SCHOOL DISTRICT
AUDITED FINANCIAL STATEMENTS
FISCAL YEAR 2010/2011

SCHOOL DISTRICT NUMBER	NAME OF SCHOOL DISTRICT	YEAR
22	Vernon	2010/2011
OFFICE LOCATION		TELEPHONE NUMBER
1401-15St		250-542-3331
CITY/PROVINCE		POSTAL CODE
Vernon, B. C.		V1T 8S8
WEBSITE ADDRESS		
www.sd22.bc.ca		
NAME OF SUPERINTENDENT	NAME OF SECRETARY-TREASURER	
Bev Rundell	Randy Hoffman	

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. 22 (Vernon) ("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. 22 (Vernon) for the year ended June 30, 2011.

	DATE SIGNED
SIGNATURE OF CHAIRPERSON OF THE BOARD OF EDUCATION Wm Turanski	Sep 20/2011
SIGNATURE OF SUPERINTENDENT Beverley Rundell	Sep 20/2011
SIGNATURE OF SECRETARY-TREASURER [signature]	Sep 20/2011

DRAFT

September 08, 2011 15:07

SCHOOL DISTRICT No. 22 (VERNON)
2010/2011 AUDITED CONSOLIDATED FINANCIAL STATEMENTS

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SCHOOL DISTRICT No. 22 (VERNON)
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2011

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2011	TOTAL 2010
ASSETS					
Current Assets					
Cash and Cash Equivalents	$ 11,875,275	$ 1,295,746	$ 114,641	$ 13,285,662	$ 11,804,121
Accounts Receivable					
Due from Province - Ministry of Education	1,016		1,148,307	1,149,323	1,814,841
Due from Province - Other	10,576		-	10,576	-
Due from LEA/Direct Funding	171,910		-	171,910	259,917
Other Receivables (Note 3)	979,641	2,743	-	982,384	698,595
Interfund Loans	1,304,465		-		
Prepaid Expenses	197,716		-	197,716	71,401
	14,540,599	1,298,489	1,262,948	15,797,571	14,648,875
Capital Assets - Net (Note 4)		162,714	83,537,440	83,700,154	74,244,721
TOTAL ASSETS	**$ 14,540,599**	**$ 1,461,203**	**$ 84,800,388**	**$ 99,497,725**	**$ 88,893,596**
LIABILITIES AND FUND BALANCES					
Current Liabilities					
Accounts Payable and Accrued Liabilities					
Other	1,046,614	-	-	1,046,614	954,935
Interfund Loans	-	160,000	1,144,465		
Other Current Liabilities	4,686,642	16,969	-	4,703,611	5,082,905
	5,733,256	176,969	1,144,465	5,750,225	6,037,840
Deferred Revenue	2,092,577			2,092,577	2,147,090
Deferred Contributions					
Ministry of Education (Note 5a)	-	189,794	114,642	304,436	369,798
Other (Note 5b)	-	1,091,726	962	1,092,688	1,155,037
Accrued Employee Future Benefits (Note 10)	2,554,508			2,554,508	2,441,925
Deferred Capital Contributions (Note 6)		-	67,022,426	67,022,426	57,811,635
TOTAL LIABILITIES	10,380,341	1,458,489	68,282,495	78,816,860	69,963,325
Fund Balances					
Invested in Capital Assets (Note 7)		2,714	16,515,013	16,517,727	16,273,085
Internally Restricted	4,160,258	-	2,880	4,163,138	2,657,186
TOTAL FUND BALANCES	4,160,258	2,714	16,517,893	20,680,865	18,930,271
TOTAL LIABILITIES AND FUND BALANCES	**$ 14,540,599**	**$ 1,461,203**	**$ 84,800,388**	**$ 99,497,725**	**$ 88,893,596**

> Commitments(Note14)

See accompanying notes to financial statements.

