

SCHOOL DISTRICT
AUDITED FINANCIAL STATEMENTS
FISCAL YEAR 2006/2007

SCHOOL DISTRICT NUMBER 71	NAME OF SCHOOL DISTRICT Comox Valley	YEAR 2006/2007
OFFICE LOCATION 607 Cumberland Rd		TELEPHONE NUMBER 250-334-5500
CITY / PROVINCE Courtenay, BC		POSTAL CODE V9N 7G5
WEBSITE ADDRESS http://sd71.bc.ca		
NAME OF SUPERINTENDENT Jordan Edward Tinney	NAME OF SECRETARY - TREASURER Leonard Paul Ibbs	

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. 71 (Comox Valley) ("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.

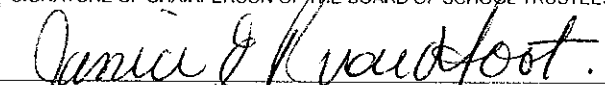
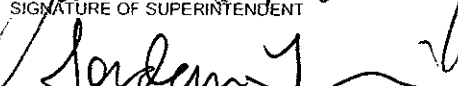
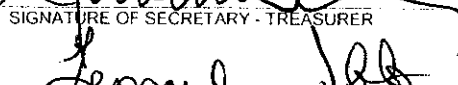
External Auditors

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 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. 71 (Comox Valley) for the year ended June 30, 2007.

SIGNATURE OF CHAIRPERSON OF THE BOARD OF SCHOOL TRUSTEES 	DATE SIGNED 26/Sept/07
SIGNATURE OF SUPERINTENDENT 	DATE SIGNED 26/Sept/07
SIGNATURE OF SECRETARY - TREASURER 	DATE SIGNED 26/Sept/07

SCHOOL DISTRICT NO. 71 (Comox Valley)
2006/2007 AUDITED FINANCIAL STATEMENTS

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AUDITORS' REPORT TO THE BOARD OF SCHOOL TRUSTEES OF SCHOOL DISTRICT NO. 71 (COMOX VALLEY)

We have audited the statement of financial position of School District No. 71 (Comox Valley) as at June 30, 2007 and the statements of revenue and expense, changes in fund balances and cash flows for the year then ended. These financial statements are the responsibility of the School District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the 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 as at June 30, 2007 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

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 through C5 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

KPMG LLP

Chartered Accountants

Victoria, Canada

August 29, 2007

SCHOOL DISTRICT NO. 71 (Comox Valley)
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2007

Statement 1

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2007	TOTAL 2006
ASSETS					
Current Assets					
Cash and Cash Equivalents	11,251,607	1,568,791		12,820,398	10,245,338
Short Term Investments				0	0
Accounts Receivable					
Due from Province - Ministry of Education	2,102	141,013		143,115	762,846
Due from Province - Other				0	2,571,898
Due from LEA / Direct Funding	50,229			50,229	33,077
Other Receivables (Note 3)	474,555			474,555	451,305
Interfund Loans		229,823	1,358,213		
Inventories				0	0
Prepaid Expenses	549,776			549,776	576,467
	12,328,269	1,939,627	1,358,213	14,038,073	14,640,931
Long term receivables	116,825			116,825	0
Investments				0	0
Equity Investments				0	0
Capital Assets - Net (Note 4,5)			100,113,949	100,113,949	99,837,453
TOTAL ASSETS	12,445,094	1,939,627	101,472,162	114,268,847	114,478,384
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				0	0
Other	1,997,955			1,997,955	2,722,605
Bank Loans				0	0
Interfund Loans	1,588,036				
Other Current Liabilities	1,404,708			1,404,708	3,617,166
	4,990,699	0	0	3,402,663	6,339,771
Deferred Revenue	508,800			508,800	158,344
Deferred Contributions					
Ministry of Education		21,487	(664,015)	(642,528)	540,884
Province - Other				0	0
Other	297,640	1,918,140		2,215,780	2,286,112
Accrued Employee Future Benefits (Note 6)	2,803,124			2,803,124	2,552,766
Deferred Capital Contributions			73,847,173	73,847,173	74,449,952
Bank Loans				0	0
Capital Lease Obligations				0	0
Other Long Term Liabilities				0	0
TOTAL LIABILITIES	8,600,263	1,939,627	73,183,158	82,135,012	86,327,829
Fund Balances					
Invested in Capital Assets			26,266,777	26,266,777	25,387,502
Endowment				0	0
Internally Restricted (Note 8)	3,844,831		2,022,227	5,867,058	2,763,053
Unrestricted				0	0
Unfunded Accrued Employee Future Benefits and Vacation Pay				0	0
TOTAL FUND BALANCES	3,844,831	0	28,289,004	32,133,835	28,150,555
TOTAL LIABILITIES AND FUND BALANCES	12,445,094	1,939,627	101,472,162	114,268,847	114,478,384

SCHOOL DISTRICT NO. 71 (Comox Valley)
STATEMENT OF REVENUE AND EXPENSE
YEAR ENDED JUNE 30, 2007

Statement 2

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2007	TOTAL 2006
REVENUE					
Provincial Grants - Ministry of Education	70,404,017	3,198,182		73,602,199	69,138,863
Provincial Grants - Other				0	4,267,157
Federal Grants				0	165,184
Other Revenue	2,035,001	3,267,808		5,302,809	4,116,326
Rentals and Leases	103,050			103,050	126,460
Investment Income	449,700	28,910	61,206	539,816	357,097
Gain (Loss) on Equity Investment				0	0
Amortization of Deferred Capital Contributions			3,006,007	3,006,007	3,051,680
Gain (Loss) on Disposal of Capital Assets			1,270,999	1,270,999	748,028
	<u>72,991,768</u>	<u>6,494,900</u>	<u>4,338,212</u>	<u>83,824,880</u>	<u>81,970,795</u>
EXPENSE					
Salaries					
Teachers	30,134,019	88,703		30,222,722	30,538,721
Principals and Vice Principals	4,221,112			4,221,112	4,140,646
Educational Assistants	5,193,437			5,193,437	5,471,027
Support Staff	7,394,463	159,960		7,554,423	7,095,498
Other Professionals	1,468,247			1,468,247	1,383,701
Substitutes	2,136,406			2,136,406	1,914,444
	<u>50,547,684</u>	<u>248,663</u>	<u>0</u>	<u>50,796,347</u>	<u>50,544,037</u>
Employee Benefits	10,374,476	26,825		10,401,301	9,971,824
Services and Supplies	9,730,992	5,025,908	500,000	15,256,900	14,683,275
Amortization of Capital Assets			3,444,721	3,444,721	3,522,948
Write-off/down of Buildings and Sites				0	0
	<u>70,653,152</u>	<u>5,301,396</u>	<u>3,944,721</u>	<u>79,899,269</u>	<u>78,722,084</u>
NET REVENUE (EXPENSE)	<u>2,338,616</u>	<u>1,193,504</u>	<u>393,491</u>	<u>3,925,611</u>	<u>3,248,711</u>

