

School District No. 67
(Okanagan Skaha)
Financial Statements
For the year ended June 30, 2011

SCHOOL DISTRICT AUDITED FINANCIAL STATEMENTS FISCAL YEAR 2010/2011

SCHOOL DISTRICT NUMBER 67	NAME OF SCHOOL DISTRICT Okanagan Skaha	YEAR 2010/2011
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.

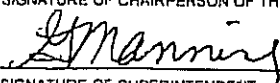
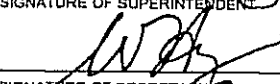

External Auditors

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, 2011.

SIGNATURE OF CHAIRPERSON OF THE BOARD OF EDUCATION 	DATE SIGNED Sept 7, 2011
SIGNATURE OF SUPERINTENDENT 	DATE SIGNED Sept 7, 2011
SIGNATURE OF SECRETARY-TREASURER 	DATE SIGNED Sept 7, 2011

SCHOOL DISTRICT No. 67 (OKANAGAN SKAHA)
2010/2011 AUDITED FINANCIAL STATEMENTS

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Auditors' Report

**To the Chairperson and Board of Education
School District No. 67**

We have audited the accompanying financial statements of the School District No. 67, which comprise the statement of financial position as at June 30, 2011, and the statement 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.

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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' 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 overall 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 present fairly, in all material respects, the financial position of the School District No. 67 as at June 30, 2011 and the results of its revenue and expense, change in fund balances, and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

BDO CANADA LLP

Chartered Accountants

Penticton, British Columbia
September 7, 2011

SCHOOL DISTRICT No. 67 (OKANAGAN SKAHA)
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	\$ 4,536,181	\$ 1,066,581	\$ 1,892,006	\$ 7,494,768	\$ 7,313,707
Short Term Investments (Note 2)	3,000,000			3,000,000	4,000,000
Accounts Receivable					
Due from Province - Ministry of Education	45,731			45,731	45,050
Due from LEA/Direct Funding	103,005			103,005	111,531
Other Receivables (Note 3)	1,001,173			1,001,173	342,832
Interfund Loans		174,307	269,292		
Prepaid Expenses	9,240			9,240	20,072
	<u>8,695,330</u>	<u>1,240,888</u>	<u>2,161,298</u>	<u>11,653,917</u>	<u>11,833,192</u>
Capital Assets - Net (Note 4)			94,038,180	94,038,180	95,124,703
TOTAL ASSETS	\$ 8,695,330	\$ 1,240,888	\$ 96,199,478	\$ 105,692,097	\$ 106,957,895
LIABILITIES AND FUND BALANCES					
Current Liabilities					
Accounts Payable and Accrued Liabilities					
Due to Province - Other				-	11,917
Other	1,738,634		306,899	2,045,533	2,451,249
Interfund Loans	443,599				
Other Current Liabilities	1,781,574			1,781,574	1,990,967
	<u>3,963,807</u>	<u>-</u>	<u>306,899</u>	<u>3,827,107</u>	<u>4,454,133</u>
Deferred Revenue	126,150			126,150	76,080
Deferred Contributions					
Ministry of Education		164,567	(5,882)	158,685	578,823
Other		1,076,321		1,076,321	969,636
Accrued Employee Future Benefits (Note 5)	2,603,765			2,603,765	2,455,480
Deferred Capital Contributions			82,036,212	82,036,212	83,065,060
TOTAL LIABILITIES	6,693,722	1,240,888	82,337,229	89,828,240	91,599,212
Fund Balances					
Invested in Capital Assets			12,001,969	12,001,969	12,059,644
Internally Restricted (Note 7)	1,531,283		1,860,280	3,391,563	3,297,746
Unrestricted	470,325			470,325	1,293
TOTAL FUND BALANCES	2,001,608	-	13,862,249	15,863,857	15,358,683
TOTAL LIABILITIES AND FUND BALANCES	\$ 8,695,330	\$ 1,240,888	\$ 96,199,478	\$ 105,692,097	\$ 106,957,895

