

SCHOOL DISTRICT AUDITED FINANCIAL STATEMENTS FISCAL YEAR 2008/2009

SCHOOL DISTRICT NUMBER 85	NAME OF SCHOOL DISTRICT Vancouver Island North	YEAR 2008/2009
OFFICE LOCATION 6975 Rupert Street; PO Box 90		TELEPHONE NUMBER (250) 949-8933
CITY/PROVINCE Port Hardy, B.C.		POSTAL CODE V0N 2P0
WEBSITE ADDRESS www.sd85.bc.ca		
NAME OF SUPERINTENDENT Kathy Bedard		NAME OF SECRETARY-TREASURER John Martin

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. 85 (Vancouver Island North) ("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.

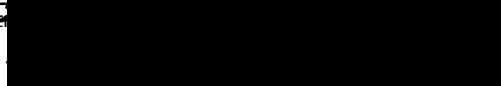
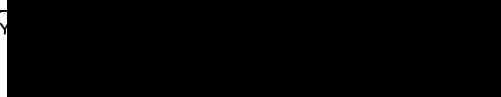
External Auditors

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. 85 (Vancouver Island North) for the year ended June 30, 2009.

SIGNATURE OF CHAIRPERSON 	DATE SIGNED SEP 23 2009
SIGNATURE OF SUPERINTENDENT 	DATE SIGNED SEP 23 2009
SIGNATURE OF SECRETARY-TREASURER 	DATE SIGNED SEP 23 2009

**SCHOOL DISTRICT No. 85 (VANCOUVER ISLAND NORTH)
2008/2009 AUDITED FINANCIAL STATEMENTS**

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AUDITORS' REPORT

To: Board of Education of School District
#85 (Vancouver Island North)

We have audited the statement of financial position of The Board of Education of School District #85 (Vancouver Island North) as at June 30, 2009 and the statements of revenue and expense, changes in fund balances, cash flows and schedules A5, B1, C3 and C4 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 School District #85 (Vancouver Island North) as at June 30, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Chartered Accountants
Campbell River, BC

September 4, 2009

SCHOOL DISTRICT No. 85 (VANCOUVER ISLAND NORTH)
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2009

Statement 1

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2009	TOTAL 2008
ASSETS					
Current Assets					
Cash and Cash Equivalents	\$ 7,658,156	\$ 316,156		\$ 7,974,312	\$ 9,188,959
Short Term Investments				0	11,462
Accounts Receivable (Note 3)					
Due from Province - Ministry of Education	2,758			2,758	2,553
Due from LEA/Direct Funding	79,245			79,245	79,245
Other Receivables	94,445			94,445	111,157
Interfund Loans		2,095,353	464,071		
Prepaid Expenses	36,694			36,694	38,934
	7,871,298	2,411,509	464,071	8,187,454	9,432,310
Capital Assets - Net (Note 4)			27,289,746	27,289,746	26,586,926
TOTAL ASSETS	\$ 7,871,298	\$ 2,411,509	\$ 27,753,817	\$ 35,477,200	\$ 36,019,236
LIABILITIES AND FUND BALANCES					
Current Liabilities					
Accounts Payable and Accrued Liabilities					
Other	1,609,855			1,609,855	1,822,312
Interfund Loans	2,559,424				
	4,169,279	0	0	1,609,855	1,822,312
Deferred Contributions					
Ministry of Education		1,975,139	12,756	1,987,895	3,247,006
Province - Other		22,686		22,686	22,762
Other		413,684		413,684	404,956
Accrued Employee Future Benefits (Note 5 & 6)	1,799,120			1,799,120	1,853,252
Deferred Capital Contributions			19,797,372	19,797,372	20,811,697
TOTAL LIABILITIES	5,968,399	2,411,509	19,810,128	25,630,612	28,161,985
Fund Balances					
Invested in Capital Assets			7,492,376	7,492,376	5,775,229
Internally Restricted (Note 7)	1,366,573		451,313	1,817,886	2,082,022
Unrestricted (Note 7)	536,326			536,326	
TOTAL FUND BALANCES	1,902,899	0	7,943,689	9,846,588	7,857,251
TOTAL LIABILITIES AND FUND BALANCES	\$ 7,871,298	\$ 2,411,509	\$ 27,753,817	\$ 35,477,200	\$ 36,019,236

