

School District No. 67
(Okanagan Skaha)
Financial Statements
For the year ended June 30, 2006



Driving growth

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and Advisors

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Auditors' Report

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

We have audited the following statements of School District No. 67 (Okanagan Skaha) as at June 30, 2006 and for the year then ended:

Statement 1	Statement of Financial Position
Statement 2	Statement of Revenue and Expense
Statement 3	Statement of Changes in Fund Balances
Statement 4.1-4.2	Statement of Cash Flows
Schedule A1	Operating Fund Surplus (Deficit) for the Year
Schedule A2	Operating Fund Comparative Schedule of Revenue by Source
Schedule A3	Operating Fund Comparative Schedule of Expense by Object
Schedule A4	Operating Fund Expenditure by Function and Program
Schedule A5	Operating Fund Changes in Deferred Contributions
Schedule B1	Special Purpose Funds Summary of Changes
Schedule B2	Special Purpose Funds Changes in Ministry of Special Purpose Funds
Schedule B3	Special Purpose Funds Changes in Other Trust Funds
Schedule C1	Capital Fund Capital Assets
Schedule C2	Capital Fund Work in Progress
Schedule C3	Capital Fund Deferred Capital Contributions
Schedule C4	Capital Fund Changes in Deferred Contributions
Schedule C5	Capital Fund Changes in Fund Balances

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 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, 2006 and the results of its operations for the year then ended in accordance with the accounting principles disclosed in Note 1 of the financial statements. As required by the School Act (British Columbia), we report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year.

BDO Dunwoody LLP
Chartered Accountants

Penticton, British Columbia
August 18, 2006

SCHOOL DISTRICT
AUDITED FINANCIAL STATEMENTS
FISCAL YEAR 2005/2006

SCHOOL DISTRICT NUMBER 67	NAME OF SCHOOL DISTRICT Okanagan Skaha	YEAR 2005/2006
OFFICE LOCATION 425 Jermyn Ave	TELEPHONE NUMBER 250-770-7700	
CITY / PROVINCE Penticton, BC	POSTAL CODE V2A 1Z4	
WEBSITE ADDRESS http://www.sd67.bc.ca		
NAME OF SUPERINTENDENT Gary Doi	NAME OF SECRETARY - TREASURER Frank Regehr	

DECLARATION AND SIGNATURES

SCHOOL DISTRICT MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules of The Board of School Trustees 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 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 and cash flows for the year in accordance with 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, 2006.

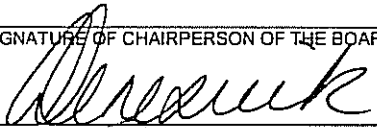

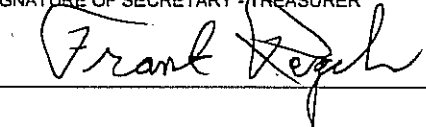
SIGNATURE OF CHAIRPERSON OF THE BOARD OF SCHOOL TRUSTEES 	DATE SIGNED Sept. 7, 2006
SIGNATURE OF SUPERINTENDENT 	DATE SIGNED Sept. 7, 2006
SIGNATURE OF SECRETARY - TREASURER 	DATE SIGNED Sept. 7, 2006

TABLE OF CONTENTS

AUDITORS' REPORT

FINANCIAL STATEMENTS

Statement of Financial Position	Statement 1
Statement of Revenue and Expense	Statement 2
Statement of Changes in Fund Balances	Statement 3
Statement of Cash Flows	Statement 4

NOTES TO FINANCIAL STATEMENTS

SCHEDULES

Operating Fund

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

Special Purpose Funds

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

Capital Fund

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

SCHOOL DISTRICT NO. 67 (Okanagan Skaha)
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2006

Statement 1

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2006	TOTAL 2005
ASSETS					
Current Assets					
Cash	8,170,221	822,063	1,102,384	10,094,668	8,378,215
Short Term Investments				0	0
Accounts Receivable					
Due from Province - Ministry of Education	3,549,026			3,549,026	223,033
Due from Province - Other				0	0
Due from LEA / Direct Funding				0	0
Other Receivables	496,314			496,314	338,072
Interfund Loans		2,195,110	2,187		
Inventories				0	0
Prepaid Expenses	22,614			22,614	0
	<u>12,238,175</u>	<u>3,017,173</u>	<u>1,104,571</u>	<u>14,162,822</u>	<u>8,939,320</u>
Investments				0	0
Equity Investments				0	0
Capital Assets - Net			64,016,414	64,016,414	64,726,576
TOTAL ASSETS	<u>12,238,175</u>	<u>3,017,173</u>	<u>65,120,985</u>	<u>78,179,036</u>	<u>73,665,896</u>
LIABILITIES AND FUND BALANCES					
Current Liabilities					
Bank Overdraft				0	0
Accounts Payable and Accrued Liabilities					
Due to Province - Ministry of Education				0	0
Due to Province - Other	10,828			10,828	11,113
Other	6,388,152			6,388,152	2,441,817
Bank Loans				0	0
Interfund Loans	2,197,297				
Other Current Liabilities	753,916			753,916	365,941
	<u>9,350,193</u>	<u>0</u>	<u>0</u>	<u>7,152,896</u>	<u>2,818,871</u>
Deferred Contributions					
Ministry of Education		2,182,945	30,496	2,213,441	1,833,872
Province - Other				0	0
Other	310,495	834,228		1,144,723	247,631
Accrued Employee Future Benefits	2,056,477			2,056,477	2,187,576
Deferred Capital Contributions			51,460,013	51,460,013	52,146,879
Bank Loans				0	0
Capital Lease Obligations				0	0
Other Long Term Liabilities				0	0
TOTAL LIABILITIES	<u>11,717,165</u>	<u>3,017,173</u>	<u>51,490,509</u>	<u>64,027,550</u>	<u>59,234,829</u>
Fund Balances					
Invested in Capital Assets			12,556,401	12,556,401	12,579,696
Endowment				0	0
Internally Restricted	519,783		1,074,075	1,593,858	2,136,710
Unrestricted	1,227			1,227	3,447
Unfunded Accrued Employee Future Benefits and Vacation Pay				0	(288,786)
TOTAL FUND BALANCES	<u>521,010</u>	<u>0</u>	<u>13,630,476</u>	<u>14,151,486</u>	<u>14,431,067</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>12,238,175</u>	<u>3,017,173</u>	<u>65,120,985</u>	<u>78,179,036</u>	<u>73,665,896</u>