SCHOOL DISTRICT No. 22 (VERNON)
CONSOLIDATED STATEMENT OF REVENUE AND EXPENSE
YEAR ENDED JUNE 30, 2011

Statement 2

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2011	TOTAL 2010
REVENUE					
Provincial Grants - Ministry of Education	$ 71,438,156	$ 1,615,219	$ -	$ 73,053,375	$ 71,484,404
Provincial Grants - Other	284,190	1,000	-	285,190	544,193
Other Revenue	5,699,042	2,456,102	-	8,155,144	7,871,528
Rentals and Leases	108,355		-	108,355	102,266
Investment Income	86,735	16,950	36	103,721	67,803
Amortization of Deferred Capital Contributions		-	2,455,481	2,455,481	2,320,200
	77,616,478	4,089,271	2,455,517	84,161,266	82,390,394
EXPENSE					
Salaries					
Teachers	34,894,838	136,893		35,031,731	34,496,011
Principals and Vice Principals	4,521,546			4,521,546	4,253,507
Educational Assistants	3,934,623	16,571		3,951,194	3,764,317
Support Staff	6,977,888	365,583		7,343,471	7,831,571
Other Professionals	893,358			893,358	1,353,341
Substitutes	1,843,836			1,843,836	1,707,742
	53,066,089	519,047	-	53,585,136	53,406,489
Employee Benefits	12,603,412	81,009		12,684,421	11,939,667
Services and Supplies	10,189,493	2,753,312	-	12,942,805	12,826,166
Amortization of Capital Assets		-	3,198,310	3,198,310	3,030,760
	75,858,994	3,353,368	3,198,310	82,410,672	81,203,082
NET REVENUE (EXPENSE)	**$ 1,757,484**	**$ 735,903**	**$ (742,793)**	**$ 1,750,594**	**$ 1,187,312**

See accompanying notes to financial statements.

SCHOOL DISTRICT No. 22 (VERNON)
CONSOLIDATED STATEMENT OF CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2011

Statement 3

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2011	TOTAL 2010
FUND BALANCES, BEGINNING OF YEAR	$ 2,654,342	$ 2,714	$ 16,273,215	$ 18,930,271	$ 17,742,959
Changes for the Year					
Net Revenue (Expense) for the Year	1,757,484	735,903	(742,793)	1,750,594	1,187,312
Interfund Transfers					
Capital Assets Purchased (Note 8)	(251,568)	(735,903)	987,471	-	-
Net Changes for the Year	1,505,916	-	244,678	1,750,594	1,187,312
FUND BALANCES, END OF YEAR	**$ 4,160,258**	**$ 2,714**	**$ 16,517,893**	**$ 20,680,865**	**$ 18,930,271**

See accompanying notes to financial statements.

SCHOOL DISTRICT No. 22 (VERNON) — Statement 4.1

CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2011

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2011	TOTAL 2010
CASH PROVIDED BY (USED FOR)					
OPERATIONS					
Net Revenue (Expense) for the Year	$ 1,757,484	$ 735,903	$ (742,793)	$ 1,750,594	$ 1,187,312
Changes in Non-Cash Working Capital					
Decrease (Increase)					
Accounts Receivable	(220,351)	14,180	665,331	459,160	(2,047,752)
Interfund Loans	812,920	-	(812,920)	-	-
Prepaid Expenses	(126,315)	-	-	(126,315)	27,040
Increase (Decrease)					
Accounts Payable/Accrued Liabilities	91,679	-	-	91,679	63,216
Other Current Liabilities	(383,520)	4,226	-	(379,294)	275,969
Deferred Revenue	(54,513)	-	-	(54,513)	945,623
Deferred Contributions		(276,640)		(276,640)	(1,022,715)
Accrued Employee Future Benefits	112,583			112,583	108,743
Items Not Involving Cash					
Amortization of Capital Assets		-	3,198,310	3,198,310	3,030,760
Amortization of Deferred Capital Contributions		-	(2,455,481)	(2,455,481)	(2,320,200)
Interfund Transfers	(251,568)	(735,903)	987,471	-	
	1,738,399	(258,234)	839,918	2,320,083	247,996
FINANCING					
Deferred Contributions Received - Capital			11,815,201	11,815,201	7,688,169
	-	-	11,815,201	11,815,201	7,688,169
INVESTING					
Capital Assets Purchased - Operating			(251,568)	(251,568)	(166,460)
Capital Assets Purchased - Special Purpose			(735,903)	(735,903)	(1,352,448)
Capital Assets Purchased - Deferred Contributions - Capital			(6,371,693)	(6,371,693)	(20,268)
Capital Assets Purchased - WIP			(5,294,579)	(5,294,579)	(7,468,682)
Capital Assets Transferred from WIP to Regular				-	(52,123)
	-	-	(12,653,743)	(12,653,743)	(9,059,981)
NET INCREASE (DECREASE) IN CASH	**$ 1,738,399**	**$ (258,234)**	**$ 1,376**	**$ 1,481,541**	**$ (1,123,816)**

See accompanying notes to financial statements.

SCHOOL DISTRICT No. 22 (VERNON)
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2011

Statement 4.2

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2011	TOTAL 2010
NET INCREASE (DECREASE) IN CASH	$ 1,738,399	$ (258,234)	$ 1,376	$ 1,481,541	$ (1,123,816)
Net Cash, Beginning of Year	10,136,876	1,553,980	113,265	11,804,121	12,927,937
NET CASH, END OF YEAR	**$ 11,875,275**	**$ 1,295,746**	**$ 114,641**	**$ 13,285,662**	**$ 11,804,121**
Cash	$ 11,875,275	$ 1,295,746	$ 114,641	$ 13,285,662	$ 11,804,121
NET CASH, END OF YEAR	**$ 11,875,275**	**$ 1,295,746**	**$ 114,641**	**$ 13,285,662**	**$ 11,804,121**

See accompanying notes to financial statements.