SCHOOL DISTRICT No. 85 (VANCOUVER ISLAND NORTH)
STATEMENT OF REVENUE AND EXPENSE
YEAR ENDED JUNE 30, 2009

Statement 2

	OPERATING	SPECIAL	CAPITAL	TOTAL	TOTAL
	FUND	PURPOSE	FUND	2009	2008
	FUND	FUNDS	FUND	2009	2008
REVENUE					
Provincial Grants - Ministry of Education	\$ 18,879,727	\$ 2,552,961		\$ 21,432,688	\$ 19,147,263
Provincial Grants - Other		76		76	34,223
Other Revenue	17,244	485,298		502,542	459,971
Rentals and Leases	26,576			26,576	31,033
Investment Income	72,400		7,174	79,574	233,752
Amortization of Deferred Capital Contributions			936,774	936,774	958,873
	<u>18,995,947</u>	<u>3,038,335</u>	<u>943,948</u>	<u>22,978,230</u>	<u>20,865,115</u>
EXPENSE					
Salaries					
Teachers	6,845,669	233,921		7,079,590	6,935,783
Principals and Vice Principals	1,468,640			1,468,640	1,420,233
Educational Assistants	1,352,219	165,416		1,517,635	1,539,748
Support Staff	2,364,432			2,364,432	2,347,282
Other Professionals	538,668			538,668	523,972
Substitutes	490,845	1,891		492,736	481,482
	<u>13,060,473</u>	<u>401,228</u>	<u>0</u>	<u>13,461,701</u>	<u>13,248,500</u>
Employee Benefits	2,827,265	35,627		2,862,892	2,861,778
Services and Supplies	2,753,183	766,426		3,519,609	3,448,116
Amortization of Capital Assets			1,144,691	1,144,691	1,162,978
	<u>18,640,921</u>	<u>1,203,281</u>	<u>1,144,691</u>	<u>20,988,893</u>	<u>20,721,372</u>
NET REVENUE (EXPENSE)	<u>\$ 355,026</u>	<u>\$ 1,835,054</u>	<u>\$ (200,743)</u>	<u>\$ 1,989,337</u>	<u>\$ 143,743</u>

SCHOOL DISTRICT No. 85 (VANCOUVER ISLAND NORTH)
STATEMENT OF CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2009

Statement 3

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2009	TOTAL 2008
FUND BALANCES, BEGINNING OF YEAR	\$ 1,647,873	\$ 0	\$ 6,209,378	\$ 7,857,251	\$ 7,713,508
Changes for the Year					
Net Revenue (Expense) for the Year	355,026	1,835,054	-200,743	1,989,337	143,743
Interfund Transfers					
Capital Assets Purchased (Note 8)		-1,757,503	1,757,503	0	
Local Capital (Note 8)	-100,000		100,000	0	
Other (Note 8 & 15)		-77,551	77,551	0	
Net Changes for the Year	<u>255,026</u>	<u>0</u>	<u>1,734,311</u>	<u>1,989,337</u>	<u>143,743</u>
FUND BALANCES, END OF YEAR	<u>\$ 1,902,899</u>	<u>\$ 0</u>	<u>\$ 7,943,689</u>	<u>\$ 9,846,588</u>	<u>\$ 7,857,251</u>

SCHOOL DISTRICT No. 85 (VANCOUVER ISLAND NORTH)
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2009

Statement 4.1

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2009	TOTAL 2008
CASH PROVIDED BY (USED FOR)					
OPERATIONS					
Net Revenue (Expense) for the Year	\$ 355,026	\$ 1,835,054	\$ (200,743)	\$ 1,989,337	\$ 143,743
Changes in Non-Cash Working Capital					
Decrease (Increase)					
Accounts Receivable	16,507			16,507	-12,907
Interfund Loans	-1,185,052	1,395,689	-210,637	0	
Prepaid Expenses	2,240			2,240	11,318
Increase (Decrease)					
Accounts Payable/Accrued Liabilities	-212,457			-212,457	1,269,234
Other Current Liabilities				0	-859,339
Deferred Contributions		-1,443,930		-1,443,930	689,545
Accrued Employee Future Benefits	-54,132			-54,132	-10,447
Items Not Involving Cash					
Amortization of Capital Assets			1,144,691	1,144,691	1,162,978
Amortization of Deferred Capital Contributions			-936,774	-936,774	-958,873
Interfund Transfers	-100,000	-1,835,054	1,935,054	0	
	<u>-1,177,868</u>	<u>-48,241</u>	<u>1,731,591</u>	<u>505,482</u>	<u>1,435,252</u>
FINANCING					
Deferred Contributions Received - Capital			115,920	115,920	-193,471
	<u>0</u>	<u>0</u>	<u>115,920</u>	<u>115,920</u>	<u>-193,471</u>
INVESTING					
Capital Assets Purchased - Special Purpose			-1,757,503	-1,757,503	
Capital Assets Purchased - Local Capital			-90,008	-90,008	-244,958
	<u>0</u>	<u>0</u>	<u>-1,847,511</u>	<u>-1,847,511</u>	<u>-244,958</u>
NET INCREASE (DECREASE) IN CASH	<u>\$ (1,177,868)</u>	<u>\$ (48,241)</u>	<u>\$ 0</u>	<u>\$ (1,226,109)</u>	<u>\$ 996,823</u>

SCHOOL DISTRICT No. 85 (VANCOUVER ISLAND NORTH)
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2009

Statement 4.2

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2009	TOTAL 2008
NET INCREASE (DECREASE) IN CASH	\$ (1,177,868)	\$ (48,241)	\$ 0	\$ (1,226,109)	\$ 996,823
Net Cash, Beginning of Year	8,836,024	364,397		9,200,421	8,203,598
NET CASH, END OF YEAR	<u>\$ 7,658,156</u>	<u>\$ 316,156</u>	<u>\$ 0</u>	<u>\$ 7,974,312</u>	<u>\$ 9,200,421</u>
Cash	\$ 7,658,156	\$ 316,156		\$ 7,974,312	\$ 9,188,959
Short Term Investments				0	11,462
NET CASH, END OF YEAR	<u>\$ 7,658,156</u>	<u>\$ 316,156</u>	<u>\$ 0</u>	<u>\$ 7,974,312</u>	<u>\$ 9,200,421</u>

SCHOOL DISTRICT NO. 85
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2009

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. 85 (Vancouver Island North)", and operates as "School District No. 85 (Vancouver Island North)." 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 balances as at June 30th. Inter-fund 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.