SCHOOL DISTRICT NO. 71 (Comox Valley)
STATEMENT OF CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2007

Statement 3

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2007	TOTAL 2006
FUND BALANCES, BEGINNING OF YEAR	1,795,081	0	26,355,474	28,150,555	24,828,336
Changes in Accounting Policies/ Prior Period Adjustments					
FUND BALANCES, BEGINNING OF YEAR, AS RESTATED	1,795,081	0	26,355,474	28,150,555	24,828,336
Changes for the Year					
Net Revenue (Expense) for the Year	2,338,616	1,193,504	393,491	3,925,611	3,248,711
Interfund Transfers (Note 9)					
Capital Assets Purchased	(526,386)	(955,984)	1,482,370	0	0
Local Capital				0	0
Other	237,520	(237,520)		0	0
Direct Increases in Fund Balances					
Endowment Contributions				0	0
Site Purchases				0	0
Comprehensive Income (Loss)				0	0
Site development			57,669	57,669	73,508
Net Changes for the Year	2,049,750	0	1,933,530	3,983,280	3,322,219
FUND BALANCES, END OF YEAR	3,844,831	0	28,289,004	32,133,835	28,150,555

SCHOOL DISTRICT NO. 71 (Comox Valley)
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2007

Statement 4.1

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2007	TOTAL 2006
CASH PROVIDED BY (USED FOR)					
OPERATIONS					
Net Revenue (Expense) for the Year	2,338,616	1,193,504	393,491	3,925,611	3,248,711
Changes In Non-Cash Working Capital					
Decrease (Increase)					
Accounts Receivable	3,175,415	(141,013)		3,034,402	(3,271,874)
Interfund Loans	(336,399)	601,076	(264,677)	0	0
Inventories				0	0
Prepaid Expenses	26,691			26,691	(43,134)
Increase (Decrease)					
Accounts Payable/Accrued Liabilities	(724,650)			(724,650)	1,210,651
Other Current Liabilities	(2,212,458)			(2,212,458)	2,893,594
Deferred Revenue	350,456			350,456	0
Deferred Contributions		(464,166)		(464,166)	(540,507)
Accrued Employee Future Benefits	250,358			250,358	191,687
Other Long Term Liabilities				0	0
Loss (Gain) on Disposal of Capital Assets			(1,232,950)	(1,232,950)	(748,028)
Items Not Involving Cash					
Amortization of Capital Assets			3,444,721	3,444,721	3,522,948
Amortization of Deferred Capital Contributions			(3,006,007)	(3,006,007)	(3,051,680)
Write-off/down of Buildings and Sites				0	0
Comprehensive Income (Loss)				0	0
Interfund Transfers	(288,866)	(1,193,504)	1,482,370	0	0
	2,579,163	(4,103)	816,948	3,392,008	3,412,368
FINANCING					
Bank Loan Received				0	0
Bank Loan Paid				0	0
Endowment Contributions				0	0
Increase (Decrease) Deferred Contributions - Capital			(789,578)	(789,578)	(73,508)
Proceeds from Disposal of Capital Assets			1,455,000	1,455,000	749,078
MEd Restricted Portion of Proceeds on Disposal				0	0
	0	0	665,422	665,422	675,570
INVESTING					
Capital Assets Purchased - Operating			(526,386)	(526,386)	(103,655)
Capital Assets Purchased - Special Purpose			(955,984)	(955,984)	(474,416)
Capital Assets Purchased - Local Capital				0	0
Decrease (Increase) in Investments				0	0
Decrease (Increase) in Equity Investments				0	0
	0	0	(1,482,370)	(1,482,370)	(578,071)
NET INCREASE (DECREASE) IN CASH	2,579,163	(4,103)	0	2,575,060	3,509,867

SCHOOL DISTRICT NO. 71 (Comox Valley)
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2007

Statement 4.2

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2007	TOTAL 2006
NET INCREASE (DECREASE) IN CASH	2,579,163	(4,103)	0	2,575,060	3,509,867
Net Cash, Beginning of Year	8,672,444	1,572,894	0	10,245,338	6,735,471
Changes in Accounting Policies/ Prior Period Adjustments					
Net Cash, Beginning of Year, as Restated	8,672,444	1,572,894	0	10,245,338	6,735,471
NET CASH, END OF YEAR	11,251,607	1,568,791	0	12,820,398	10,245,338
Cash	11,251,607	1,568,791		12,820,398	10,245,338
Cash Equivalents				0	0
Short Term Investments				0	0
Bank Overdraft				0	0
NET CASH, END OF YEAR	11,251,607	1,568,791	0	12,820,398	10,245,338

SCHOOL DISTRICT NO. 71 (COMOX VALLEY)

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2007

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. 71 (Comox Valley)", and operates as "School District No. 71 (Comox Valley)." 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 the prior year.