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.22 (Vernon)", and operates as "School District #22 (Vernon)". 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. The operations of the School District are dependent on continued funding from the Ministry of Education and various governmental agencies to carry out its programs.

2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

The financial statements are presented on a consolidated basis to reflect the financial position and results of operations of School District No. 22 (Vernon) and 554210 B.C. Ltd., which is 100 percent controlled by the School District.

These financial statements have been 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 and contemplate the continuation of the School District as a going concern.

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 the annual results of each fund, the change in fund balances and cash flows for the year. Statement 1 (Statement of Financial Position) presents the assets, liabilities and fund balances. Inter-fund transfers and loans are recognized in each fund and eliminated in the consolidated totals.

a) Fund Accounting

Fund accounting procedures recognize external restrictions on the use of contributions by governments or other granting agencies, and appropriations or other internal restrictions by the Board. While separate accounts are maintained for each fund, for financial reporting purposes, funds with similar characteristics are grouped together:

i) Operating fund reports assets, liabilities, revenue and expense for general operations.

ii) Special Purpose fund reports assets, liabilities, revenue and expense for:

(1) Contributions restricted in use by the *School Act* or Ministry of Education.
(2) Contributions restricted in use by other external bodies.
(3) Endowment funds.
(4) Funds collected and used at the school level (School Generated Funds).
(5) Controlled and/or related entities.

iii) Capital fund reports assets, liabilities, revenues and expenses for capital. Contributions of other funds used for capital purposes are transferred to the capital fund.

2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (CONTINUED)

b) Cash and Cash Equivalents

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

c) Accounts Receivable

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

d) Capital Assets

Expenditures, which replace or provide new tangible assets, enhance the service potential or extend the life of existing tangible assets or lower operating costs associated with tangible assets, are capitalized.

The following criteria apply:

i) Capital assets acquired or constructed are recorded at cost. Donated capital assets are recorded at their fair market value on the date of donation.

ii) Work-in-progress is recorded as an acquisition to the applicable asset class at substantial completion.

iii) Sites and buildings that no longer contribute to the ability of the district to provide services are written down to residual value.

iv) Buildings that are demolished or destroyed are written off.

v) Amortization is recorded on a straight-line basis over the estimated useful life of the asset. Estimated useful life is as follows:

(1) Buildings	40 years
(2) Furniture and Equipment	10 years
(3) Vehicles	10 years
(4) Computer Software	5 years
(5) Computer Hardware	5 years

e) Prepaid Expenses

Materials and supplies held in central stores for use within the School District are included as a prepaid expense and stated at acquisition cost. Textbooks and other teaching supplies are expensed when purchased.

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 and products, are reported as revenue when services are provided or products are delivered.

2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (CONTINUED)

f) Revenue Recognition (continued)

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:

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

ii) Contributions restricted for capital purposes are recorded as deferred contributions until the amount is invested in capital assets.

(1) If the capital asset is a site, the amount invested is recorded as a direct increase to net assets invested in capital assets.

(2) 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.

(3) Donated capital assets are recorded at fair market value and treated as a deferred capital contribution.

iii) Endowment contributions and matching contributions are reported as direct increases to net assets held as endowment principal.

iv) 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 recognized as a deferred contribution and recognized as revenue in the year related expenses are incurred.

g) Financial Instruments

The School District designated its financial instruments as follows: cash and cash equivalents and short term investments were designated as held-for-trading, accounts receivable were designated as loans and receivables, and accounts payable and accrued liabilities and other current liabilities were designated as other financial liabilities. Unless otherwise noted, it is management's opinion that the School District is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

The Board has elected to defer applying Canadian Institute of Chartered Accountants ("CICA") Handbook Sections 3862, Financial Instruments – Disclosure and 3863, Financial Instruments – Presentation. Sections 3862 and 3863 place increased emphasis on disclosures about the nature and extent of risks arising from financial instruments and how an entity manages those risks. The Board has elected to continue to apply the financial instrument disclosure and presentation standards in accordance with Section 3861.