SCHOOL DISTRICT NO. 85
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2009

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

c) Accounts Receivable

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

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. Prepaid expenses also include payments for services that extend beyond the current period such as insurance.

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.
- 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

SCHOOL DISTRICT NO. 85
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2009

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

f) 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.
- Endowment contributions are reported as direct increases to net assets held as endowment principal.
- Investment income earned on endowment principal is recognized as a direct increase to net assets (endowment) to the extent required or agreed by donors. The remaining investment income earned on endowment principal is recorded as a deferred contribution and recognized as revenue in the year related expenses are incurred.

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.
 - 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.

SCHOOL DISTRICT NO. 85
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2009

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

h) Financial Instruments

Financial instruments consist of cash, cash equivalents, accounts receivable, prepaid expenses, accounts payable, accrued liabilities and other current liabilities. Unless otherwise noted, it is management's opinion that the School District is not exposed to significant interest, currency or credit risks arising from these financial instruments. Cash, cash equivalents, accounts receivable, prepaid expenses and accounts payable are reported at their fair values on the balance sheet. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

Available-for-sale and held-for-trading financial instruments are reported at fair value. Gains and losses arising from changes in fair values of available-for-sale financial instruments are reported on the Statement of Changes in Fund Balances as "Comprehensive Income (Loss)" and the unrealized gains/losses on held-for-trading financial instruments are reported on the income statement.

i) 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.

m) Employee Future Benefits

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

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

The excess of cumulative unrecognized actuarial gains (losses) over 10 percent of the accrued benefit obligation is amortized over the expected average remaining service lifetime (EARS�) of active employees covered under the plan. The EARS� for employees of the School District is 9.8 years.

The most recent valuation of the obligation was performed at March 31, 2007 and projected to June 30, 2011. The next valuation will be performed at March 31, 2010 for use at June 30, 2010. For the purposes of determining the financial position of the plans and the employee future benefit costs, a measurement date of March 31 was adopted for all periods subsequent to July 1, 2004.

SCHOOL DISTRICT NO. 85
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2009

NOTE 3 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	2009	2008
Due from Federal Government	\$ 42,571	\$ 38,378
Other	51,874	72,779
	\$ 94,445	\$111,157

NOTE 4 CAPITAL ASSETS

	2009		2008	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Sites	\$ 2,891,161	\$	\$ 2,891,161	\$ 2,891,161
Buildings	49,488,451	26,345,399	23,143,052	22,274,488
Furniture & Equipment	604,041	189,267	414,774	430,600
Vehicles	1,363,837	628,319	735,518	846,209
Computer Software	10,165	8,133	2,032	4,957
Computer Hardware	169,590	66,381	103,209	139,551
	\$54,527,245	\$27,237,499	\$27,289,746	\$26,586,926

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.

Fiscal Year	2009	2008
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	\$1,433,574	\$1,471,788
Service Cost	95,101	96,060
Interest Cost	79,241	74,215
Benefit Payments	-152,913	-149,752
Actuarial (Gain)/Loss	-131,513	-58,737
Accrued Benefit Obligation – March 31	\$1,323,490	\$1,433,574

SCHOOL DISTRICT NO. 85
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2009

Reconciliation of Funded Status at End of Fiscal Year

Accrued Benefit Obligation - March 31	\$1,323,490	\$1,433,574
Market Value of Plan Assets - March 31	<u>0</u>	<u>0</u>
Funded Status - Surplus/(Deficit)	-1,323,490	-1,433,574
Employer Contributions After Measurement Date	132,561	94,877
Unamortized Net Actuarial (Gain)/Loss	<u>-608,191</u>	<u>-514,555</u>
Accrued Benefit Asset/(Liability) - June 30	<u><u>\$-1,799,120</u></u>	<u><u>\$-1,853,252</u></u>

Components of Net Benefit Expense

Service Cost	\$95,101	\$96,060
Interest Cost	79,241	74,215
Amortization of Net Actuarial (Gain)/Loss	<u>-37,877</u>	<u>-35,073</u>
Net Benefit Expense (Income)	<u><u>\$136,465</u></u>	<u><u>\$135,202</u></u>

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

Discount Rate - April 1	5.50%	5.00%
Discount Rate - March 31	7.00%	5.50%
Long Term Salary Growth - April 1	3.25%+ seniority	3.25%+ seniority
Long Term Salary Growth - March 31	3.25%+ seniority	3.25%+ seniority
EARSLS - March 31	9.8	9.8

NOTE 6 EMPLOYEE PENSION PLANS

The School District and its employees contribute to the Teachers' Pension Plan and Municipal Pension Plan, jointly trusteed 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 26,000 retired members from school districts. The Municipal Plan has about 150,000 active members, of which approximately 22,000 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, 2006 indicated a surplus of \$438 million for basic pension benefits. The next valuation will be as at December 31, 2009 with results available in 2010. The actuary does not attribute portions of the unfunded liability to individual employers. School District No. 85 (Vancouver Island North) paid \$1,431,851 for employer contributions to these plans in the year ended June 30, 2009.