SCHOOL DISTRICT No. 67 (OKANAGAN SKAHA)
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	\$ 55,094,860	\$ 1,235,395		\$ \$ 56,330,255	\$ 56,194,827
Provincial Grants - Other	47,760			47,760	300,915
Other Revenue	1,883,992	2,583,859	218,850	4,686,701	4,792,947
Rentals and Leases	392,950			392,950	168,467
Investment Income	100,605	14,311	20,270	135,186	124,838
Amortization of Deferred Capital Contributions			2,530,815	2,530,815	2,612,874
	<u>57,520,167</u>	<u>3,833,565</u>	<u>2,769,935</u>	<u>64,123,667</u>	<u>64,194,868</u>
EXPENSE					
Salaries					
Teachers	25,327,481			25,327,481	24,850,574
Principals and Vice Principals	3,454,030			3,454,030	3,465,790
Educational Assistants	3,066,182	138,977		3,205,159	3,383,839
Support Staff	4,429,447			4,429,447	4,802,978
Other Professionals	1,548,417			1,548,417	1,637,108
Substitutes	1,437,957			1,437,957	1,453,711
	<u>39,263,514</u>	<u>138,977</u>	<u>-</u>	<u>39,402,491</u>	<u>39,594,000</u>
Employee Benefits	9,436,220			9,436,220	8,984,392
Services and Supplies	8,094,996	3,694,588	250,000	12,039,584	11,853,810
Amortization of Capital Assets			2,740,198	2,740,198	2,794,516
	<u>56,794,730</u>	<u>3,833,565</u>	<u>2,990,198</u>	<u>63,618,493</u>	<u>63,226,718</u>
NET REVENUE (EXPENSE)	<u>\$ 725,437</u>	<u>\$ -</u>	<u>\$ (220,263)</u>	<u>\$ 505,174</u>	<u>\$ 968,150</u>

**SCHOOL DISTRICT No. 67 (OKANAGAN SKAHA)
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	\$ 1,427,879		\$ \$ 13,930,804	\$ 15,358,683	\$ 14,390,533
Changes for the Year					
Net Revenue (Expense) for the Year	725,437		(220,263)	505,174	968,150
Interfund Transfers					
Capital Assets Purchased (Note B)	(151,708)		151,708	-	
Net Changes for the Year	<u>573,729</u>	-	<u>(68,555)</u>	<u>505,174</u>	<u>968,150</u>
FUND BALANCES, END OF YEAR	<u>\$ 2,001,608</u>	<u>\$ -</u>	<u>\$ 13,862,249</u>	<u>\$ 15,863,857</u>	<u>\$ 15,358,683</u>

SCHOOL DISTRICT No. 67 (OKANAGAN SKAHA)
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	\$ 725,437		\$ (220,263)	\$ 505,174	\$ 968,150
Changes in Non-Cash Working Capital					
Decrease (Increase)					
Short Term Investments	1,000,000			1,000,000	(4,000,000)
Accounts Receivable (Note 3)	(650,425)			(650,425)	77,362
Interfund Loans	(410,583)	453,618	(43,035)	-	
Prepaid Expenses	10,832			10,832	(7,665)
Increase (Decrease)					
Accounts Payable/Accrued Liabilities	(405,716)			(405,716)	105,617
Other Current Liabilities	(221,381)			(221,381)	(195,595)
Deferred Revenue	50,070			50,070	(18,518)
Deferred Contributions		(356,844)		(356,844)	(841,780)
Accrued Employee Future Benefits (Note 5)	148,285			148,285	(44,280)
Items Not Involving Cash					
Amortization of Capital Assets (Note 4)			2,740,198	2,740,198	2,794,516
Amortization of Deferred Capital Contributions (Note 13)			(2,530,815)	(2,530,815)	(2,612,874)
Interfund Transfers (Note B)	(151,708)		151,708	-	
	<u>94,811</u>	<u>96,774</u>	<u>97,793</u>	<u>289,378</u>	<u>(3,775,067)</u>
FINANCING					
Deferred Contributions Received - Capital			1,545,358	1,545,358	6,160,148
	-	-	<u>1,545,358</u>	<u>1,545,358</u>	<u>6,160,148</u>
INVESTING					
Capital Assets Purchased - Operating			(151,708)	(151,708)	(54,446)
Capital Assets Purchased - Deferred Contributions - Capital			(1,501,967)	(1,501,967)	(4,604,840)
2 yr GIC Certificate				-	4,000,000
	-	-	<u>(1,653,675)</u>	<u>(1,653,675)</u>	<u>(659,286)</u>
NET INCREASE (DECREASE) IN CASH	<u>\$ 94,811</u>	<u>\$ 96,774</u>	<u>\$ (10,524)</u>	<u>\$ 181,061</u>	<u>\$ 1,725,795</u>

**SCHOOL DISTRICT No. 67 (OKANAGAN SKAHA)
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	\$ 94,811	\$ 96,774	\$ (10,524)	\$ 181,061	\$ 1,725,795
Net Cash, Beginning of Year	4,441,370	969,807	1,902,530	7,313,707	5,587,912
NET CASH, END OF YEAR	<u>\$ 4,536,181</u>	<u>\$ 1,066,581</u>	<u>\$ 1,892,006</u>	<u>\$ 7,494,768</u>	<u>\$ 7,313,707</u>
Cash	\$ 4,536,181	\$ 1,066,581	\$ 1,892,006	\$ 7,494,768	\$ 7,313,707
NET CASH, END OF YEAR	<u>\$ 4,536,181</u>	<u>\$ 1,066,581</u>	<u>\$ 1,892,006</u>	<u>\$ 7,494,768</u>	<u>\$ 7,313,707</u>

SCHOOL DISTRICT 67 (OKANAGAN SKAHA)
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. 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.