SCHOOL DISTRICT NO. 67 (Okanagan Skaha)
STATEMENT OF REVENUE AND EXPENSE
YEAR ENDED JUNE 30, 2006

Statement 2

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2006	TOTAL 2005
REVENUE					
Provincial Grants - Ministry of Education	50,349,024	940,421		51,289,445	50,228,212
Provincial Grants - Other	3,196,373			3,196,373	360,000
Federal Grants	139,390			139,390	90,575
Other Revenue	640,112	2,601,610	204,207	3,445,929	2,860,348
Rentals and Leases	304,704			304,704	545,779
Investment Income	280,214	82,635	29,492	392,341	184,928
Gain (Loss) on Equity Investment				0	0
Amortization of Deferred Capital Contributions			2,184,680	2,184,680	2,194,784
Gain (Loss) on Disposal of Capital Assets				0	0
	<u>54,909,817</u>	<u>3,624,666</u>	<u>2,418,379</u>	<u>60,952,862</u>	<u>56,464,626</u>
EXPENSE					
Salaries					
Teachers	23,719,595			23,719,595	22,615,111
Principals and Vice Principals	3,394,262			3,394,262	3,085,439
Educational Assistants	3,071,285			3,071,285	2,630,318
Support Staff	4,806,907			4,806,907	4,381,867
Other Professionals	1,249,065			1,249,065	1,137,769
Substitutes	1,154,713			1,154,713	1,124,186
	<u>37,395,827</u>	<u>0</u>	<u>0</u>	<u>37,395,827</u>	<u>34,974,690</u>
Employee Benefits	7,827,843			7,827,843	7,632,393
Services and Supplies	9,267,885	3,624,666		12,892,551	9,374,831
Amortization of Capital Assets			2,353,142	2,353,142	2,424,581
Write-off/down of Buildings and Sites				0	0
	<u>54,491,555</u>	<u>3,624,666</u>	<u>2,353,142</u>	<u>60,469,363</u>	<u>54,406,495</u>
NET REVENUE (EXPENSE)	<u>418,262</u>	<u>0</u>	<u>65,237</u>	<u>483,499</u>	<u>2,058,131</u>

SCHOOL DISTRICT NO. 67 (Okanagan Skaha)
STATEMENT OF CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2006

Statement 3

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2006	TOTAL 2005
FUND BALANCES, BEGINNING OF YEAR	247,915	763,082	13,420,072	14,431,069	52,050,520
Changes in Accounting Policies/ Prior Period Adjustments					
Accrued Employee Future Benefits				0	(1,311,489)
Accrued Vacation Pay				0	0
Accumulated Amortization of Capital Assets				0	(39,102,381)
Transfer Land Capital Reserve to Deferred Contributions				0	0
Transfer Capital Reserve to Deferred Contributions				0	(26,797)
School-Generated Funds				0	763,083
Related Entities				0	0
SGF Internally Restricted to Deferred Contrib		(763,082)		(763,082)	
FUND BALANCES, BEGINNING OF YEAR, AS RESTATED	247,915	0	13,420,072	13,667,987	12,372,936
Changes for the Year					
Net Revenue (Expense) for the Year	418,262		65,237	483,499	2,058,131
Interfund Transfers					
Capital Assets Purchased	(145,167)		145,167	0	0
Local Capital				0	0
Other				0	0
Direct Increases in Fund Balances					
Endowment Contributions				0	0
Site Purchases				0	0
Comprehensive Income (Loss)				0	0
Net Changes for the Year	273,095	0	210,404	483,499	2,058,131
FUND BALANCES, END OF YEAR	521,010	0	13,630,476	14,151,486	14,431,067

SCHOOL DISTRICT NO. 67 (Okanagan Skaha)
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2006

Statement 4.1

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2006	TOTAL 2005
CASH PROVIDED BY (USED FOR)					
OPERATIONS					
Net Revenue (Expense) for the Year	418,262		65,237	483,499	2,058,131
Changes In Non-Cash Working Capital					
Decrease (Increase)					
Accounts Receivable	(3,484,235)			(3,484,235)	(47,326)
Interfund Loans	2,197,297	(2,195,111)	(2,186)	0	0
Inventories				0	0
Prepaid Expenses	(22,614)			(22,614)	0
Increase (Decrease)					
Allowance for Doubtful Accounts				0	0
Accounts Payable/Accrued Liabilities	496,204			496,204	(630,933)
Other Current Liabilities	3,837,824			3,837,824	(38,774)
Deferred Contributions	74,262	436,242		510,504	344,654
Accrued Employee Future Benefits	(131,099)			(131,099)	1,747,807
Other Long Term Liabilities				0	(287,420)
Loss (Gain) on Disposal of Capital Assets				0	0
Items Not Involving Cash					
Amortization of Capital Assets			2,353,142	2,353,142	2,424,581
Amortization of Deferred Capital Contributions			(2,184,680)	(2,184,680)	(2,194,784)
Accounting Change - Accrued EFB				0	(1,311,489)
Accounting Change - Accrued Vacation Pay				0	0
Write-off/down of Buildings and Sites				0	0
Comprehensive Income (Loss)				0	0
Interfund Transfers	(145,167)		145,167	0	0
	<u>3,240,734</u>	<u>(1,758,869)</u>	<u>376,680</u>	<u>1,858,545</u>	<u>2,064,447</u>
FINANCING					
Bank Loan Received				0	0
Bank Loan Paid				0	0
Endowment Contributions				0	0
Increase (Decrease) Deferred Contributions - Capital			3,076	3,076	623
Proceeds from Disposal of Capital Assets				0	0
MEd Restricted Portion of Proceeds on Disposal				0	0
	<u>0</u>	<u>0</u>	<u>3,076</u>	<u>3,076</u>	<u>623</u>
INVESTING					
Capital Assets Purchased - Operating			(145,167)	(145,167)	0
Capital Assets Purchased - Special Purpose				0	0
Capital Assets Purchased - Local Capital				0	0
Annual Facility Grant - Work in Progress					(670,000)
Decrease (Increase) in Investments				0	0
Decrease (Increase) in Equity Investments				0	0
	<u>0</u>	<u>0</u>	<u>(145,167)</u>	<u>(145,167)</u>	<u>(670,000)</u>
Net Increase (Decrease) in Cash	<u><u>3,240,734</u></u>	<u><u>(1,758,869)</u></u>	<u><u>234,589</u></u>	<u><u>1,716,454</u></u>	<u><u>1,395,070</u></u>

