

# SCHOOL DISTRICT AUDITED FINANCIAL STATEMENTS FISCAL YEAR 2010/2011

SCHOOL DISTRICT NUMBER 82	NAME OF SCHOOL DISTRICT Coast Mountain	YEAR 2010/2011
OFFICE LOCATION 3211 Kenney Street		TELEPHONE NUMBER
CITY/PROVINCE Terrace		POSTAL CODE V8G 3E9
WEBSITE ADDRESS cmsd.bc.ca		
NAME OF SUPERINTENDENT Nancy Wells		NAME OF SECRETARY-TREASURER Alanna Cameron

## 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. 82 (Coast Mountain) ("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. 82 (Coast Mountain) for the year ended June 30, 2011.

SIGNATURE OF CHAIRPERSON OF THE BOARD OF EDUCATION 	DATE SIGNED Sept. 29/11
SIGNATURE OF SUPERINTENDENT 	DATE SIGNED September 28/2011
SIGNATURE OF SECRETARY-TREASURER 	DATE SIGNED SEPT 29, 2011

**SCHOOL DISTRICT No. 82 (COAST MOUNTAIN)  
2010/2011 AUDITED FINANCIAL STATEMENTS**

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**INDEPENDENT AUDITOR'S REPORT**

To the Board of Education  
School District No. 82 (Coast Mountains)

**Report on the Financial Statements**

We have audited the accompanying statement of financial position of School District No. 82 (Coast Mountains) as at June 30, 2011 and the statements of revenue and expense, changes in fund balances and cash flows for the year then ended and a summary of significant accounting policies.

**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 controls as management determines are necessary to enable the preparation of financial statements that are free of material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures depend on the auditor's judgment, including the assessment of the risks of material misstatement, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate for 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 obtained is sufficient and appropriate to provide a basis for our audit opinion.

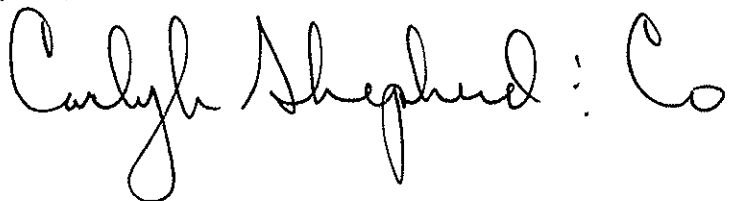
**Opinion**

In our opinion, these financial statements present fairly, in all material respects, the financial position of the School District as at June 30, 2011 and the results of its operations and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

**Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of the School District taken as a whole. The current year's supplementary information included in Schedules A1 to C5 is presented for purposes of additional analysis. Such supplementary information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects, in relation to the financial statements taken as a whole

Terrace, BC  
September 28, 2011



**SCHOOL DISTRICT No. 82 (COAST MOUNTAIN)**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2011**

**Statement 1**

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2011	TOTAL 2010
<b>ASSETS</b>					
Current Assets					
Cash and Cash Equivalents (Note 2b )	\$ 6,625,823	\$ 538,855		\$ 7,164,678	\$ 8,204,416
Accounts Receivable					
Due from LEA/Direct Funding (Note 2c)	1,231,300			1,231,300	2,156,107
Other Receivables (Note 3)	353,968			353,968	196,159
Interfund Loans (Note 2a)		1,330,275	1,185,327		
Inventories (Note 2d)	149,722			149,722	75,573
Prepaid Expenses (Note 2e)	164,201			164,201	99,079
	<u>8,525,014</u>	<u>1,869,130</u>	<u>1,185,327</u>	<u>9,063,869</u>	<u>10,731,334</u>
Capital Assets - Net (Note 2f.4)			61,808,837	61,808,837	61,318,616
<b>TOTAL ASSETS</b>	<b>\$ 8,525,014</b>	<b>\$ 1,869,130</b>	<b>\$ 62,994,164</b>	<b>\$ 70,872,706</b>	<b>\$ 72,049,950</b>
<b>LIABILITIES AND FUND BALANCES</b>					
Current Liabilities					
Accounts Payable and Accrued Liabilities					
Other	4,573,840			4,573,840	2,993,697
Interfund Loans	2,515,602				
Other Current Liabilities	118,615			118,615	118,722
	<u>7,208,057</u>	<u>-</u>	<u>-</u>	<u>4,692,455</u>	<u>3,112,419</u>
Deferred Contributions					
Ministry of Education		1,235,503	72,382	1,307,885	1,758,597
Other		633,627		633,627	654,021
Accrued Employee Future Benefits (Note 5)	1,316,957			1,316,957	1,361,091
Deferred Capital Contributions			38,998,123	38,998,123	39,384,349
<b>TOTAL LIABILITIES</b>	<b>8,525,014</b>	<b>1,869,130</b>	<b>39,070,505</b>	<b>46,949,047</b>	<b>46,270,477</b>
Fund Balances					
Invested in Capital Assets			22,810,714	22,810,714	21,934,267
Internally Restricted			1,112,945	1,112,945	3,845,206
<b>TOTAL FUND BALANCES</b>	<b>-</b>	<b>-</b>	<b>23,923,659</b>	<b>23,923,659</b>	<b>25,779,473</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 8,525,014</b>	<b>\$ 1,869,130</b>	<b>\$ 62,994,164</b>	<b>\$ 70,872,706</b>	<b>\$ 72,049,950</b>