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.

SCHOOL DISTRICT 67 (OKANAGAN SKAHA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011

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

(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) Short Term Investments

Short term investments include securities with terms to maturity of greater than three months and less than two years. Short term investments include a \$1,000,000, 1 year, redeemable Guaranteed Investment Certificate issued by the Royal Bank of Canada on May 11, 2011. The interest rate is 1.7000% per annum with a maturity date of May 11, 2012; a \$1,000,000, 270 day non-redeemable Term Deposit with an interest rate of 2.6000% and maturity date of February 7, 2012 and a \$1,000,000 1 year, non redeemable Term Deposit with a maturity date of May 13, 2012 and an interest rate of 2.2000%, both issued by Prospera Credit Union on May 13, 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

SCHOOL DISTRICT 67 (OKANAGAN SKAHA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011

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

(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.
- 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 or 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.

SCHOOL DISTRICT 67 (OKANAGAN SKAHA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011

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

(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, short term 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.

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.

**SCHOOL DISTRICT 67 (OKANAGAN SKAHA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011**

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

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.

(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.

**SCHOOL DISTRICT 67 (OKANAGAN SKAHA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011**

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

(l) Change in Accounting Policies and Future Change in Accounting Policies

Based on direction from the Government of the Province of British Columbia, the School District will adopt Canadian public sector accounting standards (PSAB) on July 1, 2011. As a result of the adoption, the presentation of the financial statements will change from the current year. The School District is currently monitoring changes to the standards to determine the potential impact on its financial statements. These accounting changes will be applied retroactively with restatement of prior periods.

NOTE 3 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	<u>2011</u>	<u>2010</u>
Due from Federal Government	\$374,011	\$100,965
Due from Schools and Other School Districts	16,362	24,316
Due from Others	610,800	217,551
	<u>\$1,001,173</u>	<u>\$342,832</u>

NOTE 4 CAPITAL ASSETS

	<u>2011</u>		<u>2010</u>	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Sites	\$8,393,746	\$0	\$8,393,746	\$8,118,186
Buildings	124,661,120	42,490,864	82,170,256	86,017,657
Furniture & Equipment	4,170,096	1,291,785	2,878,311	469,154
Vehicles	907,165	311,298	595,867	519,705
	<u>\$138,132,127</u>	<u>\$44,093,947</u>	<u>\$94,038,180</u>	<u>\$95,124,702</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, \$2,603,765, has been fully accrued in the financial statements.

**SCHOOL DISTRICT 67 (OKANAGAN SKAHA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011**

NOTE 5 EMPLOYEE FUTURE BENEFITS (Continued)

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

Fiscal Year	<u>2011</u>	<u>2010</u>
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	2,244,496	2,248,038
Service Cost	167,512	158,753
Interest Cost	114,410	160,874
Benefit Payments	(128,110)	(355,608)
Actuarial (Gain)/Loss	(84,889)	32,439
Accrued Benefit Obligation – March 31	<u>2,313,419</u>	<u>2,244,496</u>
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation - March 31	2,313,419	2,244,496
Market Value of Plan Assets - March 31	0	0
Funded Status - Surplus/(Deficit)	(2,313,419)	(2,244,496)
Employer Contributions After Measurement Date	32,435	28,547
Unamortized Net Actuarial (Gain)/Loss	(322,781)	(239,531)
Accrued Benefit Asset/(Liability) - June 30	<u>(2,603,765)</u>	<u>(2,455,480)</u>
Components of Net Benefit Expense		
Service Cost	167,512	158,753
Interest Cost	114,410	160,874
Amortization of Net Actuarial (Gain)/Loss	(1,639)	(6,047)
Net Benefit Expense (Income)	<u>280,283</u>	<u>313,580</u>

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

Fiscal Year	<u>2011</u>	<u>2010</u>
Assumptions		
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	9.2	9.2

**SCHOOL DISTRICT 67 (OKANAGAN SKAHA)
 NOTES TO FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2011**

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 47,000 active members from school districts, and approximately 29,000 retired members from school districts. The Municipal Pension 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' Pension 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 unfunding 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. 67 (Okanagan Skaha) paid \$4,984,456 for employer contributions to these plans in the year ended June 30, 2011.