2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (CONTINUED)

h) Future of Not-for-Profit Accounting in Canada

In September 2010, the Province of British Columbia announced that all school boards in the province would adopt Public Sector Accounting Board (PSAB) accounting standards, to be effective for the reporting years ending after January 1, 2012. The School District is in the process of reviewing the impact this change will have on its current reporting framework and financial statements.

i) Expenses

i) Categories of Salaries

(1) Principals, Vice Principals, and Directors of Instruction employed under an administrative officer contract are categorized as Principals and Vice Principals.
(2) Superintendents, Assistant Superintendents, Secretary Treasurers, Trustees and any other employees excluded from union contract are categorized as Other Professionals.

ii) Allocation of costs

(1) Operating expenses are reported by function, program, and object. Whenever possible expenses 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.
(2) 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.
(3) Employee benefits and allowances are allocated to the same programs, and in the same proportions, as the individual's salary.
(4) Supplies and services are allocated based on actual identification of program.

2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (CONTINUED)

j) Use of Estimates

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Significant items subject to such estimates and assumptions include the potential impairment of assets, rates for amortization estimated employee future benefits and provisions for asset retirement obligations. Actual results could differ from those estimates. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in the year in which they become known or are revised.

k) Controlled Entity

554210 B.C. Ltd. is wholly owned by the School District. The investment in 554210 B.C. Ltd. is reported in the special purpose fund and accounted for using the consolidation method with inter-entity balances eliminated upon consolidation.

l) Employee Future Benefits

The School District provides certain post-employment benefits including vacation pay, death benefits and retirement allowances for certain employees pursuant to contracts and collective 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, using a best estimate of expected salary escalation, termination, retirement rates and mortality. The discount rate used to measure obligations is based on market rates at the measurement date.

The excess of cumulative unrecognized actuarial gains (losses) over 10 percent of the accrued benefit obligation is amortized over the expected average remaining service lifetime (EARSL) of active employees covered under the plan. The EARSL for employees of the School District is 9.5 years.

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

3) ACCOUNTS RECEIVABLE

	2011	2010
Due from Ministry of Education	$ 1,149,323	$ 1,814,841
Due from Province – Other	10,576	-
Due from LEA/Direct Funding	171,910	259,917
Other Receivables	982,384	698,595
	$ 2,314,193	$ 2,773,353

4) CAPITAL ASSETS

	2011			2010
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Sites	$ 8,657,246	$ -	$ 8,657,246	$ 8,657,246
Buildings	116,746,227	52,940,076	63,806,151	53,308,988
Furniture and Equipment	1,339,913	479,513	860,400	685,975
Vehicles	3,549,969	1,326,929	2,223,040	1,795,254
Computer Software	198,742	108,669	90,073	108,674
Computer Hardware	1,303,604	816,059	487,545	699,003
Sub -Total	$ 131,795,701	$ 55,671,246	$ 76,124,455	$ 65,255,140

	2011	2010
Work in Progress	$ 7,412,985	$ 8,826,867
Net Capital Assets – Special Purpose Funds	162,714	162,714
Total Net Capital Assets	$ 83,700,154	$ 74,244,721

5) DEFERRED CONTRIBUTIONS

(a) **Deferred Contributions – Ministry of Education:**

	2011			2010
	Special Purpose Funds	Capital Fund	Total	Total
Balance, beginning of year	$ 404,085	$ (34,287)	$ 369,798	$ 1,185,923
Increases:				
Provincial Grants-MOE	1,397,615	11,813,826	13,211,441	8,933,509
Investment income	2,469	1,375	3,844	2,154
Other – misc. grants	-	-	-	20,269
	1,400,084	11,815,201	13,215,285	8,955,932
Decreases:				
Transfers to Revenue	1,614,375	-	1,614,375	2,283,106
Transfers to DCC:				
Capital additions	-	6,371,693	6,371,693	20,269
Work in progress	-	5,294,579	5,294,579	7,468,682
	1,614,375	11,666,272	13,280,647	9,772,057
Net changes for the year	(214,291)	148,929	(65,362)	(816,125)
Balance, end of year	$ 189,794	$ 114,642	$ 304,436	$ 369,796

(b) **Deferred Contributions - Other**

	2011			2010
	Special Purpose Funds	Capital Fund	Total	Total
Balance, beginning of year	$ 1,154,075	$ 962	$ 1,155,037	$ 1,162,409
Increases:				
Provincial grants – MOE	2,840	-	2,840	-
Other special grants	2,394,753	-	2,394,753	2,755,125
Investment income	14,954	-	14,954	6,956
Miscellaneous	-	-	-	-
Donations	-	-	-	-
	2,412,547	-	2,412,547	2,762,601
Decreases:				
Transfers to Revenue	2,474,896	-	2,474,896	2,769,973
Recovered	-	-	-	-
	2,474,896	-	2,474,896	2,769,973
Net changes for the year	(62,349)	-	(62,349)	(7,892)
Balance, end of year	$ 1,091,726	$ 962	$ 1,092,688	$ 1,155,037

6) DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions represent the unamortized and unspent amount of grants and donations received for the purchase of capital assets. The amortization of deferred capital contributions is recorded as revenue in the statement of operations on the same basis as the related assets are amortized.