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

Statement 2 (Statement of Revenue and Expense), Statement 3 (Statement of Changes in Fund Balances) and Statement 4 (Statement of Cash Flows) present annual results of each fund, changes in fund balances and cash flows for the year. Statement 1 (Statement of Financial Position) presents the assets, liabilities and fund balances as at June 30th. Interfund transfers and loans are recognized in each fund and eliminated in the consolidated totals.

a) Fund Accounting

The resources and operations of the School District are segregated into various funds for accounting and financial reporting purposes based on the types of restrictions on the use of contributions by governments or other granting agencies, and appropriations or other internal restrictions by the Board. While separate accounts are maintained for each fund, for financial reporting purposes, funds with similar characteristics are grouped together:

- Operating fund reports assets, liabilities, revenues and expenses for general operations.
- Special purpose funds report assets, liabilities, revenues and expenses for:
 - Contributions restricted in use by the *School Act* or Ministry of Education.
 - Contributions restricted in use by other external bodies.
 - Funds collected and used at the school level (i.e. school-generated funds).
- Capital fund reports assets, liabilities, revenues and expenses for capital. Contributions of other funds used for capital purposes are transferred to the capital fund.

b) Cash and Cash Equivalents

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

c) Accounts Receivable

Accounts receivable are shown net of allowance for doubtful accounts.

SCHOOL DISTRICT NO. 71 (COMOX VALLEY)

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2007

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

d) Prepaid Expenses

Materials and supplies held in central stores for use within the district are included as a prepaid expense and stated at acquisition cost using the first-in-first-out method. Textbooks and other teaching supplies are expensed as purchased. Other prepaid expenses include prepaid insurance and leases.

e) Capital Assets

The following criteria apply:

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

Estimated useful life is as follows:

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

f) Revenue Recognition

Unrestricted operating government grants, are recognized as revenue when received or receivable. 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. Investment income is recognized as revenue when earned.

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 expended.
 - If the capital asset is a site, the amount expended is recorded as a direct increase to net assets invested in capital assets.
 - If the capital asset is not a site, the amount expended 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.

SCHOOL DISTRICT NO. 71 (COMOX VALLEY)

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2007

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

g) Expenditures

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

h) Financial Instruments

Financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable and 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.

i) 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.

j) Employee Future Benefits

The School District provides certain post-employment benefits including accumulated sick and retirement allowances for certain employees pursuant to certain contracts and union agreements.

The School District accrues its obligations and related costs under employee future benefit plans. The future benefits cost is actuarially determined using the projected unit credit method pro-rata on service and using management's best estimate of expected salary escalation, termination and retirement rates and mortality. The discount rate used to measure obligations is based on market rates at the measurement date.

SCHOOL DISTRICT NO. 71 (COMOX VALLEY)

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2007

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

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 9.5.

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.

NOTE 3 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	2007	2006
Due from Federal Government	\$ 152,476	\$ 198,940
Town of Comox	54,000	
Other	268,078	252,365
	<u>\$ 474,555</u>	<u>\$ 451,305</u>

NOTE 4 CAPITAL ASSETS

	2007		2006	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Sites	\$ 12,871,840	\$ -	\$ 12,871,840	\$ 13,036,221
Buildings	130,251,792	45,488,277	84,763,515	84,307,172
Furniture & Equipment	5,205,949	3,095,173	2,110,776	2,145,918
Vehicles	466,574	98,756	367,818	348,142
Computer Hardware	-	-	-	-
	<u>\$148,796,155</u>	<u>\$ 48,682,206</u>	<u>\$100,113,949</u>	<u>\$99,837,453</u>

Capital assets include 2007 acquisitions of \$3,943,267 (2006 - \$804,179)

NOTE 5 DISPOSAL OF SITES AND BUILDINGS

The following sites were disposed of during the year.

Legal Name of Site	Reason	Year of Acquisition	Adjusted Carrying Value	Date of Sale	Proceeds from Sale	Allocation of Proceeds
Lot 2, Sect. 61 Comox District, Harmston Ave	Surplus	1947	\$ 2,050	July 11, 2006	\$1,400,000	100%-Local Capital
Lot 1, DL 16, Comox District Old SPCA site	Surplus	1998	\$220,000	June 20, 2007	\$ 220,000	75%/25%-MoE Restricted Capital/ Local Capital

SCHOOL DISTRICT NO. 71 (COMOX VALLEY)

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2007

NOTE 6 EMPLOYEE FUTURE BENEFITS

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

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

	2007	2006
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	\$ 2,512,901	\$ 2,285,925
Service Cost	184,188	174,404
Interest Cost	137,722	132,038
Benefit Payments	(100,447)	(85,017)
Actuarial (Gain)/Loss	865,198	5,551
Accrued Benefit Obligation – March 31	<u>\$ 3,599,562</u>	<u>\$ 2,512,901</u>
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation – March 31	\$ 3,599,562	\$ 2,512,901
Market Value of Plan Assets – March 31	0	0
Funded Status - Surplus/(Deficit)	(3,599,562)	(2,512,901)
Employer Contributions After Measurement Date	17,479	46,374
Unamortized Net Actuarial (Gain)/Loss	778,959	(86,239)
Accrued Benefit Liability – June 30	<u>\$ (2,803,124)</u>	<u>\$ (2,552,766)</u>
Components of Net Benefit Expense		
Service Cost	\$ 184,188	\$ 174,404
Interest Cost	137,722	132,038
Amortization of Net Actuarial (Gain)/Loss	0	0
Net Benefit Expense (Income)	<u>\$ 321,910</u>	<u>\$ 306,442</u>

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

Discount Rate – April 1	5.25%	5.50%
Discount Rate – March 31	5.00%	5.25%
Long Term Salary Growth – April 1	3.25% + seniority	3.25% + seniority
Long Term Salary Growth – March 31	3.25% + seniority	3.25% + seniority
EARSL – March 31	9.5	10.1

SCHOOL DISTRICT NO. 71 (COMOX VALLEY)

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2007

NOTE 7 EMPLOYEE PENSION PLANS

The School District and its employees contribute to the Teachers' Pension Plan and Municipal Pension Plan, jointly trustee pension plans. The boards of trustees for these plans represent plan members and employers and are responsible for the management of the pension plan including investment of the assets and administration of benefits. The pension plans are multi-employer contributory pension plans. Basic pension benefits provided are defined. The Teachers' Pension Plan has about 48,000 active members from school districts, and approximately 24,000 retired members from school districts. The Municipal Plan has about 140,000 active members, of which approximately 21,000 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, 2005 indicated a \$904 million unfunded liability for basic pension benefits. The next valuation will be as at December 31, 2008 with results available in late 2009. 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 fiscal 2008. The actuary does not attribute portions of the unfunded liability to individual employers. The Comox Valley School District paid \$ 5,147,147 (2006-\$4,620,750) for employer contributions to these plans in the year ended June 30, 2007.