NOTE 7 OPERATING FUND BALANCE, END OF YEAR

Internally Restricted (appropriated) by Board for:

Decentralized school budget surpluses	\$453,008
District budget surpluses	
School flex funds	43,927
Literacy initiatives	52,300
Aboriginal education	18,249
Special education	75,163
Other	64,592
Budgeted surplus	824,044
Subtotal Internally Restricted	1,531,283
Unrestricted Operating Surplus	470,325
Total Available for Future Operations	\$2,001,608

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, 2011, transfers were as follows:

- Capital Assets Purchase transferred from operating \$151,708.

**SCHOOL DISTRICT 67 (OKANAGAN SKAHA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011**

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 14, 2011.

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 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, 2011, construction valued at \$43,103,890 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.

NOTE 13 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

**SCHOOL DISTRICT 67 (OKANAGAN SKAHA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011**

NOTE 14 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.

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 15 SUPPLEMENTARY INFORMATION - STATEMENT OF CASH FLOWS

Non-cash working capital items consist of the following:

	2011	2010
Accounts receivable	\$1,149,909	\$499,413
Prepaid expenses	9,240	20,072
Accounts payable and accrued liabilities	3,827,107	4,454,133
Deferred revenue	1,361,156	1,624,539



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Penticton BC V2A 1H1 Canada

Auditors' Report on Supplemental Information

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

We have audited the financial statements of School District #67, which comprise of the statement of financial position as at June 30, 2011, 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 7, 2011 which contained an unmodified opinion of those financial statements. The audit was performed to form an opinion on the financial statements as a whole. The financial information presented hereinafter is presented for the purposes of additional analysis and is 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.

Restriction on Distribution and Use

The supplementary information is prepared to assist School District #67 meet the requirements of the Ministry of Education. As a result, the supplementary information may not be suitable for another purpose. Our report is intended solely for School District #67 and the Ministry of Education and should not be distributed to or used by parties other than School District #67 and the Ministry of Education.

BDO Canada LLP

Chartered Accountants

Penticton, British Columbia
September 7, 2011

SCHOOL DISTRICT No. 67 (OKANAGAN SKAHA)
OPERATING FUND
SURPLUS (DEFICIT)
YEAR ENDED JUNE 30, 2011

Schedule A1

	2011		
	2011 ACTUAL	AMENDED ANNUAL BUDGET	2010 ACTUAL
REVENUE			
Provincial Grants - Ministry of Education	\$ 55,094,860	\$ 54,788,886	\$ 54,590,005
Provincial Grants - Other	47,760	47,760	300,915
Other Revenue	1,883,992	1,870,313	2,072,500
Rentals and Leases	392,950	345,000	168,467
Investment Income	100,605	105,000	104,369
	<u>57,520,167</u>	<u>57,156,959</u>	<u>57,236,256</u>
EXPENSE			
Salaries			
Teachers	25,327,481	25,577,036	24,850,574
Principals and Vice Principals	3,454,030	3,468,500	3,465,790
Educational Assistants	3,066,182	3,311,975	3,249,008
Support Staff	4,429,447	5,137,286	4,802,978
Other Professionals	1,548,417	1,584,400	1,637,108
Substitutes	1,437,957	1,566,474	1,453,711
	<u>39,263,514</u>	<u>40,645,671</u>	<u>39,459,169</u>
Employee Benefits	9,436,220	9,672,704	8,984,392
Services and Supplies	8,094,996	8,265,170	7,823,642
	<u>56,794,730</u>	<u>58,583,545</u>	<u>56,267,203</u>
NET REVENUE (EXPENSE), FOR THE YEAR	725,437	(1,426,586)	969,053
INTERFUND TRANSFERS			
Capital Assets Purchased	(151,708)		(54,446)
OTHER ADJUSTMENTS TO OPERATING FUND BALANCE			
BUDGETED ALLOCATION (RETIREMENT) OF SURPLUS (DEFICIT)		1,426,586	
SURPLUS (DEFICIT), FOR THE YEAR	<u>573,729</u>	<u>\$ -</u>	<u>914,607</u>
SURPLUS (DEFICIT), BEGINNING OF YEAR	1,427,879		513,272
SURPLUS (DEFICIT), END OF YEAR			
(Section 156 (12) of School Act)	<u>\$ 2,001,608</u>		<u>\$ 1,427,879</u>
SURPLUS (DEFICIT), END OF YEAR			
Internally Restricted	1,531,283		
Unrestricted	470,325		
	<u>\$ 2,001,608</u>		

SCHOOL DISTRICT No. 67 (OKANAGAN SKAHA)
OPERATING FUND
COMPARATIVE SCHEDULE OF REVENUE BY SOURCE
YEAR ENDED JUNE 30, 2011