SCHOOL DISTRICT NO. 85
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2009

NOTE 7 OPERATING FUND BALANCE, END OF YEAR

Internally Restricted (appropriated) by Board for:

Appropriation to 2009 – 2010 Annual Budget	\$1,000,000	
School-Based Budgets Carried Forward	233,734	
Unspent MoE Learning Centre Grants	39,703	
Unspent MoE Literacy Innovation Grant	44,967	
Unspent MoE French Grants	4,666	
Emergency Preparedness	16,323	
Pro-D Allocations Carried Forward	27,180	
Subtotal Internally Restricted		\$1,366,573
Unrestricted Operating Surplus (Deficit)		536,326
Total Available for Future Operations		\$1,902,899

NOTE 8 INTERFUND TRANSFERS

Inter-fund 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, 2009, transfers were as follows:

- Transfer from Operating to Capital Fund \$ 100,000
- Transfer from Special Purpose to Capital Fund \$1,757,503
- Transfer from Special Purpose to Work in Progress \$ 77,551

NOTE 9 RELATED PARTY TRANSACTIONS

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

NOTE 10 BUDGET FIGURES

Budget figures included in the financial statements are not audited. They were approved by the Board through the adoption of an amended annual budget on February 9, 2009.

NOTE 11 ASSET RETIREMENT OBLIGATION

Legal liabilities may exist for the removal/disposal of asbestos in schools that will undergo major renovations or demolition. This existence and/or amount of this liability is not reasonably determinable as of June 30, 2009.

NOTE 12 ECONOMIC DEPENDENCE

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

SCHOOL DISTRICT NO. 85
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2009

NOTE 13 PRIOR PERIOD ADJUSTMENT

Work in Progress as of June 30, 2008 included \$77,551 under Bylaw Capital that should have been reported as funded from a Special Purpose Fund (Annual Facility Grant). This is corrected through prior period adjustments on Schedules C3 and C4.

SCHOOL DISTRICT No. 85 (VANCOUVER ISLAND NORTH)
OPERATING FUND
SURPLUS (DEFICIT)
YEAR ENDED JUNE 30, 2009

Schedule A1

	2009 ACTUAL	2009 AMENDED ANNUAL BUDGET	2008 ACTUAL
REVENUE			
Provincial Grants - Ministry of Education	\$ 18,879,727	\$ 18,671,238	\$ 18,595,788
Provincial Grants - Other			-34,585
Other Revenue	17,244	44,081	41,925
Rentals and Leases	26,576	20,000	31,033
Investment Income	72,400	200,000	220,865
	<u>18,995,947</u>	<u>18,935,319</u>	<u>18,855,026</u>
EXPENSE			
Salaries			
Teachers	6,845,669	6,909,462	6,820,894
Principals and Vice Principals	1,468,640	1,370,896	1,420,233
Educational Assistants	1,352,219	1,474,843	1,395,377
Support Staff	2,364,432	2,358,277	2,347,282
Other Professionals	538,668	512,892	523,972
Substitutes	490,845	633,393	477,693
	<u>13,060,473</u>	<u>13,259,763</u>	<u>12,985,451</u>
Employee Benefits	2,827,265	3,058,163	2,821,241
Services and Supplies	2,753,183	3,251,689	2,713,373
	<u>18,640,921</u>	<u>19,569,615</u>	<u>18,520,065</u>
NET REVENUE (EXPENSE), FOR THE YEAR	355,026	-634,296	334,961
INTERFUND TRANSFERS			
Local Capital	-100,000	-100,000	-100,000
OTHER ADJUSTMENTS TO OPERATING FUND BALANCE			
BUDGETED ALLOCATION (RETIREMENT) OF SURPLUS (DEFICIT)		605,019	
SURPLUS (DEFICIT), FOR THE YEAR	<u>255,026</u>	<u>\$ (129,277)</u>	<u>234,961</u>
SURPLUS (DEFICIT), BEGINNING OF YEAR	1,647,873		1,412,912
SURPLUS (DEFICIT), END OF YEAR			
(Section 156 (12) of School Act)	<u>\$ 1,902,899</u>		<u>\$ 1,647,873</u>
SURPLUS (DEFICIT), END OF YEAR			
Internally Restricted	1,366,573		
Unrestricted	536,326		
	<u>\$ 1,902,899</u>		

SCHOOL DISTRICT No. 85 (VANCOUVER ISLAND NORTH)
OPERATING FUND
COMPARATIVE SCHEDULE OF REVENUE BY SOURCE
YEAR ENDED JUNE 30, 2009

Schedule A2

	2009 ACTUAL	2009 AMENDED ANNUAL BUDGET	2008 ACTUAL
PROVINCIAL GRANTS - MINISTRY OF EDUCATION			
Operating Grant, Ministry of Education	\$ 18,521,824	\$ 18,521,824	\$ 18,275,516
Other Ministry of Education Grants			
Pay Equity	115,216	115,218	115,216
Ready Set Learn	25,000	25,000	30,000
French	9,196	9,196	19,374
Learning Centre Projects - QES & EBES	50,000		
Exempt Staff Labour Market Adjustments	102,699		77,722
Exams/Marking/FSA	10,000		
Carbon Tax Refund	3,611		
Literacy Innovation	42,181		47,181
Audit & Funding Adjustments			22,109
Other			8,670
	<u>18,879,727</u>	<u>18,671,238</u>	<u>18,595,788</u>
PROVINCIAL GRANTS - OTHER			-34,585
FEDERAL GRANTS			
OTHER REVENUE			
Other School District/Education Authorities		3,000	4,500
Miscellaneous			
Sale of Assets	9,900	12,000	8,752
Miscellaneous	7,344	29,081	21,538
Skills Canada			7,135
	<u>17,244</u>	<u>44,081</u>	<u>41,925</u>
RENTALS AND LEASES	<u>26,576</u>	<u>20,000</u>	<u>31,033</u>
INVESTMENT INCOME	<u>72,400</u>	<u>200,000</u>	<u>220,865</u>
TOTAL OPERATING REVENUE	<u>\$ 18,995,947</u>	<u>\$ 18,935,319</u>	<u>\$ 18,855,026</u>