NOTE 8 FUND BALANCE, END OF YEAR

Internally Restricted (appropriated) by Board for:

Early Learning Initiatives	\$ 298,000	
School Supply accounts	315,335	
Distance Education	330,091	
District Programs	188,443	
Future EFB cost increases	572,378	
Future Years Budgets, 2007/08 to 09/10	2,140,584	
Local Capital	2,022,227	
Subtotal Internally Restricted		\$ 5,867,058
Unrestricted Operating Surplus (Deficit)		0
Total Available for Future Operations		<u>\$ 5,867,058</u>

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, 2007, transfers were as follows:

- Capital assets (vehicles and equipment) were purchased with operating funds (\$ 526,386)
- Capital assets (building improvements) were purchased with special purpose funds (\$ 955,984)
- Operating funds were used to fund one special purpose funds (\$ 179,605) and Distance Education School fund was transferred to operating fund (\$ 417,125)

SCHOOL DISTRICT NO. 71 (COMOX VALLEY)

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2007

NOTE 10 RELATED PARTY TRANSACTIONS

The School District is related through common ownership to all Province of British Columbia ministries, agencies, school districts, health authorities, colleges, universities, and crown corporations. Transactions with these entities, unless disclosed separately, are generally considered to be in the normal course of operations and are recorded at the exchange amount.

NOTE 11 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 27, 2007.

NOTE 12 CONTINGENCIES

(i) The District, in conducting its usual business activities, is involved in various legal claims and litigation. In the event any unsettled claims are successful, management believes that such claims are not expected to have a material effect on the School District's financial position.

(ii) Certain schools in the School District contain asbestos. No amount has been recorded in these financial statements with regard to this potential liability since the fair value of future removal costs cannot be reasonably estimated due to the unknown timelines.

NOTE 13 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 14 COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the financial statement presentation adopted in the current year.

SCHOOL DISTRICT NO. 71 (Comox Valley)

Schedule A1

**OPERATING FUND
SURPLUS (DEFICIT)**

YEAR ENDED JUNE 30, 2007

	2007	2007 AMENDED ANNUAL BUDGET	2006
	<u>ACTUAL</u>		<u>ACTUAL</u>
REVENUE			
Provincial Grants - Ministry of Education	70,404,017	69,003,614	64,899,467
Provincial Grants - Other	0	0	4,267,157
Federal Grants	0	180,000	165,184
Other Revenue	2,035,001	1,555,000	1,182,696
Rentals and Leases	103,050	112,000	126,460
Investment Income	449,700	250,000	338,527
	<u>72,991,768</u>	<u>71,100,614</u>	<u>70,979,491</u>
EXPENSE			
Salaries			
Teachers	30,134,019	30,451,736	28,574,702
Principals and Vice Principals	4,221,112	4,306,053	3,966,294
Educational Assistants	5,193,437	4,933,423	5,014,369
Support Staff	7,394,463	7,092,455	7,000,203
Other Professionals	1,468,247	1,490,425	1,383,701
Substitutes	2,136,406	2,203,305	1,626,320
	<u>50,547,684</u>	<u>50,477,397</u>	<u>47,565,589</u>
Employee Benefits	10,374,476	10,815,892	9,486,832
Services and Supplies	9,730,992	8,915,535	8,122,922
	<u>70,653,152</u>	<u>70,208,824</u>	<u>65,175,343</u>
NET REVENUE (EXPENSE), FOR THE YEAR	2,338,616	891,790	5,804,148
INTERFUND TRANSFERS			
Capital Assets Purchased	(526,386)	0	(103,655)
Local Capital	0	0	0
Other	237,520	417,125	(3,306,613)
OTHER ADJUSTMENTS TO OPERATING FUND BALANCE			
Reduce Unfunded Employee Future Benefits and Vacation Pay	0	0	(1,030,567)
Comprehensive Income (Loss)	0	0	0
BUDGETED ALLOCATION OF SURPLUS (DEFICIT)		0	
SURPLUS (DEFICIT), FOR THE YEAR	<u>2,049,750</u>	<u>1,308,915</u>	<u>1,363,313</u>
SURPLUS (DEFICIT), BEGINNING OF YEAR	1,795,081		431,768
Changes in Accounting Policies/ Prior Period Adjustments			
SURPLUS (DEFICIT), BEGINNING OF YEAR, AS RESTATED	<u>1,795,081</u>		<u>431,768</u>
SURPLUS (DEFICIT), END OF YEAR (Section 156 (12) of School Act)	<u>3,844,831</u>		<u>1,795,081</u>
SURPLUS (DEFICIT), END OF YEAR			
Internally Restricted	3,844,831		
Unrestricted	0		
	<u>3,844,831</u>		