Schedule A2

	2011 ACTUAL	2011 AMENDED ANNUAL BUDGET	2010 ACTUAL
PROVINCIAL GRANTS - MINISTRY OF EDUCATION			
Operating Grant, Ministry of Education	\$ 55,122,717	\$ 54,869,458	\$ 54,812,361
INAC/LEA Recovery	(1,104,655)	(1,115,313)	(1,115,313)
Other Ministry of Education Grants			
Pay Equity	441,194	441,194	441,194
Carbon Tax Rebate	28,325	25,000	24,988
Ready Set Learn	26,950	26,950	26,950
Community Link	378,681	378,681	125,137
Foundation Skill Assessment	13,769	13,800	13,769
Education Guarantee	38,763		44,393
BCeSIS Implementation Grant			67,410
OLEP Federal Freach Programs	149,116	149,116	149,116
	<u>55,094,860</u>	<u>54,788,886</u>	<u>54,590,005</u>
PROVINCIAL GRANTS - OTHER			
	<u>47,760</u>	<u>47,760</u>	<u>300,915</u>
FEDERAL GRANTS			
OTHER REVENUE			
Other School District/Education Authorities	229,911	225,000	228,276
Offshore Tuition Fees	266,454	280,000	360,194
LEA/Direct Funding from First Nations	1,104,655	1,115,313	1,115,313
Miscellaneous			
BCPSEA Trades Adjustment	21,050		111,566
Technology Revenue	250,000	250,000	250,000
Other	11,922		7,151
	<u>1,883,992</u>	<u>1,870,313</u>	<u>2,072,500</u>
RENTALS AND LEASES			
	<u>392,950</u>	<u>345,000</u>	<u>168,467</u>
INVESTMENT INCOME			
	<u>100,605</u>	<u>105,000</u>	<u>104,369</u>
TOTAL OPERATING REVENUE	<u>\$ 57,520,167</u>	<u>\$ 57,156,959</u>	<u>\$ 57,236,256</u>

SCHOOL DISTRICT No. 67 (OKANAGAN SKAHA)
OPERATING FUND
COMPARATIVE SCHEDULE OF EXPENSE BY OBJECT
YEAR ENDED JUNE 30, 2011

Schedule A3

	2011		
	2011 ACTUAL	AMENDED ANNUAL BUDGET	2010 ACTUAL
SALARIES			
Teachers	\$ 25,327,481	\$ 25,577,036	\$ 24,850,574
Principals and Vice Principals	3,454,030	3,468,500	3,465,790
Educational Assistants	3,066,182	3,311,975	3,249,008
Support Staff	4,429,447	5,137,286	4,802,978
Other Professionals	1,548,417	1,584,400	1,637,108
Substitutes	1,437,957	1,566,474	1,453,711
	<u>39,263,514</u>	<u>40,645,671</u>	<u>39,459,169</u>
EMPLOYEE BENEFITS	9,436,220	9,672,704	8,984,392
TOTAL SALARIES AND BENEFITS	<u>48,699,734</u>	<u>50,318,375</u>	<u>48,443,561</u>
SERVICES AND SUPPLIES			
Services	1,417,038	1,631,369	1,367,221
Student Transportation	601,307	662,021	672,012
Professional Development and Travel	321,703	412,633	299,564
Rentals and Leases	1,084	5,500	892
Dues and Fees	23,855	29,600	28,547
Insurance	157,838	135,600	120,839
Supplies	4,023,530	3,784,112	3,782,046
Utilities	1,548,641	1,604,335	1,552,521
TOTAL SERVICES AND SUPPLIES	<u>8,094,996</u>	<u>8,265,170</u>	<u>7,823,642</u>
TOTAL OPERATING EXPENSE	<u>\$ 56,794,730</u>	<u>\$ 58,583,545</u>	<u>\$ 56,267,203</u>

SCHOOL DISTRICT No. 67 (OKANAGAN SKAHA)
 OPERATING FUND
 EXPENSE BY FUNCTION, PROGRAM AND OBJECT
 YEAR ENDED JUNE 30, 2011

