				\$ 10,135,777
Changes for the Year					
Increase					
Deferred Contributions - Bylaw	4,604,840				4,604,840
	4,604,840				4,604,840
Decrease					
Net Changes for the Year	4,604,840				4,604,840
WORK IN PROGRESS, END OF YEAR	\$ 14,740,617				\$ 14,740,617

SCHOOL DISTRICT No. 67 (OKANAGAN SKAHA)
 CAPITAL FUND
 DEFERRED CAPITAL CONTRIBUTIONS
 YEAR ENDED JUNE 30, 2010

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	BYLAW CAPITAL	OTHER PROVINCIAL	OTHER CAPITAL	TOTAL CAPITAL
DEFERRED CAPITAL CONTRIBUTIONS, BEGINNING OF YEAR	\$ 70,937,317			\$ 70,937,317
Changes for the Year				
Increase	-	-	-	-
Decrease				
Amortization of Deferred Capital Contributions	2,612,874			2,612,874
	2,612,874	-	-	2,612,874
Net Changes for the Year	(2,612,874)	-	-	(2,612,874)
DEFERRED CAPITAL CONTRIBUTIONS, END OF YEAR	\$ 68,324,443	\$ -	\$ -	\$ 68,324,443
WORK IN PROGRESS, BEGINNING OF YEAR	\$ 10,135,777			\$ 10,135,777
Changes for the Year				
Increase				
Transferred from Deferred Contributions - Work in Progress	4,604,840			4,604,840
	4,604,840	-	-	4,604,840
Decrease	-	-	-	-
Net Changes for the Year	4,604,840	-	-	4,604,840
WORK IN PROGRESS, END OF YEAR	\$ 14,740,617	\$ -	\$ -	\$ 14,740,617
TOTAL DEFERRED CAPITAL CONTRIBUTIONS, END OF YEAR	\$ 83,065,060	\$ -	\$ -	\$ 83,065,060

SCHOOL DISTRICT No. 67 (OKANAGAN SKAHA)
 CAPITAL FUND
 CHANGES IN DEFERRED CONTRIBUTIONS
 YEAR ENDED JUNE 30, 2010

	BYLAW CAPITAL	MINISTRY OF EDUCATION RESTRICTED CAPITAL	OTHER PROVINCIAL CAPITAL	LAND CAPITAL	OTHER CAPITAL	TOTAL
BALANCE, BEGINNING OF YEAR	\$ (1,635,801)	\$ 31,220				\$ (1,604,581)
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	6,160,000	148				6,160,000
Investment Income	6,160,000	148				6,160,148
Decrease:						
Transferred to DCC - Work in Progress	4,604,840					4,604,840
	4,604,840					4,604,840
Net Changes for the Year	1,555,160	148				1,555,308
BALANCE, END OF YEAR	\$ (80,641)	\$ 31,368	\$ -	\$ -	\$ -	\$ (49,273)

CAPITAL FUND
CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2010

	INVESTED IN CAPITAL ASSETS	LOCAL CAPITAL	FUND BALANCE
BALANCE, BEGINNING OF YEAR	\$ 12,186,840	\$ 1,690,421	\$ 13,877,261
Changes for the Year			
Investment Income		8,328	8,328
Amortization of Deferred Capital Contributions	2,612,874		2,612,874
Interfund Transfers - Capital Assets Purchased	54,446		54,446
Amortization of Capital Assets	(2,794,516)		(2,794,516)
Fees and Revenues		218,850	218,850
Services and Supplies		(46,439)	(46,439)
Net Changes for the Year	(127,196)	180,739	53,543
BALANCE, END OF YEAR	\$ 12,059,644	\$ 1,871,160	\$ 13,930,804