	2011	2010
Balance, beginning of year	$ 57,811,635	$ 52,642,884
Changes to Work in Progress	(1,413,882)	7,468,682
Capital funding receipts:		
Other	-	20,269
Ministry of Education	13,080,154	-
	69,477,907	60,131,835
Amortization for the year	(2,455,481)	(2,320,200)
	$ 67,022,426	$ 57,811,635

The entire balance consists of unamortized capital contributions used to purchase capital assets.

7) INVESTMENT IN CAPITAL ASSETS

	2011	2010
a) Investment in capital assets is calculated as follows:		
Capital assets	$ 83,700,154	$ 74,244,721
Deferred capital contributions	(67,022,426)	(57,811,635)
	$ 16,677,728	$ 16,433,086
Interfund loan	(160,000)	(160,000)
Other long-term liabilities	-	-
	$ 16,517,728	$ 16,273,086
b) Deficiency of revenue over expenses:		
Investment income	$ 36	$ 16
Revenue received	-	52,121
Amortization of deferred capital contributions	2,455,481	2,320,200
Amortization of capital assets	(3,198,310)	(3,030,760)
	$ (742,793)	$ (658,423)

7) INVESTMENT IN CAPITAL ASSETS (continued)

c) Net change in investment in capital assets:

	2011	2010
Purchase of capital assets	$ 14,067,625	$ 1,645,489
Deferred capital contributions	(13,080,154)	(20,269)
Transfers to Capital Assets	-	(106,312)
Deficiency of revenue over expenses	(742,793)	(658,423)
	$ 244,678	$ 860,485

8) INTERFUND TRANSFERS

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

	Operating Fund		Special Purpose Funds		Capital Fund	
	2011	2010	2011	2010	2011	2010
Capital assets purchased	$(251,568)	$ (166,460)	$(735,903)	$ (1,352,488)	$987,471	$1,518,908

9) ASSET RETIREMENT OBLIGATION

In accordance with GAAP, the School District recognizes asset retirement obligations where a reasonable estimate of the fair value of the obligation and the future settlement date of the retirement of the asset can be determined. The School District has identified potential asset retirement obligations relating to facilities that the School District may incur upon major upgrades or demolition in the future. This potential obligation exists for removal and disposal of environmentally hazardous building materials in some of the School District facilities. At this time, the School District has not recognized these asset retirement obligations as there is an indeterminate settlement date of any potential future demolition or renovation of the facilities and therefore the fair value cannot be reasonably estimated as at June 30, 2011.

10) EMPLOYEE FUTURE BENEFITS

The accrued benefit obligation for employee future benefits is not funded as funding is provided when 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 period of amortization is equal to the expected average remaining service lifetime (EARSL) of active employees.

a) Reconciliation of Accrued Benefit Obligation

	2011	2010
Accrued Benefit Obligation – April 1	$ 2,447,500	$ 2,344,987
Service Cost	168,664	166,702
Interest Cost	121,264	167,354
Benefit Payments April 1 to March 31	(160,143)	(212,459)
Actuarial (Gain) Loss	(183,140)	(19,084)
Accrued Benefit Obligation – March 31	$ 2,394,145	$ 2,447,500

b) Reconciliation of Funded Status at End of Fiscal Year

	2011	2010
Accrued Benefit Obligation – March 31	$ 2,394,145	$ 2,447,500
Market Value of Plan Assets – March 31	-	-
Funded Status – (Deficit)	(2,394,145)	(2,447,500)
Employer Contributions after Measurement Date- April 1 to June 30	62,712	45,510
Unamortized Net Actuarial (Gain)/Loss	(223,075)	(39,935)
Accrued Benefit Liability - June 30	$(2,554,508)	$(2,441,925)

c) Components of Net Benefit Expense

	2011	2010
Service Cost	$ 168,664	$ 166,702
Interest Cost	121,264	167,354
Amortization of Net Actuarial Gain	-	-
Net Benefit Expense	$ 289,928	$ 334,056

d) Assumptions

	2011	2010
Discount Rate – Beginning of Period	5.00%	5.50%
Discount Rate – End of Period	4.75%	7.00%
Salary Growth – Beginning of Period	2.50% + seniority	3.25% + seniority
Salary Growth – End of Period	2.50% + seniority	3.25% + seniority
EARSL	9.5 years	9.5 years

11) 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 47,000 active members from school districts, and approximately 29,000 retired members from school districts. The Municipal Plan has about 163,000 active members, of which approximately 23,000 are from school districts.