**SCHOOL DISTRICT No. 82 (COAST MOUNTAIN)**  
**STATEMENT OF REVENUE AND EXPENSE**  
**YEAR ENDED JUNE 30, 2011**

**Statement 2**

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2011	TOTAL 2010
<b>REVENUE</b>					
Provincial Grants - Ministry of Education	\$ 47,988,355	\$ 1,861,263		\$ 49,849,618	\$ 49,619,816
Provincial Grants - Other				-	399,413
Other Revenue	5,033,862	1,311,166		6,345,028	6,152,448
Rentals and Leases	250,939			250,939	211,212
Investment Income	20,216		99,941	120,157	346,548
Amortization of Deferred Capital Contributions			1,801,776	1,801,776	1,828,864
	<u>53,293,372</u>	<u>3,172,429</u>	<u>1,901,717</u>	<u>58,367,518</u>	<u>58,558,301</u>
<b>EXPENSE</b>					
Salaries					
Teachers	22,391,715	20,289		22,412,004	22,152,195
Principals and Vice Principals	3,410,051	10,537		3,420,588	3,458,724
Educational Assistants	3,630,343	261,017		3,891,360	3,874,898
Support Staff	4,751,991	40,420		4,792,411	5,478,442
Other Professionals	1,900,622			1,900,622	1,675,874
Substitutes	2,131,616	25,310		2,156,926	1,951,700
	<u>38,216,338</u>	<u>357,573</u>	<u>-</u>	<u>38,573,911</u>	<u>38,591,833</u>
Employee Benefits	8,227,059	62,689		8,289,748	8,074,274
Services and Supplies	8,829,471	1,903,964		10,733,435	10,061,101
Amortization of Capital Assets			2,626,238	2,626,238	2,462,626
	<u>55,272,868</u>	<u>2,324,226</u>	<u>2,626,238</u>	<u>60,223,332</u>	<u>59,189,834</u>
<b>NET REVENUE (EXPENSE)</b>	<u><b>\$ (1,979,496)</b></u>	<u><b>\$ 848,203</b></u>	<u><b>\$ (724,521)</b></u>	<u><b>\$ (1,855,814)</b></u>	<u><b>\$ (631,533)</b></u>

**SCHOOL DISTRICT No. 82 (COAST MOUNTAIN)  
STATEMENT OF CHANGES IN FUND BALANCES  
YEAR ENDED JUNE 30, 2011**

**Statement 3**

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2011	TOTAL 2010
<b>FUND BALANCES, BEGINNING OF YEAR</b>	\$ -	\$ -	\$ 25,779,473	\$ 25,779,473	\$ 26,411,006
<b>Changes for the Year</b>					
Net Revenue (Expense) for the Year	(1,979,496)	848,203	(724,521)	(1,855,814)	(631,533)
Interfund Transfers					
Capital Assets Purchased	(178,412)	(848,203)	1,026,615	-	
Local Capital	2,157,908		(2,157,908)	-	
<b>Net Changes for the Year</b>	<u>-</u>	<u>-</u>	<u>(1,855,814)</u>	<u>(1,855,814)</u>	<u>(631,533)</u>
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 23,923,659</u>	<u>\$ 23,923,659</u>	<u>\$ 25,779,473</u>

**SCHOOL DISTRICT No. 82 (COAST MOUNTAIN)**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED JUNE 30, 2011**

**Statement 4.1**

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2011	TOTAL 2010
<b>CASH PROVIDED BY (USED FOR)</b>					
<b>OPERATIONS</b>					
Net Revenue (Expense) for the Year	\$ (1,979,496)	\$ 848,203	\$ (724,521)	\$ (1,855,814)	\$ (631,533)
Changes in Non-Cash Working Capital					
Decrease (Increase)					
Accounts Receivable	766,998			766,998	(48,602)
Interfund Loans	(3,124,710)	247,001	2,877,709	-	1
Inventories	(74,149)			(74,149)	96,841
Prepaid Expenses	(65,122)			(65,122)	69,410
Increase (Decrease)					
Accounts Payable/Accrued Liabilities	1,580,143			1,580,143	875,682
Other Current Liabilities	(107)			(107)	42,469
Deferred Contributions		(325,658)		(325,658)	(1,122,327)
Accrued Employee Future Benefits	(44,134)			(44,134)	36,471
Items Not Involving Cash					
Amortization of Capital Assets			2,626,238	2,626,238	2,462,626
Amortization of Deferred Capital Contributions			(1,801,776)	(1,801,776)	(1,828,864)
Interfund Transfers	1,979,496	(848,203)	(1,131,293)	-	-
	<u>(961,081)</u>	<u>(78,657)</u>	<u>1,846,357</u>	<u>806,619</u>	<u>(47,826)</u>
<b>FINANCING</b>					
Deferred Contributions Received - Capital			1,270,102	1,270,102	7,927
			<u>-</u>	<u>-</u>	<u>7,927</u>
<b>INVESTING</b>					
Capital Assets Purchased - Operating			(178,412)	(178,412)	(813,522)
Capital Assets Purchased - Special Purpose			(848,203)	(848,203)	(1,183,836)
Capital Assets Purchased - Local Capital			(674,294)	(674,294)	(432,814)
Capital Assets Purchased - Deferred Contributions - Capital			(1,415,550)	(1,415,550)	(7,505)
			<u>-</u>	<u>(3,116,459)</u>	<u>(2,437,677)</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	<u>\$ (961,081)</u>	<u>\$ (78,657)</u>	<u>\$ -</u>	<u>\$ (1,039,738)</u>	<u>\$ (2,477,576)</u>

**SCHOOL DISTRICT No. 82 (COAST MOUNTAIN)**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED JUNE 30, 2011**

**Statement 4.2**

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2011	TOTAL 2010
<b>NET INCREASE (DECREASE) IN CASH</b>	\$ (961,081)	\$ (78,657)	\$ -	\$ (1,039,738)	\$ (2,477,576)
<b>Net Cash, Beginning of Year</b>	7,586,904	617,512	-	8,204,416	10,681,992
<b>NET CASH, END OF YEAR</b>	<u>\$ 6,625,823</u>	<u>\$ 538,855</u>	<u>\$ -</u>	<u>\$ 7,164,678</u>	<u>\$ 8,204,416</u>
Cash	\$ 6,625,823	\$ 538,855		\$ 7,164,678	\$ 8,204,416
<b>NET CASH, END OF YEAR</b>	<u>\$ 6,625,823</u>	<u>\$ 538,855</u>	<u>\$ -</u>	<u>\$ 7,164,678</u>	<u>\$ 8,204,416</u>