	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	\$ 19,158,275	\$ 1,080,057	\$ 37,760	\$ 465,862	\$ 138,355	\$ 908,834	\$ 21,790,144
1.03 Career Programs	142,839					5,895	148,734
1.07 Library Services	712,757	26,589		193,873		41,672	974,901
1.08 Counselling	863,679					35,645	899,318
1.10 Special Education	3,713,216		2,850,467	14,531	366,776	300,554	7,255,546
1.30 English as a Second Language	161,898					6,682	168,580
1.31 Aboriginal Education	338,175	106,353	168,955			22,960	637,443
1.41 School Administration		2,204,477		925,431	42,604	43,345	3,216,857
1.50 Summer School	128,491					39,192	167,683
1.62 Off Shore Students				45,172		5,303	50,475
1.64 Other	108,146	36,554				3,048	147,748
1.65 Conseil Scolaire Francophone						4,463	4,463
Total Function 1	25,327,481	3,454,030	3,066,182	1,645,869	549,737	1,418,593	35,461,892
4 DISTRICT ADMINISTRATION							
4.11 Educational Administration				10,054	170,755	446	181,255
4.40 School District Governance					77,340		77,340
4.41 Business Administration				189,989	457,911	8,383	656,283
Total Function 4				200,053	706,006	8,829	914,888
5 OPERATIONS AND MAINTENANCE							
5.41 Operations and Maintenance Administration				37,876	202,476		240,352
5.50 Maintenance Operations				2,055,263	54,605	10,535	2,120,403
5.52 Maintenance of Grounds				349,607			349,607
Total Function 5				2,442,746	287,081	10,535	2,740,362
7 TRANSPORTATION AND HOUSING							
7.41 Transportation and Housing Administration					5,593		5,593
7.70 Student Transportation				140,779			140,779
Total Function 7				140,779	5,593		146,372
9 DEBT SERVICES (OPERATING)							
Total Function 9							
TOTAL FUNCTIONS 1 - 9	\$ 25,327,481	\$ 3,454,030	\$ 3,066,182	\$ 4,629,447	\$ 1,548,417	\$ 1,437,957	\$ 39,283,514

SCHOOL DISTRICT No. 67 (OKANAGAN SKAHA)
 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	\$ 21,790,144	\$ 5,121,986	\$ 26,912,130	\$ 2,907,598	\$ 29,819,728	\$ 30,433,039	\$ 29,262,878
1.03 Career Programs	148,734	44,231	192,965	75,752	268,717	313,042	301,018
1.07 Library Services	974,901	230,146	1,205,047	114,589	1,319,636	1,321,861	1,387,922
1.08 Counselling	899,318	202,659	1,101,977	6,326	1,108,303	1,117,037	1,056,254
1.10 Special Education	7,255,546	1,757,998	9,013,544	749,662	9,763,206	10,158,480	9,480,318
1.30 English as a Second Language	168,590	37,989	206,569	1,803	208,372	200,862	192,336
1.31 Aboriginal Education	637,443	145,052	782,495	16,576	799,071	817,321	632,345
1.41 School Administration	3,216,857	769,434	3,986,291	148,527	4,134,818	4,273,532	4,112,163
1.60 Summer School	39,192	7,766	46,958	2,442	49,400	25,000	38,305
1.62 Off Shore Students	133,784	30,150	163,944	12,761	176,705	259,900	174,377
1.64 Other	48,220	13,486	61,706	74,516	136,222	98,200	118,526
1.65 Conseil Scolaire Francophone	149,163	33,875	183,038		183,038	185,800	145,798
Total Function 1	35,461,892	8,394,772	43,856,664	4,110,552	47,967,216	49,203,074	46,902,240
4 DISTRICT ADMINISTRATION							
4.11 Educational Administration	181,255	40,453	221,708	52,677	274,385	283,700	291,644
4.40 School District Governance	77,340	944	78,284	82,394	160,678	142,400	157,186
4.41 Business Administration	656,293	150,243	806,536	300,635	1,107,171	1,181,900	1,091,364
Total Function 4	914,888	191,640	1,106,528	435,706	1,542,234	1,608,000	1,540,196
5 OPERATIONS AND MAINTENANCE							
5.41 Operations and Maintenance Administration	270,352	54,591	324,943	143,076	468,019	361,100	431,247
5.50 Maintenance Operations	2,120,403	674,420	2,794,823	1,108,794	3,903,617	4,314,036	4,282,710
5.52 Maintenance of Grounds	349,607	75,363	424,970	105,633	530,603	568,500	623,509
5.56 Utilities				1,548,641	1,548,641	1,604,335	1,592,521
Total Function 5	2,740,362	804,374	3,544,736	2,906,144	6,450,880	6,847,971	6,889,987
7 TRANSPORTATION AND HOUSING							
7.41 Transportation and Housing Administration	5,593	3,094	8,627	3,162	11,789	47,800	55,707
7.65 Conseil Scolaire Francophone	140,779	42,400	183,179	639,432	822,611	876,700	879,073
7.70 Student Transportation	146,372	45,434	191,806	642,594	834,400	924,500	934,780
Total Function 7							
9 DEBT SERVICES (OPERATING)							
Total Function 9							
TOTAL FUNCTIONS 1 - 9	\$ 39,263,514	\$ 9,436,220	\$ 48,699,734	\$ 8,094,996	\$ 56,794,730	\$ 58,583,545	\$ 56,267,203