SCHOOL DISTRICT NO. 67 (Okanagan Skaha)
 STATEMENT OF CASH FLOWS
 YEAR ENDED JUNE 30, 2006

Statement 4.2

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2006	TOTAL 2005
NET INCREASE (DECREASE) IN CASH	3,240,734	(1,758,869)	234,589	1,716,454	1,395,070
Net Cash, Beginning of Year	4,929,487	2,580,932	867,795	8,378,214	6,335,707
Changes In Accounting Policies/ Prior Period Adjustments School-Generated Fund					647,438
Net Cash, Beginning of Year, as Restated	4,929,487	2,580,932	867,795	8,378,214	6,983,145
NET CASH, END OF YEAR	8,170,221	822,063	1,102,384	10,094,668	8,378,215
Cash	8,170,221	822,063	1,102,384	10,094,668	8,378,215
Short Term Investments				0	0
Bank Overdraft				0	0
NET CASH, END OF YEAR	8,170,221	822,063	1,102,384	10,094,668	8,378,215

SCHOOL DISTRICT NO. 67 (OKANAGAN SKAHA)

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2006

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 School Trustees of School District No. 67 (Okanagan Skaha)", and operates as "School District No. 67 (Okanagan Skaha)." A board of school trustees (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 balances as at June 30th. Interfund transfers and loans are recognized in each fund and eliminated in the consolidated totals.

a) Fund Accounting

Fund accounting procedures recognize external 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) Accounts Receivable

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

c) Prepaid Expenses

Prepaid expenses included such as prepaid insurance, taxes, and contracted services.

SCHOOL DISTRICT NO. 67 (OKANAGAN SKAHA)

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2006

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

d) Capital Assets

The following criteria apply:

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

Estimated useful life is as follows:

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

e) 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.

f) 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.

SCHOOL DISTRICT NO. 67 (OKANAGAN SKAHA)

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2006

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

- 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.

g) Financial Instruments

Financial instruments consist of cash, investments, accounts receivable, 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 these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

h) Use of Estimates

Preparation of financial statements 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.

i) 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 10.3.

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 NO. 67 (OKANAGAN SKAHA)

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2006

NOTE 3 ACCOUNTS RECEIVABLE

	2006	2005
Due from Federal Government	\$ 164,256	\$ 84,672
Due from Ministry of Education	\$3,549,026	\$ 223,033
Due from Schools and Other School Districts	\$ 50,205	\$ 136,101
Due from Others	\$ 281,853	\$ 117,299
	<u>\$4,045,340</u>	<u>\$ 561,105</u>

NOTE 4 CAPITAL ASSETS

	2006		2005	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Sites	\$ 8,118,186	\$ 0.00	\$ 8,118,186	\$ 8,118,186
Buildings	\$85,746,549	\$ 31,898,158	\$ 53,848,391	\$54,214,035
Furniture & Equipment	\$ 3,596,774	\$ 1,954,725	\$ 1,642,049	\$ 2,020,273
Vehicles	\$ 377,667	\$ 29,900	\$ 347,767	\$ 235,927
Computer Software				
Computer Hardware	\$ 300,101	\$ 240,080	\$ 60,021	\$ 138,155
	<u>\$98,139,277</u>	<u>\$ 34,122,863</u>	<u>\$ 64,016,414</u>	<u>\$64,726,576</u>

NOTE 5 EMPLOYEE FUTURE BENEFITS

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

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

	2006	2005
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1 (2005 – July 1)	1,869,190	1,751,258
Service Cost	144,152	137,530
Interest Cost	108,092	104,978
Benefit Payments	(89,319)	(69,489)
Actuarial (Gain)/Loss	26,214	(55,087)
Accrued Benefit Obligation – March 31	<u>2,058,329</u>	<u>1,869,190</u>

Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation – March 31	2,058,329	1,869,190
Market Value of Plan Assets – March 31	0	0
Funded Status - Surplus/(Deficit)	<u>(2,058,329)</u>	<u>(1,869,190)</u>
Employer Contributions After Measurement Date	30,725	50,391
Unamortized Net Actuarial (Gain)/Loss	(28,873)	(55,087)
Accrued Benefit Asset/(Liability) – June 30	<u>(2,056,477)</u>	<u>(1,873,886)</u>

SCHOOL DISTRICT NO. 67 (OKANAGAN SKAHA)

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2006

NOTE 5 EMPLOYEE FUTURE BENEFITS (Continued)

Components of Net Benefit Expense

Service Cost	144,152	137,530
Interest Cost	108,092	104,978
Amortization of Net Actuarial (Gain)/Loss		
Net Benefit Expense (Income)	<u>252,244</u>	<u>242,508</u>

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

Discount Rate – April 1 (2005 – July 1)	5.50%	5.75%
Discount Rate – March 31	5.25%	5.50%
Salary Growth – April 1 (2005 – July 1)	3.25% + seniority	3.25% + seniority
Salary Growth – March 31	3.25% + seniority	3.25% + seniority
EARSL	10.3	10.3

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 45,000 active members from school districts, and approximately 23,000 retired members from school districts. The Municipal Plan has about 130,000 active members, of which approximately 20,000 are from school districts.

Every three years, an actuarial valuation is performed to assess the financial position of the plans and the adequacy of plan funding. The most recent valuation of the Teachers' Plan as at December 31, 2002 indicated a \$382 million unfunded liability for basic pension benefits. The next valuation will be as at December 31, 2005 with results available in late 2006. The most recent valuation for the Municipal Pension Plan as at December 31, 2003 indicated an unfunded liability of \$789 million for basic pension benefits. The next valuation will be as at December 31, 2006 with results available in 2007. The actuary does not attribute portions of the unfunded liability to individual employers. The School District #67 (Okanagan Skaha) paid \$3,484,380 for employer contributions to these plans in the year ended June 30, 2006.