Every three years, an actuarial valuation is performed to assess the financial position of the plans and the adequacy of plan funding. The most recent valuation of the Teachers' Plan as at December 31, 2008 indicated a $291 million unfunded liability for basic pension benefits. The next valuation will be as at December 31,2011 with results available in 2012. The most recent valuation for the Municipal Pension Plan as at December 31, 2009 indicated a deficit of $1,024 million for basic pension benefits. The next valuation will be as at December 31,2012 with results available in 2013. The actuary does not attribute portions of the unfunded liability to individual employers. The School District paid $6,505,795 for employer contributions to these plans in the year ended June 30, 2011 (2010 - $6,003,447).

12) OPERATING FUND BALANCE, END OF YEAR

Internally Restricted by Board for:	*2011*	*2010*
i. **Provincial Education Program – targeted funds surplus**	$ 543,059	$ 557,925
ii. **School and Department Programs**		
- School based appropriations representing 21 schools	495,418	409,576
- Various curricular initiative appropriations	92,633	103,522
- Various Student Support Services appropriations	97,806	143,035
- Support staff training/ pro-d fund surplus	82,162	71,153
- Various Maintenance appropriations	238,552	354,977
- Federal French Funding surplus	116,516	117,069
- Various education leadership appropriations	105,183	117,996
- Computer replacement - schools	234,894	-
- Full Day Kindergarten initiative	39,806	-
iii. **Other District Initiatives**		
- Reserve for District Office renovations	350,000	350,000
- Reserve for District Office emergent facility upgrades	300,000	-
- International Student Program Initiative	940,857	-
- Provincial Labour Market Adjustments – targeted funds	62,780	-
iv. **Contingency Reserve**	460,592	429,089
Total Available for future Operations	**4,160,258**	**2,654,342**

13) RELATED PARTY TRANSACTIONS

The School District is related through common control 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.

14) COMMITMENTS

a) Operating Leases:

The School District has committed to a 3 year operating lease agreement for copiers at various locations. The lease agreement expires in September 1, 2013. Future minimum lease payments are as follows:

2011/2012	$98,000
2012/2013	$98,000
2013/2014	$25,000

b) Capital Commitments:

The District has one capital construction project in progress, being Vernon Secondary School, with a total budgeted cost of $38,194,142. The total costs incurred to date relating to this project are $7,412,985. The District has two letters of guarantee for this project totaling $805,825 as required by the City of Vernon which will expire on November 12, 2011 ($122,500) and May 11, 2012 ($683,325).

15) 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 GAAP for not-for-profit organizations. This contemplates continuation of the School District as a "going concern".

16) CAPITAL DISCLOSURES

The School District considers its capital to be its fund balances, operating, special purpose and capital. The internally restricted fund balances consist of amounts for future commitments (see note 12 and 14). The board's objective when managing its capital is to safeguard its ability to continue as a going concern so it can continue to provide services to its students. Under the School Act the School District is not permitted to incur deficits without the approval of the Minister of Education. Annual budgets are developed and monitored to ensure the School District's capital is maintained at an appropriate level.

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

17. 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 22, 2011.

SCHOOL DISTRICT No. 22 (VERNON)
OPERATING FUND
SURPLUS (DEFICIT)
YEAR ENDED JUNE 30, 2011

	2011 ACTUAL	2011 AMENDED ANNUAL BUDGET	2010 ACTUAL
REVENUE			
Provincial Grants - Ministry of Education	$ 71,438,156	$ 70,848,733	$ 69,202,610
Provincial Grants - Other	284,190	197,292	674,809
Other Revenue	5,699,042	4,866,232	4,925,250
Rentals and Leases	108,355	65,000	102,266
Investment Income	86,735	65,000	60,043
	77,616,478	76,042,257	74,964,978
EXPENSE			
Salaries			
Teachers	34,894,838	34,581,216	34,330,535
Principals and Vice Principals	4,521,546	4,459,944	4,253,507
Educational Assistants	3,934,623	4,137,267	3,764,317
Support Staff	6,977,888	7,348,198	7,546,919
Other Professionals	893,358	1,015,760	1,353,341
Substitutes	1,843,836	1,623,235	1,707,742
	53,066,089	53,165,620	52,956,361
Employee Benefits	12,603,412	12,178,738	11,861,727
Services and Supplies	10,189,493	13,352,241	9,653,603
	75,858,994	78,696,599	74,471,691
NET REVENUE (EXPENSE), FOR THE YEAR	1,757,484	(2,654,342)	493,287
INTERFUND TRANSFERS			
Capital Assets Purchased	(251,568)		(166,460)
OTHER ADJUSTMENTS TO OPERATING FUND BALANCE			
BUDGETED ALLOCATION (RETIREMENT) OF SURPLUS (DEFICIT)		2,654,342	
SURPLUS (DEFICIT), FOR THE YEAR	1,505,916	$ -	326,827
SURPLUS (DEFICIT), BEGINNING OF YEAR	2,654,342		2,327,515
SURPLUS (DEFICIT), END OF YEAR (Section 156 (12) of School Act)	$ 4,160,258		$ 2,654,342
SURPLUS (DEFICIT), END OF YEAR			
Internally Restricted	4,160,258		
	$ 4,160,258		