SCHOOL DISTRICT No. 67 (OKANAGAN SKAHA)
 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					
Add: Contributions Received	\$ 514,381	\$ 113,544	\$ 989,807		\$ 1,597,732
Provincial Grants - Ministry of Education	650,647	120,000			770,647
Other	1,554	32,000	2,656,819		2,690,373
Investment Income	11,432	4,269			15,701
	663,533	152,000	2,661,088		3,476,721
Less: Allocated to Revenue	1,108,924	160,326	2,564,315		3,833,565
DEFERRED CONTRIBUTIONS, END OF YEAR	\$ 69,090	\$ 105,218	\$ 1,066,990	\$ -	\$ 1,240,988
REVENUE AND EXPENSE					
REVENUE					
Provincial Grants - Ministry of Education	\$ 1,097,328	\$ 138,067			\$ 1,235,395
Other Revenue	1,554	22,259	2,560,046		2,583,859
Investment Income	10,042	4,269			14,311
	1,108,924	160,326	2,564,315		3,833,565
EXPENSE					
Salaries					
Educational Assistants		138,977			138,977
Services and Supplies		130,977			130,977
	1,108,924	21,349	2,564,315		3,694,588
	1,108,924	160,326	2,564,315		3,833,565
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, 2011

	207 Annual Facility Grant	231 Aboriginal Education Technology	250 Special Education Equipment	TOTAL
DEFERRED CONTRIBUTIONS				
DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR	\$ 453,536	\$ 41,300	\$ 19,545	\$ 514,381
Add: Contributions Received				
Provincial Grants - Ministry of Education	635,366		15,281	650,647
Other	10,042	1,350	1,554	12,946
Investment Income	645,408	1,390	16,035	662,833
Less: Allocated to Revenue	1,098,427		10,497	1,108,924
DEFERRED CONTRIBUTIONS, END OF YEAR	\$ 517	\$ 42,690	\$ 25,883	\$ 69,090
REVENUE AND EXPENSE				
REVENUE				
Provincial Grants - Ministry of Education	1,088,385		8,943	1,097,328
Other Revenue			1,554	1,554
Investment Income	10,042			10,042
EXPENSE				
Salaries	1,098,427		10,497	1,108,924
Services and Supplies	1,098,427		10,497	1,108,924
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, 2011

Schedule B3

	Read Now	Strong Start	Promoting Health In Schools	TOTAL
DEFERRED CONTRIBUTIONS				
DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR	\$ 105,745	\$ 7,799	\$	\$ 113,544
Add: Contributions Received				
Provincial Grants - Ministry of Education		120,000		120,000
Other	2,000		30,000	32,000
	2,000	120,000	30,000	152,000
Less: Allocated to Revenue	23,770	116,297	20,259	160,326
DEFERRED CONTRIBUTIONS, END OF YEAR	\$ 81,975	\$ 11,502	\$ 9,741	\$ 105,218
REVENUE AND EXPENSE				
REVENUE				
Provincial Grants - Ministry of Education	\$ 21,770	\$ 116,297	\$	\$ 138,067
Other Revenue	2,000		20,259	22,259
	23,770	116,297	20,259	160,326
EXPENSE				
Salaries				
Educational Assistants	20,770	96,576	19,631	136,977
Services and Supplies	20,770	96,576	19,631	136,977
	3,000	17,721	628	21,349
	23,770	116,297	20,259	160,326
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, 2011

	SITES	BUILDINGS	FURNITURE AND EQUIPMENT	VEHICLES	COMPUTER SOFTWARE	COMPUTER HARDWARE	TOTAL
\$	8,118,186	111,271,772	1,683,309	755,457			\$ 121,828,724
	275,560	(2,853,236)	2,577,676	151,708			151,708
	275,560	16,080,854	2,577,676	151,708			16,080,854
		13,227,618	2,577,676	151,708			16,232,562
			90,889				90,889
			90,889				90,889
	8,393,746	124,499,390	4,170,096	907,165			137,970,397
		161,730					161,730
\$	8,393,746	124,661,120	4,170,096	907,165			\$ 138,132,127
			1,214,326	235,752			
		2,496,304	168,348	75,548			2,740,198
			90,889				90,889
			90,889				90,889
\$		42,490,854	1,291,785	311,298			\$ 44,093,947
\$	8,393,746	82,170,256	2,878,311	595,867			\$ 94,038,180

COST, BEGINNING OF YEAR
 Changes for the Year

Increase:
 Purchases from:
 Operating Fund
 Reallocated from WIP
 Transferred from Work in Progress