NOTE 7 UNFUNDED ACCRUED EMPLOYEE FUTURE BENEFITS AND VACATION PAY

The Ministry of Education provided funding to be used to reduce the unfunded liability for accrued employee future benefits and vacation pay. Once this unfunded liability is eliminated, Ministry funding can be used at the discretion of the Board. The School District No. 67 is fully funded as at June 30, 2006.

Unfunded liability, as at July 1, 2005	\$ 288,786
Reductions during the year	<u>288,786</u>
Unfunded liability, as at June 30, 2006	\$ <u>0</u>

**SCHOOL DISTRICT NO. 67 (OKANAGAN SKAHA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2006**

NOTE 8 OPERATING FUND BALANCE, END OF YEAR

Internally Restricted (appropriated) by Board for:		
Decentralized school budget surpluses	\$ 161,864	
District budget surpluses	357,919	
Subtotal Internally Restricted		\$ 519,783
Unrestricted Operating Surplus (Deficit)		1,227
Total Available for Future Operations		\$ 521,010

NOTE 9 INTERFUND TRANSFERS

Interfund transfers between the operating, special purpose and capital funds are reported on Statement 3 (Statement of Changes in Fund Balances). For the year ended June 30, 2006, transfers were as follows:

- Capital Assets Purchase transferred from operating \$145,167

NOTE 10 CONTINGENT LIABILITY

During the year, the British Columbia Public School Employers' Association negotiated a tentative contract whereby the district's employees will receive an incentive bonus if said contract is ratified by them (vote to be held in September 2006). The \$1,878,658 to be funded from the Ministry of Education to pay these bonuses has been accrued in the financial statements as receivable, and the pending \$1,878,658 owed to the employees has been accrued in the financial statements as payable.

NOTE 11 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 13, 2006.

NOTE 12 ECONOMIC DEPENDENCE

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

SCHOOL DISTRICT NO. 67 (Okanagan Skaha)
OPERATING FUND
SURPLUS (DEFICIT)
YEAR ENDED JUNE 30, 2006

Schedule A1

	2006	2006 AMENDED ANNUAL BUDGET	2005
	ACTUAL		ACTUAL
REVENUE			
Provincial Grants - Ministry of Education	50,349,024	50,063,237	49,413,916
Provincial Grants - Other	3,196,373	0	0
Federal Grants	139,390	138,900	90,575
Other Revenue	640,112	617,963	590,412
Rentals and Leases	304,704	260,000	260,890
Investment Income	280,214	230,000	159,515
	<u>54,909,817</u>	<u>51,310,100</u>	<u>50,515,308</u>
EXPENSE			
Salaries			
Teachers	23,719,595	21,885,000	22,615,111
Principals and Vice Principals	3,394,262	3,236,600	3,085,439
Educational Assistants	3,071,285	2,598,600	2,630,318
Support Staff	4,806,907	4,505,800	4,381,867
Other Professionals	1,249,065	1,147,950	1,137,769
Substitutes	1,154,713	1,109,500	1,124,186
	<u>37,395,827</u>	<u>34,483,450</u>	<u>34,974,690</u>
Employee Benefits	7,827,843	7,866,100	7,632,393
Services and Supplies	9,267,885	9,208,465	6,981,656
	<u>54,491,555</u>	<u>51,558,015</u>	<u>49,588,739</u>
NET REVENUE (EXPENSE), FOR THE YEAR	418,262	(247,915)	926,569
INTERFUND TRANSFERS			
Capital Assets Purchased	(145,167)	0	0
Local Capital	0	0	(9,000)
Other	0	0	397,570
OTHER ADJUSTMENTS TO OPERATING FUND BALANCE			
Reduce Unfunded Employee Future Benefits and Vacation Pay	(288,786)	(288,786)	(1,022,703)
Comprehensive Income (Loss)	0	0	0
BUDGETED ALLOCATION OF SURPLUS (DEFICIT)		536,701	
SURPLUS (DEFICIT), FOR THE YEAR	<u>(15,691)</u>	<u>0</u>	<u>292,436</u>
SURPLUS (DEFICIT), BEGINNING OF YEAR	536,701		244,262
Changes in Accounting Policies/ Prior Period Adjustments			
SURPLUS (DEFICIT), BEGINNING OF YEAR, AS RESTATED	<u>536,701</u>		<u>244,262</u>
SURPLUS (DEFICIT), END OF YEAR (Section 156 (12) of School Act)	<u>521,010</u>		<u>536,698</u>
SURPLUS (DEFICIT), END OF YEAR			
Internally Restricted	519,783		
Unrestricted	1,227		
	<u>521,010</u>		

SCHOOL DISTRICT NO. 67 (Okanagan Skaha)
OPERATING FUND
COMPARATIVE SCHEDULE OF REVENUE BY SOURCE
YEAR ENDED JUNE 30, 2006

Schedule A2

	2006	2006 AMENDED ANNUAL BUDGET	2005
	ACTUAL		ACTUAL
PROVINCIAL GRANTS - MINISTRY OF EDUCATION			
Operating Grant, Ministry of Education	49,449,658	49,253,002	47,641,254
Other Ministry of Education Grants			
GAAP Implementation Funding	438,781	438,781	625,133
Pay Equity Grant	441,194	441,194	441,194
Ready Set Learn	27,500	27,500	27,500
Physical Equip/Feasibility Study	15,750		50,000
Literacy Innovation/Forums /Re	73,381		61,454
Community Link Grant /Wireless S	360,000	360,000	447,500
\$50/FTE studen/Class Size	1,021,956	1,021,956	119,881
Job Action Savings Recovery	(1,479,196)	(1,479,196)	
	<u>50,349,024</u>	<u>50,063,237</u>	<u>49,413,916</u>
PROVINCIAL GRANTS - OTHER	<u>3,196,373</u>	<u>0</u>	<u>0</u>
FEDERAL GRANTS	<u>139,390</u>	<u>138,900</u>	<u>90,575</u>
OTHER REVENUE			
Other School District/Education Authorities	132,357	129,500	152,457
Summer School Fees	10,470	10,000	18,760
Continuing Education	0	0	0
Offshore Tuition Fees	379,293	368,000	404,990
LEA/Direct Funding from First Nations	0	0	0
Miscellaneous			
Other Fees & Revenue	7,529		14,205
Deferred Revenue from 04/05	110,463	110,463	
	<u>640,112</u>	<u>617,963</u>	<u>590,412</u>
RENTALS AND LEASES	<u>304,704</u>	<u>260,000</u>	<u>260,890</u>
INVESTMENT INCOME	<u>280,214</u>	<u>230,000</u>	<u>159,515</u>
TOTAL OPERATING REVENUE	<u><u>54,909,817</u></u>	<u><u>51,310,100</u></u>	<u><u>50,515,308</u></u>