**SCHOOL DISTRICT No. 82 (COAST MOUNTAIN)**  
**OPERATING FUND**  
**SURPLUS (DEFICIT)**  
**YEAR ENDED JUNE 30, 2011**

Schedule A1

	2011		
	2011 ACTUAL	AMENDED ANNUAL BUDGET	2010 ACTUAL
<b>REVENUE</b>			
Provincial Grants - Ministry of Education	\$ 47,988,355	\$ 47,643,565	\$ 47,653,304
Other Revenue	5,033,862	5,090,395	5,077,536
Rentals and Leases	250,939	266,860	211,212
Investment Income	20,216	140,500	160,845
	<u>53,293,372</u>	<u>53,141,320</u>	<u>53,102,897</u>
<b>EXPENSE</b>			
Salaries			
Teachers	22,391,715	22,420,837	22,152,195
Principals and Vice Principals	3,410,051	3,390,833	3,432,629
Educational Assistants	3,630,343	3,592,087	3,609,968
Support Staff	4,751,991	4,714,465	5,314,349
Other Professionals	1,900,622	1,534,896	1,664,225
Substitutes	2,131,616	1,706,091	1,890,375
	<u>38,216,338</u>	<u>37,359,209</u>	<u>38,063,741</u>
Employee Benefits	8,227,059	7,949,304	7,975,389
Services and Supplies	8,829,471	9,381,391	8,408,322
	<u>55,272,868</u>	<u>54,689,904</u>	<u>54,447,452</u>
<b>NET REVENUE (EXPENSE), FOR THE YEAR</b>	(1,979,496)	(1,548,584)	(1,344,555)
<b>INTERFUND TRANSFERS</b>			
Capital Assets Purchased	(178,412)	(38,200)	(813,522)
Local Capital	2,157,908	1,586,784	657,984
<b>OTHER ADJUSTMENTS TO OPERATING FUND BALANCE</b>			
<b>BUDGETED ALLOCATION (RETIREMENT) OF SURPLUS (DEFICIT)</b>			
<b>SURPLUS (DEFICIT), FOR THE YEAR</b>	<u>-</u>	<u>\$ -</u>	<u>(1,500,093)</u>
<b>SURPLUS (DEFICIT), BEGINNING OF YEAR</b>	-		1,500,093
<b>SURPLUS (DEFICIT), END OF YEAR</b>	<u>\$ -</u>		<u>\$ -</u>
(Section 156 (12) of School Act)			
<b>SURPLUS (DEFICIT), END OF YEAR</b>	<u>\$ -</u>		

**SCHOOL DISTRICT No. 82 (COAST MOUNTAIN)**  
**OPERATING FUND**  
**COMPARATIVE SCHEDULE OF REVENUE BY SOURCE**  
**YEAR ENDED JUNE 30, 2011**

Schedule A2

	2011 ACTUAL	2011 AMENDED ANNUAL BUDGET	2010 ACTUAL
<b>PROVINCIAL GRANTS - MINISTRY OF EDUCATION</b>			
Operating Grant, Ministry of Education	\$ 51,618,731	\$ 51,308,144	\$ 51,250,704
INAC/LEA Recovery	(4,910,772)	(4,885,375)	(4,885,375)
Other Ministry of Education Grants			
Pay Equity	1,160,795	1,160,796	1,160,795
FSA Scorer Training	8,696		8,696
Education Gaurantee	60,913		82,013
Carbon Tax Reimbursement	37,235		36,471
FDK Equipment Grant		60,000	
ITA	12,757		
	<u>47,988,355</u>	<u>47,643,565</u>	<u>47,653,304</u>
<b>PROVINCIAL GRANTS - OTHER</b>			
<b>FEDERAL GRANTS</b>			
<b>OTHER REVENUE</b>			
Summer School Fees	1,490	1,000	750
Continuing Education	2,700	1,000	7,128
Offshore Tuition Fees	6,000	3,020	12,630
LEA/Direct Funding from First Nations	4,910,772	4,885,375	4,885,375
Miscellaneous			
Miscellaneous	42,169	150,000	45,641
District of Kitimat Grant in Aid Theatre	50,000	50,000	50,000
SSEAC Trades Adjustment			67,412
Concert Series Art Starts	8,700		8,600
Career Education Society	12,031		
	<u>5,033,862</u>	<u>5,090,395</u>	<u>5,077,536</u>
<b>RENTALS AND LEASES</b>	<u>250,939</u>	<u>266,860</u>	<u>211,212</u>
<b>INVESTMENT INCOME</b>	<u>20,216</u>	<u>140,500</u>	<u>160,845</u>
<b>TOTAL OPERATING REVENUE</b>	<u>\$ 53,293,372</u>	<u>\$ 53,141,320</u>	<u>\$ 53,102,897</u>

**SCHOOL DISTRICT No. 82 (COAST MOUNTAIN)**  
**OPERATING FUND**  
**COMPARATIVE SCHEDULE OF EXPENSE BY OBJECT**  
**YEAR ENDED JUNE 30, 2011**

Schedule A3

	2011		
	2011 ACTUAL	AMENDED ANNUAL BUDGET	2010 ACTUAL
<b>SALARIES</b>			
Teachers	\$ 22,391,715	\$ 22,420,837	\$ 22,152,195
Principals and Vice Principals	3,410,051	3,390,833	3,432,629
Educational Assistants	3,630,343	3,592,087	3,609,968
Support Staff	4,751,991	4,714,465	5,314,349
Other Professionals	1,900,622	1,534,896	1,664,225
Substitutes	2,131,616	1,706,091	1,890,375
	<u>38,216,338</u>	<u>37,359,209</u>	<u>38,063,741</u>
<b>EMPLOYEE BENEFITS</b>	8,227,059	7,949,304	7,975,389
<b>TOTAL SALARIES AND BENEFITS</b>	<u>46,443,397</u>	<u>45,308,513</u>	<u>46,039,130</u>
<b>SERVICES AND SUPPLIES</b>			
Services	2,081,639	2,182,341	2,008,927
Student Transportation	2,033,698	2,027,392	2,204,024
Professional Development and Travel	725,878	827,481	641,801
Rentals and Leases	2,683	3,500	1,742
Dues and Fees	84,705	241,753	81,263
Insurance	106,337	105,954	112,701
Supplies	1,966,646	2,431,630	1,817,708
Bad Debts	3,238		(2,835)
Utilities	1,824,647	1,561,340	1,542,991
<b>TOTAL SERVICES AND SUPPLIES</b>	<u>8,829,471</u>	<u>9,381,391</u>	<u>8,408,322</u>
<b>TOTAL OPERATING EXPENSE</b>	<u>\$ 55,272,868</u>	<u>\$ 54,689,904</u>	<u>\$ 54,447,452</u>

**SCHOOL DISTRICT No. 82 (COAST MOUNTAIN)  
OPERATING FUND  
EXPENSE BY FUNCTION, PROGRAM AND OBJECT  
YEAR ENDED JUNE 30, 2011**