SCHOOL DISTRICT No. 85 (VANCOUVER ISLAND NORTH)
OPERATING FUND
COMPARATIVE SCHEDULE OF EXPENSE BY OBJECT
YEAR ENDED JUNE 30, 2009

Schedule A3

	2009			2008
	2009 ACTUAL	AMENDED ANNUAL BUDGET		
SALARIES				
Teachers	\$ 6,845,669	\$ 6,909,462	\$	6,820,894
Principals and Vice Principals	1,468,640	1,370,896		1,420,233
Educational Assistants	1,352,219	1,474,843		1,395,377
Support Staff	2,364,432	2,358,277		2,347,282
Other Professionals	538,668	512,892		523,972
Substitutes	490,845	633,393		477,693
	<u>13,060,473</u>	<u>13,259,763</u>		<u>12,985,451</u>
EMPLOYEE BENEFITS	<u>2,827,265</u>	<u>3,058,163</u>		<u>2,821,241</u>
TOTAL SALARIES AND BENEFITS	<u>15,887,738</u>	<u>16,317,926</u>		<u>15,806,692</u>
SERVICES AND SUPPLIES				
Services	607,965	655,552		556,532
Student Transportation	54,908	72,067		78,801
Professional Development and Travel	327,800	363,483		298,947
Rentals and Leases	7,443	20,300		65,099
Dues and Fees	20,023	20,400		19,638
Insurance	51,205	57,642		48,870
Supplies	939,836	1,279,745		883,445
Utilities	744,003	782,500		762,041
TOTAL SERVICES AND SUPPLIES	<u>2,753,183</u>	<u>3,251,689</u>		<u>2,713,373</u>
TOTAL OPERATING EXPENSE	<u>\$ 18,640,921</u>	<u>\$ 19,569,615</u>	<u>\$</u>	<u>18,520,065</u>

SCHOOL DISTRICT No. 85 (VANCOUVER ISLAND NORTH)
OPERATING FUND
EXPENSE BY FUNCTION, PROGRAM AND OBJECT
YEAR ENDED JUNE 30, 2009

Schedule A4.1

	TEACHERS SALARIES	PRINCIPALS & VICE PRINCIPALS SALARIES	EDUCATIONAL ASSISTANTS SALARIES	SUPPORT STAFF SALARIES	OTHER PROFESSIONALS SALARIES	SUBSTITUTES SALARIES	TOTAL SALARIES
1 INSTRUCTION							
1.02 Regular Instruction	\$ 5,269,123	\$ 476,758		\$ 71,519		\$ 249,981	\$ 6,067,381
1.07 Library Services	144,327			111,253		9,346	264,926
1.08 Counselling	171,259					7,340	178,599
1.10 Special Education	1,111,799	94,083	1,194,327	10,884	81,241	100,691	2,593,025
1.30 English as a Second Language	112,561		25,964			4,824	143,349
1.31 Aboriginal Education	36,600	47,042	118,303	24,001		6,342	232,288
1.41 School Administration		691,517		406,523		42,152	1,140,192
1.61 Continuing Education			13,625				13,625
Total Function 1	6,845,669	1,309,400	1,352,219	624,180	81,241	420,676	10,633,385
4 DISTRICT ADMINISTRATION							
4.11 Educational Administration		159,240			188,302		347,542
4.40 School District Governance					74,314		74,314
4.41 Business Administration				137,274	71,569		208,843
Total Function 4		159,240		137,274	334,185		630,699
5 OPERATIONS AND MAINTENANCE							
5.41 Operations and Maintenance Administration				66,216	61,621	1,102	128,939
5.50 Maintenance Operations				1,134,967		52,564	1,187,531
5.52 Maintenance of Grounds				74,121			74,121
Total Function 5				1,275,304	61,621	53,666	1,390,591
7 TRANSPORTATION AND HOUSING							
7.41 Transportation and Housing Administration				40,912	61,621	6,466	108,999
7.70 Student Transportation				286,762		10,037	296,799
Total Function 7				327,674	61,621	16,503	405,798
9 DEBT SERVICES (OPERATING)							
Total Function 9							
TOTAL FUNCTIONS 1 - 9	\$ 6,845,669	\$ 1,468,640	\$ 1,352,219	\$ 2,364,432	\$ 538,668	\$ 490,845	\$ 13,060,473

SCHOOL DISTRICT No. 85 (VANCOUVER ISLAND NORTH)
OPERATING FUND
EXPENSE BY FUNCTION, PROGRAM AND OBJECT
YEAR ENDED JUNE 30, 2009