SCHOOL DISTRICT NO. 67 (Okanagan Skaha)
OPERATING FUND
COMPARATIVE SCHEDULE OF EXPENSE BY OBJECT
YEAR ENDED JUNE 30, 2006

Schedule A3

	2006	2006 AMENDED ANNUAL BUDGET	2005
	ACTUAL		ACTUAL
SALARIES			
Teachers	23,719,595	21,885,000	22,615,111
Principals and Vice Principals	3,394,262	3,236,600	3,085,439
Educational Assistants	3,071,285	2,598,600	2,630,318
Support Staff	4,806,907	4,505,800	4,381,867
Other Professionals	1,249,065	1,147,950	1,137,769
Substitutes	1,154,713	1,109,500	1,124,186
	<u>37,395,827</u>	<u>34,483,450</u>	<u>34,974,690</u>
EMPLOYEE BENEFITS			
Total Salaries and Benefits	<u>45,223,670</u>	<u>42,349,550</u>	<u>42,607,083</u>
SERVICES AND SUPPLIES			
Services	1,333,648	1,392,884	1,497,576
Student Transportation	641,912	635,421	621,327
Professional Development and Travel	439,168	479,883	318,558
Rentals and Leases	145	5,600	0
Dues and Fees	25,044	19,200	21,258
Insurance	115,355	122,900	114,388
Interest	0	0	0
Supplies	5,263,212	5,145,077	3,242,113
Bad Debts	0	0	0
Utilities	1,449,401	1,407,500	1,166,436
Total Services and Supplies	<u>9,267,885</u>	<u>9,208,465</u>	<u>6,981,656</u>
TOTAL OPERATING EXPENSE	<u><u>54,491,555</u></u>	<u><u>51,558,015</u></u>	<u><u>49,588,739</u></u>

SCHOOL DISTRICT NO. 67 (Okanagan Skaha)
 OPERATING FUND
 EXPENSE BY FUNCTION AND PROGRAM
 YEAR ENDED JUNE 30, 2006

	TEACHERS SALARIES	PRINCIPALS AND VICE PRINCIPALS SALARIES	EDUCATIONAL ASSISTANTS SALARIES	SUPPORT STAFF SALARIES	OTHER PROFESSIONALS SALARIES	SUBSTITUTES SALARIES	TOTAL SALARIES
1 INSTRUCTION							
1.02 Regular Instruction	18,895,141	1,341,230	39,851	460,574	75,843	707,295	21,519,934
1.03 Career Programs	125,279		40,909			2,741	168,929
1.07 Library Services	627,412	30,905		210,729		20,667	895,713
1.08 Counselling	784,907			10,696		16,913	812,516
1.10 Special Education	2,770,564	62,127	2,629,767	32,465	223,551	321,569	6,240,103
1.30 English as a Second Language	132,170					2,892	135,062
1.31 Aboriginal Education	191,034	69,518	160,759			9,901	431,211
1.41 School Administration		1,803,036		756,031		38,128	2,597,197
1.60 Summer School						14,721	14,721
1.61 Continuing Education							0
1.62 Off Shore Students	107,613					2,056	109,669
1.64 Other				28,129		1,672	29,801
1.65 Conseil Scolaire Francophone	65,475			10,084		1,974	97,533
Total Function 1	23,719,595	3,308,816	3,071,285	1,508,706	299,434	1,146,549	33,052,389
4 DISTRICT ADMINISTRATION							
4.11 Educational Administration			8,092		187,285	380	195,757
4.40 School District Governance					66,750		66,750
4.41 Business Administration		87,444	200,443		439,214	7,784	734,885
4.65 Conseil Scolaire Francophone							0
Total Function 4	0	87,444	208,535	208,535	683,249	8,164	997,392
5 OPERATIONS AND MAINTENANCE							
5.41 Operations and Maintenance Administration			16,807		211,992		230,799
5.50 Maintenance Operations				2,738,561	11,842		2,750,403
5.52 Maintenance of Grounds				200,485			200,485
5.56 Utilities							0
5.65 Conseil Scolaire Francophone							0
Total Function 5	0	0	0	2,957,653	223,834	0	3,181,637
7 TRANSPORTATION AND HOUSING							
7.41 Transportation and Housing Administration					32,548		32,548
7.65 Conseil Scolaire Francophone							0
7.70 Student Transportation				131,811			131,811
7.73 Housing							0
Total Function 7	0	0	0	131,811	32,548	0	164,359
9 DEBT SERVICES (OPERATING)							
9.92 Interest on Bank Loans							0
9.94 Interest on Temporary Borrowing							0
Total Function 9	0	0	0	0	0	0	0
TOTAL FUNCTIONS 1 - 9	23,719,595	3,394,262	3,071,285	4,806,907	1,249,065	1,154,713	37,395,827