Schedule A4.1

	TEACHERS SALARIES	PRINCIPALS & VICE PRINCIPALS SALARIES	EDUCATIONAL ASSISTANTS SALARIES	SUPPORT STAFF SALARIES	OTHER PROFESSIONALS SALARIES	SUBSTITUTES SALARIES	TOTAL SALARIES
<b>1 INSTRUCTION</b>							
1.02 Regular Instruction	\$ 16,979,426	\$ 515,648		\$ 470,551		\$ 1,020,363	\$ 18,985,988
1.03 Career Programs	222,156					707	222,863
1.07 Library Services	445,325	113,480		273,386		34,100	866,291
1.08 Counselling	885,215	46,477					931,692
1.10 Special Education	3,132,836	218,265	2,722,841	61,814	357,239	574,227	7,067,222
1.30 English as a Second Language	359,268	107,699	6,359				473,326
1.31 Aboriginal Education	367,489	100,927	901,143	42,879	30,773	181,689	1,624,900
1.41 School Administration		2,307,555		835,166		64,400	3,207,121
<b>Total Function 1</b>	<b>22,391,715</b>	<b>3,410,051</b>	<b>3,630,343</b>	<b>1,683,796</b>	<b>388,012</b>	<b>1,875,486</b>	<b>33,379,403</b>
<b>4 DISTRICT ADMINISTRATION</b>							
4.11 Educational Administration				41,593	317,164		358,757
4.40 School District Governance					101,400		101,400
4.41 Business Administration				235,005	692,434	5,230	932,669
<b>Total Function 4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>276,598</b>	<b>1,110,998</b>	<b>5,230</b>	<b>1,392,826</b>
<b>5 OPERATIONS AND MAINTENANCE</b>							
5.41 Operations and Maintenance Administration				39,818	303,399		343,217
5.50 Maintenance Operations				2,534,769	86,588	249,261	2,870,618
5.52 Maintenance of Grounds				187,979			187,979
<b>Total Function 5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,762,566</b>	<b>389,987</b>	<b>249,261</b>	<b>3,401,814</b>
<b>7 TRANSPORTATION AND HOUSING</b>							
7.41 Transportation and Housing Administration				10,237	11,625		21,862
7.70 Student Transportation				18,794		1,639	20,433
<b>Total Function 7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>29,031</b>	<b>11,625</b>	<b>1,639</b>	<b>42,295</b>
<b>9 DEBT SERVICES (OPERATING)</b>							
<b>Total Function 9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL FUNCTIONS 1 - 9</b>	<b>\$ 22,391,716</b>	<b>\$ 3,410,051</b>	<b>\$ 3,630,343</b>	<b>\$ 4,761,991</b>	<b>\$ 1,900,622</b>	<b>\$ 2,131,616</b>	<b>\$ 38,216,338</b>

**SCHOOL DISTRICT No. 82 (COAST MOUNTAIN)**  
**OPERATING FUND**  
**EXPENSE BY FUNCTION, PROGRAM AND OBJECT**  
**YEAR ENDED JUNE 30, 2011**

Schedule A4.2

	TOTAL SALARIES	EMPLOYEE BENEFITS	TOTAL SALARIES AND BENEFITS	SERVICES AND SUPPLIES	2011 ACTUAL	2011 AMENDED ANNUAL BUDGET	2010 ACTUAL
<b>1 INSTRUCTION</b>							
1.02 Regular Instruction	\$ 18,985,988	\$ 4,253,577	\$ 23,239,565	\$ 1,693,131	\$ 24,932,696	\$24,982,539	\$ 25,045,710
1.03 Career Programs	222,863	37,493	260,356	15,198	275,554	291,630	308,676
1.07 Library Services	866,291	200,617	1,066,908	57,300	1,124,208	1,096,628	1,214,368
1.08 Counselling	931,692	195,530	1,127,222		1,127,222	1,145,165	1,135,978
1.10 Special Education	7,067,222	1,457,305	8,524,527	386,821	8,911,348	8,532,049	8,336,778
1.30 English as a Second Language	473,326	106,918	580,244	1,920	582,164	534,762	559,028
1.31 Aboriginal Education	1,624,900	309,815	1,934,715	604,548	2,539,263	2,781,366	2,214,516
1.41 School Administration	3,207,121	682,035	3,889,156	208,662	4,097,838	3,926,561	4,090,575
<b>Total Function 1</b>	<b>33,379,403</b>	<b>7,243,290</b>	<b>40,622,693</b>	<b>2,967,600</b>	<b>43,590,293</b>	<b>43,290,700</b>	<b>42,905,629</b>
<b>4 DISTRICT ADMINISTRATION</b>							
4.11 Educational Administration	358,757	112,450	471,207	245,236	716,443	480,298	498,267
4.40 School District Governance	101,400	1,198	102,598	94,749	197,347	193,322	187,789
4.41 Business Administration	932,669	175,832	1,108,501	469,633	1,578,134	1,436,849	1,309,143
<b>Total Function 4</b>	<b>1,392,826</b>	<b>289,480</b>	<b>1,682,306</b>	<b>809,618</b>	<b>2,491,924</b>	<b>2,110,469</b>	<b>1,995,199</b>
<b>5 OPERATIONS AND MAINTENANCE</b>							
5.41 Operations and Maintenance Administration	343,217	63,154	406,371	195,902	602,273	642,463	522,279
5.50 Maintenance Operations	2,870,618	587,358	3,457,976	746,849	4,204,825	4,489,473	5,111,499
5.52 Maintenance of Grounds	187,979	36,161	226,140	312,527	538,667	537,309	200,191
5.56 Utilities	-	-	-	1,793,737	1,793,737	1,561,340	1,542,991
<b>Total Function 5</b>	<b>3,401,814</b>	<b>686,673</b>	<b>4,090,487</b>	<b>3,049,015</b>	<b>7,139,502</b>	<b>7,230,585</b>	<b>7,376,960</b>
<b>7 TRANSPORTATION AND HOUSING</b>							
7.41 Transportation and Housing Administration	21,862	4,048	25,910		25,910	24,323	24,224
7.70 Student Transportation	20,433	1,568	22,001	2,003,238	2,025,239	2,033,827	2,145,440
<b>Total Function 7</b>	<b>42,295</b>	<b>5,616</b>	<b>47,911</b>	<b>2,003,238</b>	<b>2,051,149</b>	<b>2,058,150</b>	<b>2,169,664</b>
<b>9 DEBT SERVICES (OPERATING)</b>							
<b>Total Function 9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL FUNCTIONS 1 - 9</b>	<b>\$ 38,216,338</b>	<b>\$ 8,227,059</b>	<b>\$ 46,443,397</b>	<b>\$ 8,829,471</b>	<b>\$ 66,272,868</b>	<b>\$ 64,689,804</b>	<b>\$ 64,447,462</b>