Decrease:
 Deemed Disposals

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

ACCUMULATED AMORTIZATION, BEGINNING OF YEAR
 Changes for the Year

Increase: Amortization for the Year
 Decrease:
 Deemed Disposals

ACCUMULATED AMORTIZATION, END OF YEAR

CAPITAL ASSETS - NET

SCHOOL DISTRICT No. 67 (OKANAGAN SIKAHA)
 CAPITAL FUND
 CAPITAL ASSETS - WORK IN PROGRESS
 YEAR ENDED JUNE 30, 2011

Schedule C2

	BUILDINGS	FURNITURE AND EQUIPMENT	COMPUTER SOFTWARE	COMPUTER HARDWARE	TOTAL
WORK IN PROGRESS, BEGINNING OF YEAR	\$ 14,740,446	\$ 171			\$ 14,740,617
Changes for the Year					
Increase	1,501,967				1,501,967
Deferred Contributions - Bylaw	1,501,967	-	-	-	1,501,967
Decrease					
Transferred to Capital Assets	16,080,854				16,080,854
Reallocated to WIP Buildings	(171)	171			-
	16,080,683	171	-	-	16,080,854
Net Changes for the Year	(14,578,716)	(171)	-	-	(14,578,887)
WORK IN PROGRESS, END OF YEAR	\$ 161,730	\$ -	\$ -	\$ -	\$ 161,730

**SCHOOL DISTRICT No. 67 (OKANAGAN SKAHA)
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	\$ 68,324,443			\$ 68,324,443
Changes for the Year				
Increase				
Transferred from Work in Progress	14,740,446			14,740,446
	<u>14,740,446</u>	-	-	<u>14,740,446</u>
Decrease				
Amortization of Deferred Capital Contributions	2,530,815			2,530,815
	<u>2,530,815</u>	-	-	<u>2,530,815</u>
Net Changes for the Year	<u>12,209,631</u>	-	-	<u>12,209,631</u>
DEFERRED CAPITAL CONTRIBUTIONS, END OF YEAR	<u>\$ 80,534,074</u>	\$ -	\$ -	<u>\$ 80,534,074</u>
WORK IN PROGRESS, BEGINNING OF YEAR	\$ 14,740,617			\$ 14,740,617
Changes for the Year				
Increase				
Transferred from Deferred Contributions - Work in Progress	1,501,967			1,501,967
	<u>1,501,967</u>	-	-	<u>1,501,967</u>
Decrease				
Transferred to Deferred Capital Contributions	14,740,446			14,740,446
	<u>14,740,446</u>	-	-	<u>14,740,446</u>
Net Changes for the Year	<u>(13,238,479)</u>	-	-	<u>(13,238,479)</u>
WORK IN PROGRESS, END OF YEAR	<u>\$ 1,502,138</u>	\$ -	\$ -	<u>\$ 1,502,138</u>
TOTAL DEFERRED CAPITAL CONTRIBUTIONS, END OF YEAR	<u>\$ 82,036,212</u>	\$ -	\$ -	<u>\$ 82,036,212</u>

SCHOOL DISTRICT No. 67 (OKANAGAN SIKAHA)
 CAPITAL FUND
 CHANGES IN DEFERRED CONTRIBUTIONS
 YEAR ENDED JUNE 30, 2011

Schedule C4

	BYLAW CAPITAL	MINISTRY OF EDUCATION RESTRICTED CAPITAL	OTHER PROVINCIAL CAPITAL	LAND CAPITAL	OTHER CAPITAL	TOTAL
BALANCE, BEGINNING OF YEAR	\$ (80,641)	\$ 31,368				\$ (49,273)
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	1,545,000	358				1,545,000
Investment Income	1,545,000	358				358
						1,545,358
Decrease:						
Transferred to DCC - Work in Progress	1,501,967					1,501,967
	1,501,967					1,501,967
Net Changes for the Year	43,033	358				43,391
BALANCE, END OF YEAR	\$ (37,608)	\$ 31,726	\$ -	\$ -	\$ -	\$ (5,882)

SCHOOL DISTRICT No. 67 (OKANAGAN SKAHA)
CAPITAL FUND
CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2011

Schedule C5

	INVESTED IN CAPITAL ASSETS	LOCAL CAPITAL	FUND BALANCE
BALANCE, BEGINNING OF YEAR	\$ 12,059,644	\$ 1,871,160	\$ 13,930,804
Changes for the Year			
Investment Income		20,270	20,270
Amortization of Deferred Capital Contributions	2,530,815		2,530,815
Interfund Transfers - Capital Assets Purchased	151,708		151,708
Amortization of Capital Assets	(2,740,198)		(2,740,198)
Fees and Revenues		218,850	218,850
Services and Supplies		(250,000)	(250,000)
Net Changes for the Year	<u>(57,675)</u>	<u>(10,880)</u>	<u>(68,555)</u>
BALANCE, END OF YEAR	<u>\$ 12,001,969</u>	<u>\$ 1,860,280</u>	<u>\$ 13,862,249</u>