SCHOOL DISTRICT NO. 67 (Okanagan Skaha)
 OPERATING FUND
 EXPENSE BY FUNCTION AND PROGRAM
 YEAR ENDED JUNE 30, 2006

	2005		2006		2006		2005	
	TOTAL SALARIES	EMPLOYEE BENEFITS	TOTAL SALARIES AND BENEFITS	SERVICES AND SUPPLIES	2006 ACTUAL	2006 AMENDED ANNUAL BUDGET	2005 ACTUAL	2005 ANNUAL BUDGET
1 INSTRUCTION								
1.02 Regular Instruction	21,519,934	4,296,424	25,816,358	4,182,096	29,998,454	28,197,059	27,234,641	27,234,641
1.03 Career Programs	168,929	35,832	204,761	73,159	277,920	232,800	236,569	236,569
1.07 Library Services	895,713	188,436	1,084,149	156,708	1,242,857	1,202,300	1,226,160	1,226,160
1.08 Counselling	812,516	158,955	971,471	6,086	977,557	921,200	937,665	937,665
1.10 Special Education	6,240,103	1,367,023	7,607,126	522,935	8,130,061	7,842,600	7,334,644	7,334,644
1.30 English as a Second Language	135,082	26,213	161,275	2,986	164,271	156,400	179,837	179,837
1.31 Aboriginal Education	431,211	100,765	531,976	30,871	562,847	499,400	418,475	418,475
1.41 School Administration	2,597,197	567,762	3,164,959	132,731	3,297,690	3,413,200	3,217,376	3,217,376
1.60 Summer School	14,721	2,484	17,205	817	18,022	23,600	24,212	24,212
1.61 Continuing Education	0	0	0	0	0	0	0	0
1.62 Off Shore Students	109,669	21,571	131,240	20,521	151,761	127,300	130,130	130,130
1.64 Other	29,801	9,404	39,205	57,485	96,690	136,085	71,581	71,581
1.65 Conseil Scolaire Francophone	97,533	17,963	115,496	1,656	117,152	135,200	96,704	96,704
Total Function 1	33,052,389	6,792,632	39,845,021	5,190,061	45,035,082	42,687,144	41,108,014	41,108,014
4 DISTRICT ADMINISTRATION								
4.11 Educational Administration	195,757	39,997	235,754	60,988	296,752	251,300	276,964	276,964
4.40 School District Governance	66,750	693	67,443	107,909	175,352	144,750	141,826	141,826
4.41 Business Administration	734,885	148,656	883,541	250,472	1,134,013	1,069,400	955,344	955,344
4.65 Conseil Scolaire Francophone	0	0	0	0	0	0	36,517	36,517
Total Function 4	997,392	189,346	1,186,738	419,379	1,606,117	1,465,450	1,410,651	1,410,651
5 OPERATIONS AND MAINTENANCE								
5.41 Operations and Maintenance Administration	230,799	48,333	279,132	94,358	373,490	344,900	336,402	336,402
5.50 Maintenance Operations	2,750,403	694,231	3,444,634	1,288,490	4,733,124	4,241,321	4,276,240	4,276,240
5.52 Maintenance of Grounds	200,485	54,683	255,168	147,646	402,814	521,000	436,513	436,513
5.56 Utilities	0	0	0	1,449,400	1,449,400	1,407,500	1,166,436	1,166,436
5.65 Conseil Scolaire Francophone	0	0	0	0	0	0	0	0
Total Function 5	3,181,687	797,247	3,978,934	2,979,894	6,959,828	6,514,721	6,215,591	6,215,591
7 TRANSPORTATION AND HOUSING								
7.41 Transportation and Housing Administration	32,548	6,036	38,584	2,888	41,452	42,600	39,771	39,771
7.65 Conseil Scolaire Francophone	0	0	0	0	0	0	0	0
7.70 Student Transportation	131,811	42,382	174,193	675,663	849,876	849,100	814,712	814,712
7.73 Housing	0	0	0	0	0	0	0	0
Total Function 7	164,359	48,418	212,777	678,551	891,328	890,700	854,483	854,483
9 DEBT SERVICES (OPERATING)								
9.92 Interest on Bank Loans	0	0	0	0	0	0	0	0
9.94 Interest on Temporary Borrowing	0	0	0	0	0	0	0	0
Total Function 9	0	0	0	0	0	0	0	0
TOTAL FUNCTIONS 1 - 9	37,395,627	7,627,843	45,023,470	9,267,865	54,491,555	51,558,015	49,588,739	49,588,739

SCHOOL DISTRICT NO. 67 (Okanagan Skaha)
 OPERATING FUND
 CHANGES IN DEFERRED CONTRIBUTIONS
 YEAR ENDED JUNE 30, 2006

Schedule A5

BALANCE, BEGINNING OF YEAR	236,234
Changes in Accounting Policies/ Prior Period Adjustments	-
BALANCE, BEGINNING OF YEAR, AS RESTATED	<u>236,234</u>
Changes for the Year	
Increase:	
Provincial Grants - Ministry of Education	0
Provincial Grants - Other	0
Other Revenue	0
Rentals	66,856
Offshore Tuition	154,180
District Entered (Note Summer Leadership Conference)	89,460
	<u>310,496</u>
Decrease:	
Allocated to Revenue	
Provincial Grants - Ministry of Education	21,400
Provincial Grants - Other	0
Federal Grants	0
Other Revenue	90,463
Rentals and Leases	57,141
Investment Income	0
Offshore Tuition	67,230
	<u>236,234</u>
Net Changes for the Year	<u>74,262</u>
BALANCE, END OF YEAR	<u><u>310,496</u></u>

SCHOOL DISTRICT NO. 67 (Okanagan Skaha)
 SPECIAL PURPOSE FUNDS
 SUMMARY OF CHANGES
 YEAR ENDED JUNE 30, 2006

	MINISTRY OF EDUCATION DESIGNATED	OTHER	SCHOOL GENERATED FUNDS	RELATED ENTITIES	TOTAL
DEFERRED CONTRIBUTIONS					
DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR	1,806,452	11,397	763,082	0	2,580,931
Add: Contributions Received					
Provincial Grants - Ministry of Education	1,316,914				1,316,914
Provincial Grants - Other	0				0
Federal Grants			2,660,591		2,660,591
Other Revenue		495			495
Rentals and Leases	73,255	395	9,258		82,908
Investment Income	1,990,169	890	2,869,849	0	4,060,908
Less: Allocated to Revenue Recovered	1,013,676	122	2,610,868		3,624,666
DEFERRED CONTRIBUTIONS, END OF YEAR	2,182,945	12,165	822,063	0	3,017,173
REVENUE AND EXPENSE					
REVENUE					
Provincial Grants - Ministry of Education	940,421				940,421
Provincial Grants - Other					0
Federal Grants			2,601,610		2,601,610
Other Revenue					0
Rentals and Leases	73,255	122	9,255		82,635
Investment Income					0
Gain (Loss) on Equity Investment	1,013,676	122	2,610,868	0	3,624,666
EXPENSE					
Salaries					
Teachers					0
Principals and Vice Principals					0
Educational Assistants					0
Support Staff					0
Other Professionals					0
Substitutes					0
Employee Benefits	0	0	0	0	0
Services and Supplies	1,013,676	122	2,610,868		3,624,666
NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS	0	0	0	0	0
INTERFUND TRANSFERS					
Capital Assets Purchased					0
Other	0	0	0	0	0
NET REVENUE (EXPENSE)	0	0	0	0	0