**SCHOOL DISTRICT No. 82 (COAST MOUNTAIN)**  
**OPERATING FUND**  
**CHANGES IN DEFERRED CONTRIBUTIONS**  
**YEAR ENDED JUNE 30, 2011**

Schedule A5

<b>BALANCE, BEGINNING OF YEAR</b>		\$	-
<b>Changes for the Year</b>			
Increase:			-
Decrease:			-
<b>Net Changes for the Year</b>			-
<b>BALANCE, END OF YEAR</b>		<b>\$</b>	<b>-</b>

**SCHOOL DISTRICT No. 82 (COAST MOUNTAIN)**  
**SPECIAL PURPOSE FUNDS**  
**SUMMARY OF CHANGES**  
**YEAR ENDED JUNE 30, 2011**

Schedule B1

	MINISTRY OF EDUCATION DESIGNATED	OTHER	SCHOOL GENERATED FUNDS	RELATED ENTITIES	TOTAL
<b>DEFERRED CONTRIBUTIONS</b>					
<b>DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR</b>	\$ 1,080,283	\$ 479,653	\$ 634,852		\$ 2,194,788
<b>Add: Contributions Received</b>					
Provincial Grants - Ministry of Education	688,065	845,979			1,534,044
Other		3,209	1,287,563		1,290,772
Investment Income	21,955				21,955
	710,020	849,188	1,287,563	-	2,846,771
<b>Less: Allocated to Revenue</b>	879,330	1,002,884	1,290,215		3,172,429
<b>DEFERRED CONTRIBUTIONS, END OF YEAR</b>	\$ 910,973	\$ 325,957	\$ 632,200	\$ -	\$ 1,869,130
<b>REVENUE AND EXPENSE</b>					
<b>REVENUE</b>					
Provincial Grants - Ministry of Education	\$ 879,330	\$ 981,933			\$ 1,861,263
Other Revenue		20,951	1,290,215		1,311,166
	879,330	1,002,884	1,290,215	-	3,172,429
<b>EXPENSE</b>					
<b>Salaries</b>					
Teachers		20,289			20,289
Principals and Vice Principals		10,537			10,537
Educational Assistants		261,017			261,017
Support Staff	40,420				40,420
Substitutes		25,310			25,310
	40,420	317,153	-	-	357,573
<b>Employee Benefits</b>	8,324	54,365			62,689
<b>Services and Supplies</b>		613,749	1,290,215		1,903,964
	48,744	985,267	1,290,215	-	2,324,226
<b>NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS</b>	830,586	17,617	-	-	848,203
<b>INTERFUND TRANSFERS</b>					
Capital Assets Purchased	(830,586)	(17,617)			(848,203)
	(830,586)	(17,617)	-	-	(848,203)
<b>NET REVENUE (EXPENSE)</b>	\$ -	\$ -	\$ -	\$ -	\$ -

**SCHOOL DISTRICT No. 82 (COAST MOUNTAIN)  
SPECIAL PURPOSE FUNDS  
CHANGES IN MINISTRY OF EDUCATION DESIGNATED SPECIAL PURPOSE FUNDS  
YEAR ENDED JUNE 30, 2011**

Schedule B2

	207 Annual Facility Grant	260 Special Education Equipment	TOTAL
<b>DEFERRED CONTRIBUTIONS</b>			
<b>DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR</b>	\$ 1,056,442	\$ 23,841	\$ 1,080,283
<b>Add:</b> Contributions Received			
Provincial Grants - Ministry of Education	672,139	15,926	688,065
Investment Income	21,955		21,955
	694,094	15,926	710,020
<b>Loss:</b> Allocated to Revenue	871,874	7,456	879,330
<b>DEFERRED CONTRIBUTIONS, END OF YEAR</b>	<b>\$ 878,662</b>	<b>\$ 32,311</b>	<b>\$ 910,973</b>
<b>REVENUE AND EXPENSE</b>			
<b>REVENUE</b>			
Provincial Grants - Ministry of Education	\$ 871,874	\$ 7,456	\$ 879,330
	871,874	7,456	879,330
<b>EXPENSE</b>			
Salaries			
Support Staff	40,420		40,420
	40,420	-	40,420
Employee Benefits	8,324		8,324
	48,744	-	48,744
<b>NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS</b>	<b>823,130</b>	<b>7,456</b>	<b>830,586</b>
<b>INTERFUND TRANSFERS</b>			
Capital Assets Purchased	(823,130)	(7,456)	(830,586)
	(823,130)	(7,456)	(830,586)
<b>NET REVENUE (EXPENSE)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**SCHOOL DISTRICT No. 82 (COAST MOUNTAIN)  
SPECIAL PURPOSE FUNDS  
CHANGES IN OTHER SPECIAL PURPOSE FUNDS  
YEAR ENDED JUNE 30, 2011**

Schedule B3

	68 Literacy Innovation	66 Envision	67 ReadySet Learn	36 French Immersion	50 Community Link	64 Strong Start	98 Rural Pilot
<b>DEFERRED CONTRIBUTIONS</b>							
<b>DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR</b>	\$ 164,270	\$ 8,384	\$ 61,051	\$ 2,258	\$ 166,529	\$ 52,265	\$ 10,785
<b>Add: Contributions Received</b>							
Provincial Grants - Ministry of Education			29,400	108,200	600,379	108,000	
Other	-	-	29,400	108,200	600,379	108,000	-
<b>Loss: Allocated to Revenue</b>	61,627	6,957	49,702	109,472	639,140	110,032	10,785
<b>DEFERRED CONTRIBUTIONS, END OF YEAR</b>	<b>\$ 102,643</b>	<b>\$ 1,427</b>	<b>\$ 40,749</b>	<b>\$ 986</b>	<b>\$ 127,768</b>	<b>\$ 50,233</b>	<b>\$ -</b>
<b>REVENUE AND EXPENSE</b>							
<b>REVENUE</b>							
Provincial Grants - Ministry of Education	\$ 61,627		\$ 49,702	\$ 109,472	\$ 639,140	\$ 110,032	
Other Revenue		6,957					10,785
	61,627	6,957	49,702	109,472	639,140	110,032	10,785
<b>EXPENSE</b>							
Salaries							
Teachers	20,289						
Principals and Vice Principals				10,537			
Educational Assistants			8,598		170,024	81,877	
Substitutes	6,509		910		17,354	537	
	26,798	-	9,508	10,537	187,378	82,414	-
Employee Benefits	5,126		689	2,196	35,779	10,537	
Services and Supplies	12,086	6,957	39,505	96,739	415,983	17,081	10,785
	44,010	6,957	49,702	109,472	639,140	110,032	10,785
<b>NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS</b>	17,617	-	-	-	-	-	-
<b>INTERFUND TRANSFERS</b>							
Capital Assets Purchased	(17,617)						
	(17,617)	-	-	-	-	-	-
<b>NET REVENUE (EXPENSE)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**SCHOOL DISTRICT No. 82 (COAST MOUNTAIN)  
SPECIAL PURPOSE FUNDS  
CHANGES IN OTHER SPECIAL PURPOSE FUNDS  
YEAR ENDED JUNE 30, 2011**