SCHOOL DISTRICT NO. 71 (Comox Valley)
OPERATING FUND
COMPARATIVE SCHEDULE OF REVENUE BY SOURCE
YEAR ENDED JUNE 30, 2007

Schedule A2

	2007	2007 AMENDED ANNUAL BUDGET	2006
	ACTUAL		ACTUAL
PROVINCIAL GRANTS - MINISTRY OF EDUCATION			
Operating Grant, Ministry of Education	67,213,072	67,213,072	64,359,487
Other Ministry of Education Grants			
GAAP Implementation Funding	573,711	573,711	573,711
Pay Equity	338,871	451,831	451,833
Class Size/Add'l Learning Resources	0	0	1,229,653
Reduction for Local Education Agreement	(174,780)	(155,000)	(155,006)
Miscellaneous	520,919	120,000	505,631
Distributed Learning-Course funded	1,608,729	800,000	22,550
Early Learning/Strong Start Program	323,495	0	70,901
Reduction for Job Action	0	0	(2,159,293)
	<u>70,404,017</u>	<u>69,003,614</u>	<u>64,899,467</u>
PROVINCIAL GRANTS - OTHER			
	0	0	4,267,157
FEDERAL GRANTS			
	0	180,000	165,184
OTHER REVENUE			
School Referendum Taxes	0	0	0
Other School District/Education Authorities	425,654	400,000	417,180
Summer School Fees	0	0	0
Continuing Education	0	0	0
Offshore Tuition Fees	1,053,351	700,000	419,566
LEA/Direct Funding from First Nations	174,780	155,000	155,006
Miscellaneous			
Instructional Cafeteria	129,115	100,000	126,883
Resale of Supplies	15,152	0	11,146
NIDES-related Revenue	135,805	150,000	0
Other	101,144	50,000	52,915
	<u>2,035,001</u>	<u>1,555,000</u>	<u>1,182,696</u>
RENTALS AND LEASES			
	103,050	112,000	126,460
INVESTMENT INCOME			
	449,700	250,000	338,527
TOTAL OPERATING REVENUE			
	<u>72,991,768</u>	<u>71,100,614</u>	<u>70,979,491</u>

SCHOOL DISTRICT NO. 71 (Comox Valley)
OPERATING FUND
COMPARATIVE SCHEDULE OF EXPENSE BY OBJECT
YEAR ENDED JUNE 30, 2007

Schedule A3

	2007	2007 AMENDED ANNUAL BUDGET	2006
	ACTUAL		ACTUAL
SALARIES			
Teachers	30,134,019	30,451,736	28,574,702
Principals and Vice Principals	4,221,112	4,306,053	3,966,294
Educational Assistants	5,193,437	4,933,423	5,014,369
Support Staff	7,394,463	7,092,455	7,000,203
Other Professionals	1,468,247	1,490,425	1,383,701
Substitutes	2,136,406	2,203,305	1,626,320
	<u>50,547,684</u>	<u>50,477,397</u>	<u>47,565,589</u>
EMPLOYEE BENEFITS			
	10,374,476	10,815,892	9,486,832
Total Salaries and Benefits	<u>60,922,160</u>	<u>61,293,289</u>	<u>57,052,421</u>
SERVICES AND SUPPLIES			
Services	2,018,641	1,447,807	1,404,838
Student Transportation	1,610,637	1,710,113	1,437,829
Professional Development and Travel	296,280	361,490	259,079
Rentals and Leases	220,818	188,583	62,004
Dues and Fees	59,693	54,925	67,609
Insurance	131,914	148,785	123,804
Interest	0	0	0
Supplies	4,370,373	3,868,765	3,532,651
Bad Debts	0	0	0
Utilities	1,022,636	1,135,067	1,235,108
Total Services and Supplies	<u>9,730,992</u>	<u>8,915,535</u>	<u>8,122,922</u>
TOTAL OPERATING EXPENSE	<u>70,653,152</u>	<u>70,208,824</u>	<u>65,175,343</u>

SCHOOL DISTRICT NO. 71 (Comox Valley)
 OPERATING FUND
 EXPENSE BY FUNCTION AND PROGRAM
 YEAR ENDED JUNE 30, 2007

	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	24,377,733	1,036,128	213,431	185,932	149,403	1,999,500	27,962,127
1.03 Career Programs	64,781		143,652	34,336		392	243,071
1.07 Library Services	498,233			770,413		13,214	1,281,860
1.08 Counselling	1,135,598			28,291		6,693	1,267,874
1.10 Special Education	3,506,245		4,448,709	8,940	91,198	83,139	8,169,125
1.30 English as a Second Language	127,277	3,707				1,573	132,557
1.31 Aboriginal Education	231,965	79,758	331,958			7,995	651,686
1.41 School Administration		2,953,091		1,674,230		13,246	4,640,567
1.60 Summer School							0
1.61 Continuing Education							0
1.62 Off Shore Students	186,560	20,103		57,426		2,260	266,339
1.64 Other	5,626		55,767	102,550			158,317
1.65 Conseil Scolaire Francophone				15,973		73	21,672
Total Function 1	30,134,019	4,221,112	5,183,437	2,978,091	240,561	2,127,975	44,795,165
4 DISTRICT ADMINISTRATION							
4.11 Educational Administration					387,616	1,424	389,040
4.40 School District Governance					110,363		110,363
4.41 Business Administration				366,123	527,519		893,642
4.65 Conseil Scolaire Francophone							0
Total Function 4	0	0	0	366,123	1,005,498	1,424	1,373,045
5 OPERATIONS AND MAINTENANCE							
5.01 Operations and Maintenance Administration				44,650	183,018	7,007	214,675
5.50 Maintenance Operations				3,638,182	16,632		3,854,824
5.52 Maintenance of Grounds				215,134			215,134
5.56 Utilities							0
5.65 Conseil Scolaire Francophone							0
Total Function 5	0	0	0	4,097,978	179,650	7,007	4,284,633
7 TRANSPORTATION AND HOUSING							
7.41 Transportation and Housing Administration					42,538		42,538
7.65 Conseil Scolaire Francophone							0
7.70 Student Transportation				52,273			52,273
7.73 Housing							0
Total Function 7	0	0	0	52,273	42,538	0	94,811
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	30,134,019	4,221,112	5,193,437	7,394,463	1,468,247	2,136,406	50,547,684