SCHOOL DISTRICT NO. 67 (Okanagan Skaha)
 SPECIAL PURPOSE FUNDS
 CHANGES IN MINISTRY OF EDUCATION DESIGNATED SPECIAL PURPOSE FUNDS
 YEAR ENDED JUNE 30, 2006

	207 Annual Facility Grant	231 Aboriginal Education Technology	250 Special Education Equipment	TOTAL
DEFERRED CONTRIBUTIONS				1,806,452
DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR				
Add: Contributions Received	1,749,669	50,900	5,883	
Provincial Grants - Ministry of Education	1,303,669		13,245	1,316,914
Provincial Grants - Other				0
Federal Grants				0
Other Revenue				0
Rentals and Leases	71,876	1,377		73,255
Investment Income	1,375,547	1,377	13,245	1,390,169
Less: Allocated to Revenue	991,939	6,740	14,997	1,013,676
Recovered				0
DEFERRED CONTRIBUTIONS, END OF YEAR	2,133,277	45,537	4,131	2,182,945
REVENUE AND EXPENSE				
REVENUE				
Provincial Grants - Ministry of Education	920,061	5,363	14,997	940,421
Provincial Grants - Other				0
Federal Grants				0
Other Revenue				0
Rentals and Leases				0
Investment Income	71,876	1,377		73,255
	991,939	6,740	14,997	1,013,676
EXPENSE				
Salaries				
Teachers				0
Principals and Vice Principals				0
Educational Assistants				0
Support Staff				0
Other Professionals				0
Substitutes				0
Employee Benefits				0
Services and Supplies	991,939	6,740	14,997	1,013,676
	991,939	6,740	14,997	1,013,676
NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS	0	0	0	0
INTERFUND TRANSFERS				
Capital Assets Purchased				0
Other				0
				0
NET REVENUE (EXPENSE)	0	0	0	0

SCHOOL DISTRICT NO. 67 (Okanagan Skaha)
 SPECIAL PURPOSE FUNDS
 CHANGES IN OTHER SPECIAL PURPOSE FUNDS
 YEAR ENDED JUNE 30, 2006

	Steinway Piano	TOTAL
DEFERRED CONTRIBUTIONS		
DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR	11,397	11,397
Add: Contributions Received		
Provincial Grants - Ministry of Education		0
Provincial Grants - Other		0
Federal Grants		0
Other Revenue		0
Rentals and Leases	495	495
Investment Income	395	395
	890	890
Less: Allocated to Revenue	122	122
Recovered		0
DEFERRED CONTRIBUTIONS, END OF YEAR	12,165	12,165
REVENUE AND EXPENSE		
REVENUE		
Provincial Grants - Ministry of Education		0
Provincial Grants - Other		0
Federal Grants		0
Other Revenue		0
Rentals and Leases		0
Investment Income	122	122
	122	122
EXPENSE		
Salaries		
Teachers		0
Principals and Vice Principals		0
Educational Assistants		0
Support Staff		0
Other Professionals		0
Substitutes		0
Employee Benefits		0
Services and Supplies	122	122
	122	122
NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS	0	0
INTERFUND TRANSFERS		
Capital Assets Purchased		0
Other		0
NET REVENUE (EXPENSE)	0	0

SCHOOL DISTRICT NO. 67 (Okanagan Skaha)
 CAPITAL FUND
 CAPITAL ASSETS
 YEAR ENDED JUNE 30, 2006

	SITES	BUILDINGS	FURNITURE AND EQUIPMENT	VEHICLES	COMPUTER SOFTWARE	COMPUTER HARDWARE	TOTAL
COST, BEGINNING OF YEAR	8,118,186	83,578,736	3,782,236	333,272	0	390,677	96,203,107
Changes in Accounting Policy/ Prior Period Adjustments							
COST, BEGINNING OF YEAR, AS RESTATED	8,118,186	83,578,736	3,782,236	333,272	0	390,677	96,203,107
Changes for the Year							
Increase:							
Purchases from:							
Deferred Contributions - Bylaw							0
Deferred Contributions - Other							0
Operating Fund				145,167			145,167
Special Purpose Funds							0
Local Capital							0
Transferred from Work in Progress	670,000						670,000
Decrease:	0	670,000	0	145,167	0	0	815,167
Disposed of							0
Deemed Disposals			185,462			90,576	376,810
Written-off/down During Year				100,772			0
COST, END OF YEAR	8,118,186	84,248,736	3,596,774	100,772	0	90,576	376,810
WORK IN PROGRESS, END OF YEAR	1,497,813			377,667	0	300,101	56,841,464
COST AND WORK IN PROGRESS, END OF YEAR	8,118,186	85,746,549	3,596,774	377,667	0	300,101	1,497,813
ACCUMULATED AMORTIZATION, BEGINNING OF YEAR		30,034,702	1,761,963	97,345	0	252,521	32,146,531
Changes in Accounting Policies/ Prior Period Adjustments							
BALANCE, BEGINNING OF YEAR, AS RESTATED	0	30,034,702	1,761,963	97,345	0	252,521	32,146,531
Changes for the Year							
Increase: Amortization for the Year		1,863,456	378,224	33,327		78,135	2,353,142
Decrease:							
Disposed of							0
Deemed Disposals			185,462	100,772		90,576	376,810
Written-off During Year							0
ACCUMULATED AMORTIZATION, END OF YEAR	0	31,898,158	1,954,725	29,900	0	240,080	34,122,863
CAPITAL ASSETS - NET	8,118,186	53,848,391	1,642,049	347,767	0	60,021	64,016,414