Schedule B3

	66 Early Learning	27 District of Kitimat	TOTAL
<b>DEFERRED CONTRIBUTIONS</b>			
<b>DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR</b>	\$ 14,111	\$ -	\$ 479,653
<b>Add:</b> Contributions Received			
Provincial Grants - Ministry of Education			845,979
Other		3,209	3,209
	-	3,209	849,188
<b>Loss:</b> Allocated to Revenue	11,960	3,209	1,002,884
<b>DEFERRED CONTRIBUTIONS, END OF YEAR</b>	<b>\$ 2,151</b>	<b>\$ -</b>	<b>\$ 326,967</b>
<b>REVENUE AND EXPENSE</b>			
<b>REVENUE</b>			
Provincial Grants - Ministry of Education	\$ 11,960		\$ 981,933
Other Revenue		3,209	20,951
	11,960	3,209	1,002,884
<b>EXPENSE</b>			
<b>Salaries</b>			
Teachers			20,289
Principals and Vice Principals			10,537
Educational Assistants	518		281,017
Substitutes			25,310
	518	-	317,153
Employee Benefits	38		54,365
Services and Supplies	11,404	3,209	613,749
	11,960	3,209	985,267
<b>NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS</b>	<b>-</b>	<b>-</b>	<b>17,617</b>
<b>INTERFUND TRANSFERS</b>			
Capital Assets Purchased			(17,617)
	-	-	(17,617)
<b>NET REVENUE (EXPENSE)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**SCHOOL DISTRICT No. 82 (COAST MOUNTAIN)**  
**CAPITAL FUND**  
**CAPITAL ASSETS**  
**YEAR ENDED JUNE 30, 2011**

Schedule C1

	SITES	BUILDINGS	FURNITURE AND EQUIPMENT	VEHICLES	COMPUTER SOFTWARE	COMPUTER HARDWARE	TOTAL
<b>COST, BEGINNING OF YEAR</b>	\$ 6,560,756	\$ 110,436,440	\$ 1,456,052	\$ 1,139,344	\$ -	\$ 1,092,658	\$ 120,685,250
<b>Changes for the Year</b>							
Increase:							
Purchases from:							
Deferred Contributions - Bylaw		1,266,994					1,266,994
Deferred Contributions - Other			145,133			3,423	148,556
Operating Fund			57,990	16,562	29,728	74,132	178,412
Special Purpose Funds		823,130	7,456			17,617	848,203
Local Capital		587,754	8,220	78,320			674,294
	-	2,677,878	218,799	94,882	29,728	95,172	3,116,459
Decrease:							
Deemed Disposals			21,104			51,306	72,410
	-	-	21,104	-	-	51,306	72,410
<b>COST, END OF YEAR</b>	6,560,756	113,114,318	1,653,747	1,234,226	29,728	1,136,524	123,729,299
<b>WORK IN PROGRESS, END OF YEAR</b>							-
<b>COST AND WORK IN PROGRESS, END OF YEAR</b>	\$ 6,560,756	\$ 113,114,318	\$ 1,653,747	\$ 1,234,226	\$ 29,728	\$ 1,136,524	\$ 123,729,299
<b>ACCUMULATED AMORTIZATION, BEGINNING OF YEAR</b>		\$ 58,168,044	\$ 567,457	\$ 470,034	\$ -	\$ 161,099	\$ 59,366,634
<b>Changes for the Year</b>							
Increase: Amortization for the Year		2,148,167	145,605	113,934	-	218,532	2,626,238
Decrease:							
Deemed Disposals			21,104			51,306	72,410
	-	-	21,104	-	-	51,306	72,410
<b>ACCUMULATED AMORTIZATION, END OF YEAR</b>	\$ -	\$ 60,316,211	\$ 691,958	\$ 583,968	\$ -	\$ 328,325	\$ 61,920,462
<b>CAPITAL ASSETS - NET</b>	\$ 6,560,756	\$ 52,798,107	\$ 961,789	\$ 650,258	\$ 29,728	\$ 808,199	\$ 61,808,837

**SCHOOL DISTRICT No. 82 (COAST MOUNTAIN)**  
**CAPITAL FUND**  
**CAPITAL ASSETS - WORK IN PROGRESS**  
**YEAR ENDED JUNE 30, 2011**

Schedule C2

	BUILDINGS	FURNITURE AND EQUIPMENT	COMPUTER SOFTWARE	COMPUTER HARDWARE	TOTAL
<b>WORK IN PROGRESS, BEGINNING OF YEAR</b>	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Changes for the Year</b>					
Increase	-	-	-	-	-
Decrease	-	-	-	-	-
<b>Net Changes for the Year</b>	-	-	-	-	-
<b>WORK IN PROGRESS, END OF YEAR</b>	\$ -	\$ -	\$ -	\$ -	\$ -

**SCHOOL DISTRICT No. 82 (COAST MOUNTAIN)**  
**CAPITAL FUND**  
**DEFERRED CAPITAL CONTRIBUTIONS**  
**YEAR ENDED JUNE 30, 2011**