SCHOOL DISTRICT NO. 71 (Comox Valley)
 OPERATING FUND
 EXPENSE BY FUNCTION AND PROGRAM
 YEAR ENDED JUNE 30, 2007

	TOTAL SALARIES AND BENEFITS		TOTAL SALARIES AND BENEFITS AND SERVICES SUPPLIES		2007		2006	
	TOTAL SALARIES	EMPLOYEE BENEFITS	SALARIES AND BENEFITS	SALARIES AND BENEFITS AND SERVICES SUPPLIES	ACTUAL	AMENDED ANNUAL BUDGET	ACTUAL	ACTUAL
1 INSTRUCTION								
1.02 Regular Instruction	27,962,127	5,479,997	33,442,124	2,653,483	36,095,607	36,657,054	33,839,942	
1.03 Career Programs	243,071	52,803	295,874	4,473	300,347	285,562	291,140	
1.07 Library Services	1,281,860	278,096	1,559,956	488,522	2,048,478	2,153,208	1,969,677	
1.08 Counselling	1,267,874	255,779	1,523,653	1,239	1,524,892	1,619,169	1,219,110	
1.10 Special Education	8,169,125	1,968,056	10,137,181	388,291	10,525,472	10,194,906	9,744,003	
1.30 English as a Second Language	132,557	29,160	161,717	1,041	162,758	221,261	198,678	
1.31 Aboriginal Education	651,686	133,088	784,774	72,234	857,008	884,993	859,968	
1.41 School Administration	4,640,567	904,884	5,545,451	438,616	5,984,077	5,973,443	5,261,950	
1.60 Summer School	0	0	0	0	0	0	0	
1.61 Continuing Education	0	0	0	0	0	0	0	
1.62 Off Shore Students	266,339	47,426	313,765	469,942	783,707	559,937	357,120	
1.64 Other	158,317	40,737	199,054	208,178	407,232	279,534	490,676	
1.65 Conseil Scolaire Francophone	21,672	4,545	26,217	0	26,217	22,963	13,560	
Total Function 1	44,795,195	9,194,881	53,989,776	4,737,079	58,726,855	58,850,870	54,247,024	
4 DISTRICT ADMINISTRATION								
4.11 Educational Administration	369,040	67,762	436,802	76,917	513,719	520,411	506,135	
4.40 School District Governance	110,363	7,148	117,511	83,369	200,880	210,636	191,562	
4.41 Business Administration	893,642	159,767	1,053,409	333,301	1,386,710	1,481,765	1,407,051	
4.65 Conseil Scolaire Francophone	0	0	0	0	0	0	0	
Total Function 4	1,373,045	234,677	1,607,722	493,587	2,101,309	2,212,812	2,104,738	
5 OPERATIONS AND MAINTENANCE								
5.41 Operations and Maintenance Administration	214,675	36,598	251,273	183,570	434,843	395,247	442,885	
5.50 Maintenance Operations	3,854,824	849,091	4,703,915	1,321,412	6,025,327	5,312,169	5,013,948	
5.52 Maintenance of Grounds	215,134	42,965	258,099	143,669	401,764	393,745	487,782	
5.56 Utilities	0	0	0	1,287,736	1,287,736	1,351,837	1,301,815	
5.65 Conseil Scolaire Francophone	0	0	0	0	0	0	0	
Total Function 5	4,284,633	928,654	5,213,287	2,936,383	8,149,670	7,453,016	7,246,430	
7 TRANSPORTATION AND HOUSING								
7.41 Transportation and Housing Administration	42,538	7,216	49,754	49,754	49,754	51,594	45,122	
7.65 Conseil Scolaire Francophone	0	0	0	0	0	0	0	
7.70 Student Transportation	52,273	9,348	61,621	1,563,943	1,625,564	1,640,730	1,532,029	
7.73 Housing	0	0	0	0	0	0	0	
Total Function 7	94,811	16,564	111,375	1,563,943	1,675,318	1,692,324	1,577,151	
9 DEBT SERVICES (OPERATING)								
9.92 Interest on Bank Loans	0	0	0	0	0	0	0	
9.94 Interest on Temporary Borrowing	0	0	0	0	0	0	0	
Total Function 9	0	0	0	0	0	0	0	
TOTAL FUNCTIONS 1 - 9	50,547,664	10,374,476	60,922,160	9,730,992	70,653,152	70,206,624	65,175,343	

SCHOOL DISTRICT NO. 71 (Comox Valley)
OPERATING FUND
CHANGES IN DEFERRED CONTRIBUTIONS
YEAR ENDED JUNE 30, 2007

Schedule A5

BALANCE, BEGINNING OF YEAR	297,640
Changes in Accounting Policies/ Prior Period Adjustments	
BALANCE, BEGINNING OF YEAR, AS RESTATED	<u>297,640</u>
Changes for the Year	
Increase:	
Provincial Grants - Ministry of Education	0
Provincial Grants - Other	0
Other Revenue	0
	<u>0</u>
Decrease:	
Allocated to Revenue	
Provincial Grants - Ministry of Education	0
Provincial Grants - Other	0
Federal Grants	0
Other Revenue	0
Investment Income	0
	<u>0</u>
Net Changes for the Year	<u>0</u>
BALANCE, END OF YEAR	<u><u>297,640</u></u>