SCHOOL DISTRICT No. 22 (VERNON)
OPERATING FUND
COMPARATIVE SCHEDULE OF REVENUE BY SOURCE
YEAR ENDED JUNE 30, 2011

Schedule A2

	2011 ACTUAL	2011 AMENDED ANNUAL BUDGET	2010 ACTUAL
PROVINCIAL GRANTS - MINISTRY OF EDUCATION			
Operating Grant, Ministry of Education	$ 71,290,098	$ 70,837,455	$ 69,633,619
INAC/LEA Recovery	(1,054,268)	(1,176,477)	(1,176,477)
Other Ministry of Education Grants			
Pay Equity	85,865	85,865	85,865
Community Links	644,240	645,543	202,377
Strong Start	120,000	120,000	159,750
Ready Set Learn	34,300	34,300	34,300
Federal French	178,171	178,171	124,720
FSA	13,769	13,769	13,769
Education Guarantee	74,756	53,292	67,872
Carbon Tax Reimbursement	51,225	56,815	56,815
	71,438,156	70,848,733	69,202,610
PROVINCIAL GRANTS - OTHER	284,190	197,292	674,809
FEDERAL GRANTS			
OTHER REVENUE			
Summer School Fees	2,422	-	125
Offshore Tuition Fees	4,284,770	3,311,250	3,349,120
LEA/Direct Funding from First Nations	1,054,268	1,176,477	1,176,477
Miscellaneous			
Cafeteria Revenue	135,600	170,000	134,986
Donations	7,136	-	-
Fees	113,884	-	16,545
Misc	100,962	208,505	247,997
	5,699,042	4,866,232	4,925,250
RENTALS AND LEASES	108,355	65,000	102,266
INVESTMENT INCOME	86,735	65,000	60,043
TOTAL OPERATING REVENUE	**$ 77,616,478**	**$ 76,042,257**	**$ 74,964,978**

SCHOOL DISTRICT No. 22 (VERNON)
OPERATING FUND
COMPARATIVE SCHEDULE OF EXPENSE BY OBJECT
YEAR ENDED JUNE 30, 2011

	2011 ACTUAL	2011 AMENDED ANNUAL BUDGET	2010 ACTUAL
SALARIES			
Teachers	$ 34,894,838	$ 34,581,216	$ 34,330,535
Principals and Vice Principals	4,521,546	4,459,944	4,253,507
Educational Assistants	3,934,623	4,137,267	3,764,317
Support Staff	6,977,888	7,348,198	7,546,919
Other Professionals	893,358	1,015,760	1,353,341
Substitutes	1,843,836	1,623,235	1,707,742
	53,066,089	53,165,620	52,956,361
EMPLOYEE BENEFITS	12,603,412	12,178,738	11,861,727
TOTAL SALARIES AND BENEFITS	65,669,501	65,344,358	64,818,088
SERVICES AND SUPPLIES			
Services	3,701,284	3,411,110	3,694,008
Student Transportation	158,189	148,015	216,740
Professional Development and Travel	661,393	613,360	357,561
Rentals and Leases	129,347	127,721	128,789
Dues and Fees	367,622	412,897	411,748
Insurance	300,799	294,605	236,457
Supplies	3,393,397	6,581,380	3,104,943
Utilities	1,477,462	1,763,153	1,503,357
TOTAL SERVICES AND SUPPLIES	10,189,493	13,352,241	9,653,603
TOTAL OPERATING EXPENSE	**$ 75,858,994**	**$ 78,696,599**	**$ 74,471,691**