Schedule C3

	BYLAW CAPITAL	OTHER PROVINCIAL	OTHER CAPITAL	TOTAL CAPITAL
<b>DEFERRED CAPITAL CONTRIBUTIONS, BEGINNING OF YEAR</b>	\$ 39,376,844	\$ 7,505		\$ 39,384,349
<b>Changes for the Year</b>				
Increase				
Transferred from Deferred Contributions - Capital Additions	1,266,994	148,556		1,415,550
	<u>1,266,994</u>	<u>148,556</u>	-	<u>1,415,550</u>
Decrease				
Amortization of Deferred Capital Contributions	1,801,776			1,801,776
	<u>1,801,776</u>	-	-	<u>1,801,776</u>
<b>Net Changes for the Year</b>	<u>(534,782)</u>	<u>148,556</u>	-	<u>(386,226)</u>
<b>DEFERRED CAPITAL CONTRIBUTIONS, END OF YEAR</b>	<u>\$ 38,842,062</u>	<u>\$ 156,061</u>	<u>\$ -</u>	<u>\$ 38,998,123</u>
<b>WORK IN PROGRESS, BEGINNING OF YEAR</b>	\$ -	\$ -	\$ -	\$ -
<b>Changes for the Year</b>				
Increase	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Decrease	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Changes for the Year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>WORK IN PROGRESS, END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>TOTAL DEFERRED CAPITAL CONTRIBUTIONS, END OF YEAR</b>	<u>\$ 38,842,062</u>	<u>\$ 156,061</u>	<u>\$ -</u>	<u>\$ 38,998,123</u>

**SCHOOL DISTRICT No. 82 (COAST MOUNTAIN)**  
**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
<b>BALANCE, BEGINNING OF YEAR</b>	\$ -	\$ 217,830	\$ -	\$ -	\$ -	\$ 217,830
<b>Changes for the Year</b>						
Increase:						
Provincial Grants - Ministry of Education	1,266,994					1,266,994
Investment Income		3,108				3,108
	<u>1,266,994</u>	<u>3,108</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,270,102</u>
Decrease:						
Transferred to DCC - Capital Additions	1,266,994	148,556				1,415,550
	<u>1,266,994</u>	<u>148,556</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,415,550</u>
<b>Net Changes for the Year</b>	<u>-</u>	<u>(145,448)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(145,448)</u>
<b>BALANCE, END OF YEAR</b>	<u>\$ -</u>	<u>\$ 72,382</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 72,382</u>

**SCHOOL DISTRICT No. 82 (COAST MOUNTAIN)**  
**CAPITAL FUND**  
**CHANGES IN FUND BALANCES**  
**YEAR ENDED JUNE 30, 2011**

Schedule C5

	INVESTED IN CAPITAL ASSETS	LOCAL CAPITAL	FUND BALANCE
<b>BALANCE, BEGINNING OF YEAR</b>	\$ 21,934,267	\$ 3,845,206	\$ 25,779,473
<b>Changes for the Year</b>			
Investment Income		99,941	99,941
Amortization of Deferred Capital Contributions	1,801,776		1,801,776
Capital Assets Purchased from Local Capital	674,294	(674,294)	-
Interfund Transfers - Capital Assets Purchased	1,026,615		1,026,615
Interfund Transfers - Local Capital		(2,157,908)	(2,157,908)
Amortization of Capital Assets	(2,626,238)		(2,626,238)
<b>Net Changes for the Year</b>	<u>876,447</u>	<u>(2,732,261)</u>	<u>(1,855,814)</u>
<b>BALANCE, END OF YEAR</b>	<u>\$ 22,810,714</u>	<u>\$ 1,112,945</u>	<u>\$ 23,923,659</u>

**THE BOARD OF EDUCATION OF SCHOOL DISTRICT No. 82 (COAST MOUNTAINS)**

**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. 82 (Coast Mountains)", and operates as "School District No. 82 (Coast Mountains)." A board of education (Board) elected for a three-year term governs the School District. The School District provides educational programs to students enrolled in schools in the district, and is principally funded by the Province of British Columbia through the Ministry of Education.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES**

These financial statements were prepared in accordance with Canadian Generally Accepted Accounting Principles (GAAP) for not-for-profit organizations. These principles are consistent with those used in prior years.

The deferral method of accounting for contributions, which includes government grants, is used. Results are reported in the operating fund, special purpose funds and capital fund. Revenues and expenses are recorded on a gross and accrual basis.

Statement 2 (Statement of Revenue and Expense), Statement 3 (Statement of Changes in Fund Balances) and Statement 4 (Statement of Cash Flows) present annual results of each fund, changes in fund balances and cash flows for the year. Statement 1 (Statement of Financial Position) presents the assets, liabilities and fund 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.
  - Endowment funds.
  - Funds collected and used at the school level (i.e. school-generated funds).
  - Controlled and/or related entities.
- Capital fund reports assets, liabilities, revenues and expenses for capital. Contributions of other funds used for capital purposes are transferred to the capital fund.

b) Cash and Cash Equivalents

Cash and cash equivalents include cash and highly liquid securities with original terms to maturity of three months or less when purchased.

c) Accounts Receivable

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

**THE BOARD OF EDUCATION OF SCHOOL DISTRICT No. 82 (COAST MOUNTAINS)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2011**

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

d) Inventories

Inventory consists of paper, custodial supplies and computer hardware to be used in the next fiscal year and is valued at cost.

e) Prepaid Expenses

Insurance premiums, association membership and consortium fees, and deposits on text books are included as prepaid expenses.

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.

Estimated useful life is as follows:

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

g) Revenue Recognition

Unrestricted operating government grants, are recognized as revenue when received. Such grants, if contributed for a future period, are deferred and reported as deferred contributions until that future period. Other unrestricted revenue, including tuition fees and sales of services/products are reported as revenue when services are provided or products delivered.

Externally restricted contributions, grants, and donations are reported as revenue depending on the nature of restrictions imposed on the use of the funds by the contributors:

- Non-capital contributions for specific purposes are recorded as deferred contributions and recognized as revenue in the year related expenses are incurred.
- 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.

**THE BOARD OF EDUCATION OF SCHOOL DISTRICT No. 82 (COAST MOUNTAINS)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2011**

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

h) Expenditures

- Categories of Salaries
  - Principals, Vice Principals, and Directors of Instruction employed under an administrative officer contract are categorized as Principals and Vice Principals.
  - Superintendents, Assistant Superintendents, Secretary-Treasurers, Trustees and other employees excluded from union contracts are categorized as Other Professionals.
  
- Allocation of Costs
  - Operating expenses are reported by function, program, and object. Whenever possible, expenditures are determined by actual identification. Additional costs pertaining to specific instructional programs, such as special and aboriginal education, are allocated to these programs. All other costs are allocated to regular programs.
  - Actual salaries of personnel assigned to two or more functions or programs are allocated based on the time spent in each function and program. School-based clerical salaries are allocated to school administration and partially to other programs to which they may be assigned. Principals and Vice-Principals salaries are allocated to school administration and may be partially allocated to other programs to recognize their other responsibilities.
  - Employee benefits and allowances are allocated to the same programs, and in the same proportions, as the individual's salary.
  - Supplies and services are allocated based on actual identification of program.

i) Financial Instruments

Financial instruments consist of cash, cash equivalents, investments, accounts receivable, accounts payable, accrued liabilities and other current liabilities. 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.