SCHOOL DISTRICT NO. 71 (Comox Valley)
 SPECIAL PURPOSE FUNDS
 SUMMARY OF CHANGES
 YEAR ENDED JUNE 30, 2007

	MINISTRY OF EDUCATION DESIGNATED	OTHER	SCHOOL GENERATED FUNDS	RELATED ENTITIES	TOTAL
DEFERRED CONTRIBUTIONS					
DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR	472,990	1,292,314	638,489	0	2,403,793
Add: Contributions Received					
Provincial Grants - Ministry of Education	2,641,271	528,000			3,169,271
Provincial Grants - Other					0
Federal Grants					0
Other Revenue	202,816		2,590,945		2,793,761
Investment Income	31,131		36,571		67,702
	2,841,271	761,947	2,627,516	0	6,030,734
Less: Allocated to Revenue Recovered	3,092,774		691,500		6,484,900
	21,487	1,362,761	555,379	0	1,939,627
DEFERRED CONTRIBUTIONS, END OF YEAR					
	2,675,649	522,533			3,198,182
					0
	417,125	140,057	2,710,626		3,267,808
		28,910			28,910
	3,092,774	691,500	2,710,626	0	6,494,900
REVENUE AND EXPENSE					
REVENUE					
Provincial Grants - Ministry of Education	2,675,649	522,533			3,198,182
Provincial Grants - Other					0
Federal Grants					0
Other Revenue	417,125	140,057	2,710,626		3,267,808
Rentals and Leases					0
Investment Income		28,910			28,910
Gain (Loss) on Equity Investment					0
	3,092,774	691,500	2,710,626	0	6,494,900
EXPENSE					
Salaries					
Teachers		88,703			88,703
Principals and Vice Principals					0
Educational Assistants					0
Support Staff		159,960			159,960
Other Professionals					0
Substitutes					0
Employee Benefits	0	248,663	0	0	248,663
Services and Supplies	1,719,665	26,825			2,6825
	1,719,665	595,617	2,710,626		5,025,908
	1,719,665	871,105	2,710,626	0	5,301,396
	(1,373,109)	(179,605)	0	0	1,193,604
NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS					
	(955,984)				(955,984)
Capital Assets Purchased	(417,125)	179,605			(237,520)
Other	(1,373,109)	179,605	0	0	(1,193,504)
	0	0	0	0	0
NET REVENUE (EXPENSE)					

SCHOOL DISTRICT NO. 71 (Comox Valley)
 SPECIAL PURPOSE FUNDS
 CHANGES IN MINISTRY OF EDUCATION DESIGNATED SPECIAL PURPOSE FUNDS
 YEAR ENDED JUNE 30, 2007

	207 Annual Facility Grant	210 Distance Education School	250 Special Education Equipment	TOTAL
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DEFERRED CONTRIBUTIONS

DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR

Add: Contributions Received	46,181	417,125	9,684	472,990
Provincial Grants - Ministry of Education	2,619,897		21,374	2,641,271
Provincial Grants - Other				0
Federal Grants				0
Other Revenue				0
Investment Income				0
	2,619,897	0	21,374	2,641,271

Less: Allocated to Revenue Recovered

DEFERRED CONTRIBUTIONS, END OF YEAR

	2,644,591	417,125	31,058	3,092,774
	21,487	0	0	21,487

REVENUE AND EXPENSE

REVENUE

Provincial Grants - Ministry of Education	2,644,591		31,058	2,675,649
Provincial Grants - Other				0
Federal Grants				0
Other Revenue		417,125		417,125
Investment Income				0
	2,644,591	417,125	31,058	3,092,774

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	1,688,607		31,058	1,719,665
	1,688,607	0	31,058	1,719,665
	955,984	417,125	0	1,373,109

NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS

--	--	--	--	--

INTERFUND TRANSFERS

Capital Assets Purchased				(955,984)
Other		(417,125)		(417,125)
	(955,984)	(417,125)	0	(1,373,109)
	0	0	0	0

NET REVENUE (EXPENSE)

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SCHOOL DISTRICT NO. 71 (Comox Valley)
 SPECIAL PURPOSE FUNDS
 CHANGES IN OTHER SPECIAL PURPOSE FUNDS
 YEAR ENDED JUNE 30, 2007

	Bursaries	Deferred Leave	Community Schools	Professional Development	Social Equity	TOTAL
DEFERRED CONTRIBUTIONS						
DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR	745,167	186,908	4,014	340,162	36,063	1,292,314
Add: Contributions Received						
Provincial Grants - Ministry of Education					528,000	528,000
Provincial Grants - Other					0	0
Federal Grants	30,288	152,115		14,783	5,650	202,816
Other Revenue	28,911	2,220				31,131
Investment Income	59,179	154,335	0	14,783	533,650	761,947
Less: Allocated to Revenue Recovered	69,900	88,703	4,014	6,350	522,533	691,500
DEFERRED CONTRIBUTIONS, END OF YEAR	734,446	232,540	0	348,595	47,180	1,362,761
REVENUE AND EXPENSE						
REVENUE						
Provincial Grants - Ministry of Education					522,533	522,533
Provincial Grants - Other					0	0
Federal Grants	40,990	88,703	4,014	6,350		140,057
Other Revenue	28,910					28,910
Investment Income	69,900	88,703	4,014	6,350	522,533	691,500
EXPENSE						
Salaries		88,703				88,703
Teachers						
Principals and Vice Principals						
Educational Assistants						
Support Staff			80,937		79,023	159,960
Other Professionals						0
Substitutes						0
Employee Benefits	0	88,703	80,937	0	79,023	248,663
Services and Supplies	69,900		9,002		17,823	26,825
	89,900	88,703	7,060	185,955	332,702	595,617
	0	0	96,999	185,955	429,548	871,105
	0	0	(82,985)	(179,605)	92,985	(179,605)
NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS						
INTERFUND TRANSFERS						
Capital Assets Purchased						0
Other			92,985	179,605	(92,985)	179,605
NET REVENUE (EXPENSE)						
	0	0	0	0	0	0
	0	0	0	0	0	0