Schedule A4.2

	TOTAL SALARIES	EMPLOYEE BENEFITS	TOTAL SALARIES AND BENEFITS	SERVICES AND SUPPLIES	2009 ACTUAL	2009 AMENDED ANNUAL BUDGET	2008 ACTUAL
1 INSTRUCTION							
1.02 Regular Instruction	\$ 6,067,381	\$ 1,280,231	\$ 7,347,612	\$ 733,922	\$ 8,081,534	\$ 8,461,348	\$ 8,048,268
1.03 Career Programs				835	835	12,500	3,739
1.07 Library Services	264,926	63,437	328,363	37,634	365,997	363,981	336,930
1.08 Counselling	178,599	40,170	218,769	6,194	224,963	220,154	208,906
1.10 Special Education	2,593,025	611,950	3,204,975	158,162	3,363,137	3,517,017	3,248,483
1.30 English as a Second Language	143,349	30,429	173,778	7,942	181,720	187,969	140,251
1.31 Aboriginal Education	232,288	52,352	284,640	202,803	487,443	511,307	526,430
1.41 School Administration	1,140,192	241,292	1,381,484	59,358	1,440,842	1,471,854	1,406,248
1.61 Continuing Education	13,625	38	13,663		13,663		170,628
1.64 Other				44,290	44,290	47,600	58,846
Total Function 1	10,633,385	2,319,899	12,953,284	1,251,140	14,204,424	14,793,730	14,148,729
4 DISTRICT ADMINISTRATION							
4.11 Educational Administration	347,542	69,245	416,787	38,135	454,922	443,427	398,699
4.40 School District Governance	74,314	1,071	75,385	68,733	144,118	143,237	125,190
4.41 Business Administration	208,843	43,176	252,019	133,415	385,434	474,966	296,359
Total Function 4	630,699	113,492	744,191	240,283	984,474	1,061,630	820,248
5 OPERATIONS AND MAINTENANCE							
5.41 Operations and Maintenance Administration	128,939	26,620	155,559	40,496	196,055	202,107	189,350
5.50 Maintenance Operations	1,187,531	247,620	1,435,151	336,384	1,771,535	1,971,031	1,853,151
5.52 Maintenance of Grounds	74,121	17,146	91,267	30,541	121,808	121,722	115,004
5.56 Utilities				744,003	744,003	782,500	762,041
Total Function 5	1,390,591	291,386	1,681,977	1,151,424	2,833,401	3,077,360	2,919,546
7 TRANSPORTATION AND HOUSING							
7.41 Transportation and Housing Administration	108,999	21,289	130,288	5,772	136,060	91,111	124,065
7.70 Student Transportation	296,799	81,199	377,998	104,564	482,562	542,784	504,177
7.73 Housing						3,000	3,300
Total Function 7	405,798	102,488	508,286	110,336	618,622	636,895	631,542
9 DEBT SERVICES (OPERATING)							
Total Function 9							
TOTAL FUNCTIONS 1 - 9	\$ 13,060,473	\$ 2,827,265	\$ 15,887,738	\$ 2,753,183	\$ 18,640,921	\$ 19,569,615	\$ 18,520,065

SCHOOL DISTRICT No. 85 (VANCOUVER ISLAND NORTH)
OPERATING FUND
CHANGES IN DEFERRED CONTRIBUTIONS
YEAR ENDED JUNE 30, 2009

Schedule A5

BALANCE, BEGINNING OF YEAR	\$	0
Changes for the Year		
Increase:	<u> </u>	<u>0</u>
Decrease:	<u> </u>	<u>0</u>
Net Changes for the Year		<u>0</u>
BALANCE, END OF YEAR	\$	<u>0</u>

SCHOOL DISTRICT No. 85 (VANCOUVER ISLAND NORTH)
SPECIAL PURPOSE FUNDS
SUMMARY OF CHANGES
YEAR ENDED JUNE 30, 2009

Schedule B1

	MINISTRY OF EDUCATION DESIGNATED	OTHER	SCHOOL GENERATED FUNDS	RELATED ENTITIES	TOTAL
DEFERRED CONTRIBUTIONS					
DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR	\$ 3,261,622	\$ 229,422	\$ 364,395		\$ 3,855,439
Add: Contributions Received					
Provincial Grants - Ministry of Education	669,084	388,350			1,057,434
Other		106,100	387,418		493,518
Investment Income	42,080	1,373			43,453
	711,164	495,823	387,418	0	1,594,405
Less: Allocated to Revenue	2,012,849	589,643	435,843		3,038,335
DEFERRED CONTRIBUTIONS, END OF YEAR	\$ 1,959,937	\$ 135,602	\$ 315,970	\$ 0	\$ 2,411,509
REVENUE AND EXPENSE					
REVENUE					
Provincial Grants - Ministry of Education	\$ 2,012,849	\$ 540,112			\$ 2,552,961
Provincial Grants - Other		76			76
Other Revenue		49,455	435,843		485,298
	2,012,849	589,643	435,843	0	3,038,335
EXPENSE					
Salaries					
Teachers		233,921			233,921
Educational Assistants		165,416			165,416
Substitutes		1,891			1,891
	0	401,228	0	0	401,228
Employee Benefits		35,627			35,627
Services and Supplies	177,795	152,788	435,843		766,426
	177,795	589,643	435,843	0	1,203,281
NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS	1,835,054	0	0	0	1,835,054
INTERFUND TRANSFERS					
Capital Assets Purchased	-1,757,503				-1,757,503
Other	-77,551				-77,551
	-1,835,054	0	0	0	-1,835,054
NET REVENUE (EXPENSE)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