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.

n) Employee Future Benefits

The School District provides certain post-employment benefits including accumulated sick and vacation pay, retirement allowance, and life insurance 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

**THE BOARD OF EDUCATION OF SCHOOL DISTRICT No. 82 (COAST MOUNTAINS)**

**NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2011**

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

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 9.4 years.

The most recent valuation of the obligation was performed at March 31, 2010 and projected to June 30, 2014. The next valuation will be performed at March 31, 2013 for use at June 30, 2013. For the purposes of determining the financial position of the plans and the employee future benefit costs, a measurement date of March 31 was adopted for all periods subsequent to July 1, 2004.

**NOTE 3 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES**

	2011	2010
Due from Federal Government	\$ 348,659	\$ 99,270
Due from Other School Districts	11,645	460
Other	165,776	268,162
Allowance for Doubtful Accounts - LEA/Direct	(168,019)	(168,019)
Allowance for Doubtful Accounts - Other	(4,093)	(3,714)
	<u>\$ 353,968</u>	<u>\$ 196,159</u>

**NOTE 4 CAPITAL ASSETS**

	2011		2010	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Sites	\$6,560,756	\$ 0	\$ 6,560,756	\$ 6,560,756
Buildings	113,114,318	60,316,211	52,798,107	52,268,396
Furniture & Equipment	1,653,747	691,958	961,789	888,595
Vehicles	1,217,664	583,968	633,696	669,310
Computer Software	29,728	0	29,728	0
Computer Hardware	1,136,524	328,325	808,199	931,559
	<u>\$123,712,737</u>	<u>\$ 61,920,462</u>	<u>\$ 61,792,275</u>	<u>\$61,318,616</u>

**THE BOARD OF EDUCATION OF SCHOOL DISTRICT No. 82 (COAST MOUNTAINS)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2011**

**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 on Statement 1 (Statement of Financial Position).

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

<b>Fiscal Year</b>	<b><u>2011</u></b>	<b><u>2010</u></b>
<b>Reconciliation of Accrued Benefit Obligation</b>		
Accrued Benefit Obligation – April 1	609,535	836,821
Service Cost	42,911	58,140
Interest Cost	30,523	60,351
Benefit Payments	0	(24,317)
Actuarial (Gain)/Loss	(73,151)	(321,460)
Accrued Benefit Obligation – March 31	<u>609,818</u>	<u>609,535</u>
<b>Reconciliation of Funded Status at End of Fiscal Year</b>		
Accrued Benefit Obligation - March 31	609,818	609,535
Market Value of Plan Assets - March 31	<u>0</u>	<u>0</u>
Funded Status - Surplus/(Deficit)	(609,818)	(609,535)
Employer Contributions After Measurement Date	0	19,838
Unamortized Net Actuarial (Gain)/Loss	<u>(768,966)</u>	<u>(771,394)</u>
Accrued Benefit Asset/(Liability) - June 30	<u>(1,378,784)</u>	<u>(1,361,091)</u>
<b>Components of Net Benefit Expense</b>		
Service Cost	42,911	58,140
Interest Cost	30,523	60,351
Amortization of Net Actuarial (Gain)/Loss	<u>(75,579)</u>	<u>(42,098)</u>
Net Benefit Expense (Income)	<u>(2,145)</u>	<u>76,393</u>
<b>Assumptions</b>		
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	9.4	9.4

**THE BOARD OF EDUCATION OF SCHOOL DISTRICT No. 82 (COAST MOUNTAINS)**  
**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 2012. The most recent valuation for the Municipal Pension Plan as at December 31, 2009 indicated an unfunded liability of \$1,024 million for basic pension benefits. The next valuation will be as at December 31, 2012 with results available in 2013. The actuary does not attribute portions of the unfunded liability to individual employers. The Board of Education of School District 82 (Coast Mountains) paid \$4,363,547 for employer contributions to these plans in the year ended June 30, 2011.

**NOTE 7      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:

- A transfer in the amount of \$178,412 was made from the Operating Fund to the Capital Fund for the purchase of capital assets.
- A transfer in the amount of \$843,203 was made from the Special Purpose Funds to the Capital Fund for the purchase of capital assets.
- A transfer in the amount of \$674,294 was made from the Local Capital Fund to the Capital Fund for the purchase of capital assets.
- A transfer in the amount of \$2,157,808 was made from the Local Capital Fund to the Operating Fund to cover the 2010-2011 Operating Deficit.

**THE BOARD OF EDUCATION OF SCHOOL DISTRICT No. 82 (COAST MOUNTAINS)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2011**

**NOTE 8 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 9 CONTRACTUAL OBLIGATIONS**

The Board of Education of School District No. 82 (Coast Mountains) has an operating lease agreement with ISO Financial Services for 62 photocopiers; 6 year term ends October 31, 2013; equal annual payments \$166,208.

The Board of Education of School District No. 82 (Coast Mountains) has a bussing contract agreement with First Canada; 2 year term ends June 30, 2012; estimated annual payment of \$1,994,000 for 2011-2012.

**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 9, 2011.

**NOTE 11 ASSET RETIREMENT OBLIGATION**

Legal liabilities may exist for the removal/disposal of asbestos in schools that will undergo major renovations or demolition. Fair value of the liability for asbestos removal is recognized in the period in which it is incurred. As at June 30, 2011, the amount and timing of such liabilities are not reasonably determined.

**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".

**NOTE 13 CAPITAL MANAGEMENT**

The School District receives its principal source of capital from the Province of British Columbia through the Ministry of Education. The School District defines capital to be fund balances.

The School District's objective when managing capital is to fund its operations and capital asset additions. The School District manages the capital structure in conjunction with the Ministry and makes adjustments based on available government funding and economic conditions. Currently, the School

**THE BOARD OF EDUCATION OF SCHOOL DISTRICT No. 82 (COAST MOUNTAINS)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2011**

**NOTE 13      CAPITAL MANAGEMENT (Continued)**

District's strategy is to monitor expenses to preserve capital in accordance with budgeted funding and grants.

The School District is not subject to debt covenants or any other capital requirements with respect to operating funding. Funding received for designated purposes must be used for the purpose outlined in the funding letter. The School District has complied with the external restrictions on the funding provided.