SCHOOL DISTRICT NO. 71 (Comox Valley)
 CAPITAL FUND
 CAPITAL ASSETS
 YEAR ENDED JUNE 30, 2007

	SITES	BUILDINGS	FURNITURE AND EQUIPMENT	VEHICLES	COMPUTER SOFTWARE	COMPUTER HARDWARE	TOTAL
COST, BEGINNING OF YEAR	13,036,221	126,892,580	5,012,259	406,271	0	0	145,347,331
Changes in Accounting Policy/ Prior Period Adjustments							
COST, BEGINNING OF YEAR, AS RESTATED	13,036,221	126,892,580	5,012,259	406,271	0	0	145,347,331
Increase:							
Purchases from:							
Deferred Contributions - Bylaw	57,669	2,403,228					2,460,897
Deferred Contributions - Other							0
Operating Fund			466,083	60,303			526,386
Special Purpose Funds		955,984					955,984
Local Capital							0
Transferred from Work in Progress							0
Decrease:							
Dispos of							
Deemed Disposals	222,050						222,050
Written-off/down During Year			272,393				272,393
COST, END OF YEAR	12,871,840	130,251,792	466,083	60,303	0	0	143,591,938
WORK IN PROGRESS, END OF YEAR	222,050	0	272,393	0	0	0	494,443
COST AND WORK IN PROGRESS, END OF YEAR	12,871,840	130,251,792	5,205,949	466,574	0	0	148,796,155
ACCUMULATED AMORTIZATION, BEGINNING OF YEAR	0	42,585,408	2,866,341	58,129	0	0	45,509,878
Changes in Accounting Policies/ Prior Period Adjustments							
BALANCE, BEGINNING OF YEAR, AS RESTATED	0	42,585,408	2,866,341	58,129	0	0	45,509,878
Changes for the Year							
Increase: Amortization for the Year		2,902,869	501,225	40,627			3,444,721
Decrease:							
Dispos of							
Deemed Disposals			272,393				272,393
Written-off During Year							0
ACCUMULATED AMORTIZATION, END OF YEAR	0	45,488,277	3,095,173	98,756	0	0	48,682,206
CAPITAL ASSETS - NET	12,871,840	84,763,515	2,110,776	367,818	0	0	100,113,949

Schedule C2

SCHOOL DISTRICT NO. 71 (Comox Valley)
 CAPITAL FUND
 CAPITAL ASSETS - WORK IN PROGRESS
 YEAR ENDED JUNE 30, 2007

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

SCHOOL DISTRICT NO. 71 (Comox Valley)
CAPITAL FUND
DEFERRED CAPITAL CONTRIBUTIONS
YEAR ENDED JUNE 30, 2007

Schedule C3

	BYLAW CAPITAL (NET)	OTHER PROVINCIAL (NET)	OTHER CAPITAL (NET)	TOTAL CAPITAL
DEFERRED CAPITAL CONTRIBUTIONS, BEGINNING OF YEAR	74,449,952	0	0	74,449,952
Changes in Accounting Policies/ Prior Period Adjustments				
DEFERRED CAPITAL CONTRIBUTIONS, BEGINNING OF YEAR, AS RESTATED	<u>74,449,952</u>	<u>0</u>	<u>0</u>	<u>74,449,952</u>
Changes for the Year				
Increase:				
Transferred from Deferred Contributions - Capital Additions	2,403,228			2,403,228
Transferred from Work in Progress				0
	<u>2,403,228</u>	<u>0</u>	<u>0</u>	<u>2,403,228</u>
Decrease:				
Amortization of Deferred Capital Contributions	3,006,007			3,006,007
Revenue Recognized on Disposal of Buildings				0
Revenue Recognized on Write-off/down of Buildings				0
	<u>3,006,007</u>	<u>0</u>	<u>0</u>	<u>3,006,007</u>
Net Changes for the Year	<u>(602,779)</u>	<u>0</u>	<u>0</u>	<u>(602,779)</u>
DEFERRED CAPITAL CONTRIBUTIONS, END OF YEAR	<u>73,847,173</u>	<u>0</u>	<u>0</u>	<u>73,847,173</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				0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</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>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
WORK IN PROGRESS, END OF YEAR	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL DEFERRED CAPITAL CONTRIBUTIONS, END OF YEAR	<u>73,847,173</u>	<u>0</u>	<u>0</u>	<u>73,847,173</u>

SCHOOL DISTRICT NO. 71 (Comox Valley)
 CAPITAL FUND
 CHANGES IN DEFERRED CONTRIBUTIONS
 YEAR ENDED JUNE 30, 2007

	BY-LAW CAPITAL	MINISTRY OF EDUCATION RESTRICTED CAPITAL	OTHER PROVINCIAL CAPITAL	LAND CAPITAL	OTHER CAPITAL	TOTAL
BALANCE, BEGINNING OF YEAR	57,669	67,894	0	0	0	125,563
Changes in Accounting Policies/ Prior Period Adjustments						
BALANCE, BEGINNING OF YEAR, AS RESTATED	57,669	67,894	0	0	0	125,563
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	1,500,000	165,000				1,665,000
Provincial Grants - Other						0
Other		6,319				6,319
Investment Income						0
MET Restricted Portion of Proceeds on Disposal	1,500,000	171,319	0	0	0	1,671,319
Decrease:						
Transferred to DCC - Capital Additions	2,403,228					2,403,228
Transferred to DCC - Work in Progress						0
Transferred to Invested in Capital Assets - Site Purchases	57,669					57,669
Site development	2,460,897	0	0	0	0	2,460,897
Net Changes for the Year	(960,897)	171,319	0	0	0	(789,578)
BALANCE, END OF YEAR	(903,228)	239,213	0	0	0	(664,015)

SCHOOL DISTRICT NO. 71 (Comox Valley)

Schedule C5

CAPITAL FUND
CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2007

	INVESTED IN CAPITAL ASSETS	LOCAL CAPITAL	FUND BALANCE
BALANCE, BEGINNING OF YEAR	25,387,502	967,972	26,355,474
Changes in Accounting Policies/ Prior Period Adjustments			
BALANCE, BEGINNING OF YEAR, AS RESTATED	25,387,502	967,972	26,355,474
Changes for the Year			
Investment Income		61,206	61,206
Comprehensive Income (Loss)			0
Gain (Loss) on Disposal of Capital Assets	1,232,950		1,232,950
District Portion of Proceeds on Disposal	(1,455,000)	1,455,000	0
Write-off/down of Buildings and Sites			0
Amortization of Deferred Capital Contributions	3,006,007		3,006,007
Capital Assets Purchased from Local Capital			0
Interfund Transfers - Capital Assets Purchased	1,482,370		1,482,370
Interfund Transfers - Capital Assets WIP			0
Interfund Transfers - Local Capital			0
Amortization of Capital Assets	(3,444,721)		(3,444,721)
Transferred to Invested in Capital Assets			
- Site Purchases			0
Site development	57,669		57,669
Sale of Misc equipment		38,049	38,049
Services and supplies purchased		(500,000)	(500,000)
Net Changes for the Year	879,275	1,054,255	1,933,530
BALANCE, END OF YEAR	26,266,777	2,022,227	28,289,004