SCHOOL DISTRICT No. 85 (VANCOUVER ISLAND NORTH)
SPECIAL PURPOSE FUNDS
CHANGES IN MINISTRY OF EDUCATION DESIGNATED SPECIAL PURPOSE FUNDS
YEAR ENDED JUNE 30, 2009

Schedule B2

	207 Annual Facility Grant	250 Special Education Equipment	TOTAL
DEFERRED CONTRIBUTIONS			
DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR	\$ 3,248,131	\$ 13,491	\$ 3,261,622
Add: Contributions Received			
Provincial Grants - Ministry of Education	662,459	6,625	669,084
Investment Income	42,080		42,080
	704,539	6,625	711,164
Less: Allocated to Revenue	2,006,918	5,931	2,012,849
DEFERRED CONTRIBUTIONS, END OF YEAR	\$ 1,945,752	\$ 14,185	\$ 1,959,937
REVENUE AND EXPENSE			
REVENUE			
Provincial Grants - Ministry of Education	\$ 2,006,918	\$ 5,931	\$ 2,012,849
	2,006,918	5,931	2,012,849
EXPENSE			
Salaries			
	0	0	0
Services and Supplies	171,864	5,931	177,795
	171,864	5,931	177,795
NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS	1,835,054	0	1,835,054
INTERFUND TRANSFERS			
Capital Assets Purchased	-1,757,503		-1,757,503
Other	-77,551		-77,551
	-1,835,054	0	-1,835,054
NET REVENUE (EXPENSE)	\$ 0	\$ 0	\$ 0

SCHOOL DISTRICT No. 85 (VANCOUVER ISLAND NORTH)
SPECIAL PURPOSE FUNDS
CHANGES IN OTHER SPECIAL PURPOSE FUNDS
YEAR ENDED JUNE 30, 2009

Schedule B3

	Scholarships	Community Link	CYMH	Early Learning	MWFamily Literacy	TOTAL
DEFERRED CONTRIBUTIONS						
DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR	\$ 14,004	\$ 98,900	\$ 22,762	\$ 67,199	\$ 26,557	\$ 229,422
Add: Contributions Received						
Provincial Grants - Ministry of Education		294,350		94,000		388,350
Other	31,526				74,574	106,100
Investment Income	508	865				1,373
	32,034	295,215	0	94,000	74,574	495,823
Less: Allocated to Revenue	3,300	390,268	76	149,844	46,155	589,643
DEFERRED CONTRIBUTIONS, END OF YEAR	\$ 42,738	\$ 3,847	\$ 22,686	\$ 11,355	\$ 54,976	\$ 135,602
REVENUE AND EXPENSE						
REVENUE						
Provincial Grants - Ministry of Education		\$ 390,268		\$ 149,844		\$ 540,112
Provincial Grants - Other			76			76
Other Revenue	3,300				46,155	49,455
	3,300	390,268	76	149,844	46,155	589,643
EXPENSE						
Salaries						
Teachers		184,352		49,569		233,921
Educational Assistants		165,416				165,416
Substitutes		1,891				1,891
	0	351,659	0	49,569	0	401,228
Employee Benefits		35,627				35,627
Services and Supplies	3,300	2,982	76	100,275	46,155	152,788
	3,300	390,268	76	149,844	46,155	589,643
NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS	0	0	0	0	0	0
INTERFUND TRANSFERS						
	0	0	0	0	0	0
NET REVENUE (EXPENSE)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

SCHOOL DISTRICT No. 85 (VANCOUVER ISLAND NORTH)
CAPITAL FUND
CAPITAL ASSETS
YEAR ENDED JUNE 30, 2009

Schedule C1

	SITES	BUILDINGS	FURNITURE AND EQUIPMENT	VEHICLES	COMPUTER SOFTWARE	COMPUTER HARDWARE	TOTAL
COST, BEGINNING OF YEAR	\$ 2,891,161	\$ 46,082,477	\$ 653,697	\$ 1,346,144	\$ 14,624	\$ 264,416	\$ 51,252,519
Changes for the Year							
Increase:							
Purchases from:							
Special Purpose Funds		1,757,503					1,757,503
Local Capital			49,544	23,923		16,541	90,008
Transferred from Work in Progress		1,648,471					1,648,471
	0	3,405,974	49,544	23,923	0	16,541	3,495,982
Decrease:							
Deemed Disposals			99,200	6,230	4,459	111,367	221,256
	0	0	99,200	6,230	4,459	111,367	221,256
COST, END OF YEAR	2,891,161	49,488,451	604,041	1,363,837	10,165	169,590	54,527,245
WORK IN PROGRESS, END OF YEAR							0
COST AND WORK IN PROGRESS, END OF YEAR	\$ 2,891,161	\$ 49,488,451	\$ 604,041	\$ 1,363,837	\$ 10,165	\$ 169,590	\$ 54,527,245
ACCUMULATED AMORTIZATION, BEGINNING OF YEAR		\$ 25,456,500	\$ 223,097	\$ 499,935	\$ 9,667	\$ 124,865	\$ 26,314,064
Changes for the Year							
Increase: Amortization for the Year		888,899	65,370	134,614	2,925	52,883	1,144,691
Decrease:							
Deemed Disposals			99,200	6,230	4,459	111,367	221,256
	0	0	99,200	6,230	4,459	111,367	221,256
ACCUMULATED AMORTIZATION, END OF YEAR	\$ 0	\$ 26,345,399	\$ 189,267	\$ 628,319	\$ 8,133	\$ 66,381	\$ 27,237,499
CAPITAL ASSETS - NET	\$ 2,891,161	\$ 23,143,052	\$ 414,774	\$ 735,518	\$ 2,032	\$ 103,209	\$ 27,289,746