SCHOOL DISTRICT NO. 67 (Okanagan Skaha)
 CAPITAL FUND
 CAPITAL ASSETS - WORK IN PROGRESS
 YEAR ENDED JUNE 30, 2006

	BUILDINGS	FURNITURE AND EQUIPMENT	COMPUTER SOFTWARE	COMPUTER HARDWARE	TOTAL
WORK IN PROGRESS, BEGINNING OF YEAR	670,000	0	0	0	670,000
Changes in Accounting Policy/ Prior Period Adjustments					
WORK IN PROGRESS, BEGINNING OF YEAR, AS RESTATED	670,000	0	0	0	670,000
Changes for the Year					
Increase:					
Deferred Contributions - Bylaw	1,497,813				1,497,813
Deferred Contributions - Other					0
Operating Fund					0
Special Purpose Funds					0
Local Capital					0
Decrease:					
Transferred to Capital Assets					1,497,813
Net Changes for the Year	670,000	0	0	0	670,000
WORK IN PROGRESS, END OF YEAR	670,000	0	0	0	670,000
	827,813	0	0	0	827,813
	1,497,813	0	0	0	1,497,813

SCHOOL DISTRICT NO. 67 (Okanagan Skaha)
CAPITAL FUND
DEFERRED CAPITAL CONTRIBUTIONS
YEAR ENDED JUNE 30, 2006

Schedule C3

	BYLAW CAPITAL (NET)	OTHER PROVINCIAL (NET)	OTHER CAPITAL (NET)	TOTAL CAPITAL
DEFERRED CAPITAL CONTRIBUTIONS, BEGINNING OF YEAR	52,146,880	0	0	52,146,880
Changes in Accounting Policies/ Prior Period Adjustments				
DEFERRED CAPITAL CONTRIBUTIONS, BEGINNING OF YEAR, AS RESTATED	<u>52,146,880</u>	<u>0</u>	<u>0</u>	<u>52,146,880</u>
Changes for the Year				
Increase:				
Transferred from Deferred Contributions - Capital Additions				0
Transferred from Work in Progress				0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Decrease:				
Amortization of Deferred Capital Contributions	2,184,680			2,184,680
Revenue Recognized on Disposal of Buildings				0
Revenue Recognized on Write-off/down of Buildings				0
	<u>2,184,680</u>	<u>0</u>	<u>0</u>	<u>2,184,680</u>
Net Changes for the Year	<u>(2,184,680)</u>	<u>0</u>	<u>0</u>	<u>(2,184,680)</u>
DEFERRED CAPITAL CONTRIBUTIONS, END OF YEAR	<u>49,962,200</u>	<u>0</u>	<u>0</u>	<u>49,962,200</u>
WORK IN PROGRESS, BEGINNING OF YEAR	0	0	0	0
Changes in Accounting Policies/ Prior Period Adjustments				
WORK IN PROGRESS, BEGINNING OF YEAR, AS RESTATED	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Changes for the Year				
Increase:				
Transferred from Deferred Contributions - Work in Progress	1,497,813			1,497,813
	<u>1,497,813</u>	<u>0</u>	<u>0</u>	<u>1,497,813</u>
Decrease:				
Transferred to Deferred Capital Contributions				0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Changes for the Year	<u>1,497,813</u>	<u>0</u>	<u>0</u>	<u>1,497,813</u>
WORK IN PROGRESS, END OF YEAR	<u>1,497,813</u>	<u>0</u>	<u>0</u>	<u>1,497,813</u>
DEFERRED CAPITAL CONTRIBUTIONS AND WORK IN PROGRESS, END OF YEAR	<u><u>51,460,013</u></u>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>51,460,013</u></u>

SCHOOL DISTRICT NO. 67 (Okanagan Skaha)
 CAPITAL FUND
 CHANGES IN DEFERRED CONTRIBUTIONS
 YEAR ENDED JUNE 30, 2006

	BYLAW CAPITAL	MINISTRY OF EDUCATION RESTRICTED CAPITAL	OTHER PROVINCIAL CAPITAL	LAND CAPITAL	OTHER CAPITAL	TOTAL
BALANCE, BEGINNING OF YEAR	0	27,420	0	0	0	27,420
Changes in Accounting Policies/ Prior Period Adjustments						
BALANCE, BEGINNING OF YEAR, AS RESTATED	0	27,420	0	0	0	27,420
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	1,500,000					1,500,000
Provincial Grants - Other	0					0
Other	0					0
Investment Income	889					889
MEd Restricted Portion of Proceeds on Disposal	0					0
Decrease:						
Transferred to DCC - Capital Additions	0					0
Transferred to DCC - Work in Progress	1,497,813					1,497,813
Transferred to Invested in Capital Assets - Site Purchases	1,497,813	0	0	0	0	1,497,813
Net Changes for the Year	2,187	889	0	0	0	3,076
BALANCE, END OF YEAR	2,187	28,309	0	0	0	30,496

SCHOOL DISTRICT NO. 67 (Okanagan Skaha)
CAPITAL FUND
CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2006

Schedule C5

	INVESTMENT IN CAPITAL	LOCAL CAPITAL	FUND BALANCE
BALANCE, BEGINNING OF YEAR	12,579,696	840,376	13,420,072
Changes in Accounting Policies/ Prior Period Adjustments			
BALANCE, BEGINNING OF YEAR, AS RESTATED	<u>12,579,696</u>	<u>840,376</u>	<u>13,420,072</u>
Changes for the Year			
Investment Income		29,492	29,492
Comprehensive Income (Loss)			0
Gain (Loss) on Disposal of Capital Assets			0
District Portion of Proceeds on Disposal			0
Write-off/down of Buildings and Sites			0
Amortization of Deferred Capital Contributions	2,184,680		2,184,680
Capital Assets Purchased from Local Capital			0
Interfund Transfers - Capital Assets Purchased	145,167		145,167
Interfund Transfers - Capital Assets WIP			0
Interfund Transfers - Local Capital			0
Amortization of Capital Assets	(2,353,142)		(2,353,142)
Transferred to Invested in Capital Assets - Site Purchases			0
Fees & Other Revenue		204,207	204,207
Net Changes for the Year	<u>(23,295)</u>	<u>233,699</u>	<u>210,404</u>
BALANCE, END OF YEAR	<u>12,556,401</u>	<u>1,074,075</u>	<u>13,630,476</u>