SCHOOL DISTRICT No. 85 (VANCOUVER ISLAND NORTH)
CAPITAL FUND
CAPITAL ASSETS - WORK IN PROGRESS
YEAR ENDED JUNE 30, 2009

Schedule C2

	BUILDINGS	FURNITURE AND EQUIPMENT	COMPUTER SOFTWARE	COMPUTER HARDWARE	TOTAL
WORK IN PROGRESS, BEGINNING OF YEAR	\$ 1,648,471				\$ 1,648,471
Changes for the Year					
Increase	0	0	0	0	0
Decrease					
Transferred to Capital Assets	1,648,471				1,648,471
	1,648,471	0	0	0	1,648,471
Net Changes for the Year	-1,648,471	0	0	0	-1,648,471
WORK IN PROGRESS, END OF YEAR	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

SCHOOL DISTRICT No. 85 (VANCOUVER ISLAND NORTH)
CAPITAL FUND
DEFERRED CAPITAL CONTRIBUTIONS
YEAR ENDED JUNE 30, 2009

Schedule C3

	BYLAW CAPITAL (NET)	OTHER PROVINCIAL (NET)	OTHER CAPITAL (NET)	TOTAL CAPITAL
DEFERRED CAPITAL CONTRIBUTIONS, BEGINNING OF YEAR	\$ 19,163,226			\$ 19,163,226
Changes for the Year				
Increase				
Transferred from Work in Progress	1,570,920			1,570,920
	<u>1,570,920</u>	0	0	<u>1,570,920</u>
Decrease				
Amortization of Deferred Capital Contributions	936,774			936,774
	<u>936,774</u>	0	0	<u>936,774</u>
Net Changes for the Year	<u>634,146</u>	0	0	<u>634,146</u>
DEFERRED CAPITAL CONTRIBUTIONS, END OF YEAR	<u>\$ 19,797,372</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 19,797,372</u>
WORK IN PROGRESS, BEGINNING OF YEAR	\$ 1,648,471			\$ 1,648,471
Changes in Accounting Policies/ Prior Period Adjustments				
Adjust 07/08 WIP for AFG purchases	-77,551			-77,551
WORK IN PROGRESS, BEGINNING OF YEAR, AS RESTATED	<u>1,570,920</u>	0	0	<u>1,570,920</u>
Changes for the Year				
Increase				
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Decrease				
Transferred to Deferred Capital Contributions	1,570,920			1,570,920
	<u>1,570,920</u>	0	0	<u>1,570,920</u>
Net Changes for the Year	<u>-1,570,920</u>	0	0	<u>-1,570,920</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>\$ 19,797,372</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 19,797,372</u>

SCHOOL DISTRICT No. 85 (VANCOUVER ISLAND NORTH)
CAPITAL FUND
CHANGES IN DEFERRED CONTRIBUTIONS
YEAR ENDED JUNE 30, 2009

Schedule C4

	BYLAW CAPITAL	MINISTRY OF EDUCATION RESTRICTED CAPITAL	OTHER PROVINCIAL CAPITAL	LAND CAPITAL	OTHER CAPITAL	TOTAL
BALANCE, BEGINNING OF YEAR	\$ (193,471)	\$ 12,756				\$ (180,715)
Changes in Accounting Policies/ Prior Period Adjustments						
Adjust 07/08 WIP for AFG purchases	77,551					77,551
BALANCE, BEGINNING OF YEAR, AS RESTATED	-115,920	12,756	0	0	0	-103,164
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	115,920					115,920
	115,920	0	0	0	0	115,920
Decrease:						
	0	0	0	0	0	0
Net Changes for the Year	115,920	0	0	0	0	115,920
BALANCE, END OF YEAR	\$ 0	\$ 12,756	\$ 0	\$ 0	\$ 0	\$ 12,756

**CAPITAL FUND
CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2009**

	INVESTED IN CAPITAL ASSETS	LOCAL CAPITAL	FUND BALANCE
BALANCE, BEGINNING OF YEAR	\$ 5,775,229	\$ 434,149	\$ 6,209,378
Changes for the Year			
Investment Income		7,174	7,174
Amortization of Deferred Capital Contributions	936,774		936,774
Capital Assets Purchased from Local Capital	90,010	-90,010	0
Interfund Transfers - Capital Assets Purchased	1,757,503		1,757,503
Interfund Transfers - Local Capital		100,000	100,000
Amortization of Capital Assets	-1,144,691		-1,144,691
Adjust 07/08 WIP for AFG purchases	77,551		77,551
Net Changes for the Year	<u>1,717,147</u>	<u>17,164</u>	<u>1,734,311</u>
BALANCE, END OF YEAR	<u>\$ 7,492,376</u>	<u>\$ 451,313</u>	<u>\$ 7,943,689</u>