SCHOOL DISTRICT No. 22 (VERNON)
OPERATING FUND
EXPENSE BY FUNCTION, PROGRAM AND OBJECT
YEAR ENDED JUNE 30, 2011

	TEACHERS SALARIES	PRINCIPALS & VICE PRINCIPALS SALARIES	EDUCATIONAL ASSISTANTS SALARIES	SUPPORT STAFF SALARIES	OTHER PROFESSIONALS SALARIES	SUBSTITUTES SALARIES	TOTAL SALARIES
1 INSTRUCTION							
1.02 Regular Instruction	$ 27,887,773	$ 564,309	$ 71,751	$ 437,906	$ -	$ 1,367,749	$ 30,329,488
1.03 Career Programs	199,206	5,984	-	15,263	-	-	220,453
1.07 Library Services	628,764	151,006	-	256,523	-	248	1,036,541
1.08 Counselling	1,106,136	14,191	-	-	-	-	1,120,327
1.10 Special Education	4,101,023	342,588	3,517,326	78,031	-	171,478	8,210,446
1.30 English as a Second Language	170,686	-	-	-	-	-	170,686
1.31 Aboriginal Education	210,852	98,470	345,546	38,610	-	-	693,478
1.41 School Administration	-	2,940,540	-	1,348,897	-	63,260	4,352,697
1.60 Summer School	64,152	-	-	-	-	-	64,152
1.62 Off Shore Students	481,178	107,243	-	123,774	-	-	712,195
1.64 Other	21,975	-	-	14,719	-	-	36,694
Total Function 1	34,871,745	4,224,331	3,934,623	2,313,723	-	1,602,735	46,947,157
4 DISTRICT ADMINISTRATION							
4.11 Educational Administration	9,890	147,412	-	82,510	194,256	39,084	473,152
4.40 School District Governance	-	-	-	-	76,122	-	76,122
4.41 Business Administration	13,203	149,803	-	453,874	282,030	-	898,910
Total Function 4	23,093	297,215	-	536,384	552,408	39,084	1,448,184
5 OPERATIONS AND MAINTENANCE							
5.41 Operations and Maintenance Administration	-	-	-	39,277	220,434	-	259,711
5.50 Maintenance Operations	-	-	-	2,822,120	-	153,037	2,975,157
5.52 Maintenance of Grounds	-	-	-	126,551	-	-	126,551
Total Function 5	-	-	-	2,987,948	220,434	153,037	3,361,419
7 TRANSPORTATION AND HOUSING							
7.41 Transportation and Housing Administration	-	-	-	39,051	120,516	-	159,567
7.70 Student Transportation	-	-	-	1,100,782	-	48,980	1,149,762
Total Function 7	-	-	-	1,139,833	120,516	48,980	1,309,329
9 DEBT SERVICES (OPERATING)							
Total Function 9	-	-	-	-	-	-	-
TOTAL FUNCTIONS 1 - 9	$ 34,894,838	$ 4,521,546	$ 3,934,623	$ 6,977,888	$ 893,358	$ 1,843,836	$ 53,066,089

Schedule A4.2

SCHOOL DISTRICT No. 22 (VERNON)
OPERATING FUND
EXPENSE BY FUNCTION, PROGRAM AND OBJECT
YEAR ENDED JUNE 30, 2011

	TOTAL SALARIES	EMPLOYEE BENEFITS	TOTAL SALARIES AND BENEFITS	SERVICES AND SUPPLIES	2011 ACTUAL	2011 AMENDED ANNUAL BUDGET	2010 ACTUAL
1 INSTRUCTION							
1.02 Regular Instruction	$ 30,329,488	$ 7,083,005	$ 37,412,493	$ 1,838,911	$ 39,251,404	$ 40,205,393	$ 38,095,051
1.03 Career Programs	220,453	36,444	256,897	91,756	348,653	399,995	376,386
1.07 Library Services	1,036,541	265,752	1,302,293	60,650	1,362,943	1,470,297	1,346,624
1.08 Counselling	1,120,327	240,543	1,360,870	10,063	1,370,933	1,285,650	1,488,431
1.10 Special Education	8,210,446	2,037,441	10,247,887	869,736	11,117,623	11,512,698	10,763,998
1.30 English as a Second Language	170,686	39,902	210,588	431	211,019	135,996	138,421
1.31 Aboriginal Education	693,478	173,235	866,713	344,737	1,211,450	1,754,245	962,763
1.41 School Administration	4,352,697	1,098,244	5,450,941	165,293	5,616,234	5,315,134	5,568,800
1.60 Summer School	64,152	12,736	76,888	918	77,806	70,798	65,605
1.62 Off Shore Students	712,195	177,321	889,516	2,382,407	3,271,923	3,007,207	3,114,029
1.64 Other	36,694	5,884	42,578	380,789	423,367	353,625	293,863
Total Function 1	46,947,157	11,170,507	58,117,664	6,145,691	64,263,355	65,511,038	62,213,971
4 DISTRICT ADMINISTRATION							
4.11 Educational Administration	473,152	108,553	581,705	124,608	706,313	716,724	721,137
4.40 School District Governance	76,122	870	76,992	96,532	173,524	168,460	167,956
4.41 Business Administration	898,910	203,793	1,102,703	637,549	1,740,252	1,780,458	2,021,114
Total Function 4	1,448,184	313,216	1,761,400	858,689	2,620,089	2,665,642	2,910,207
5 OPERATIONS AND MAINTENANCE							
5.41 Operations and Maintenance Administration	259,711	54,716	314,427	154,047	468,474	475,049	441,961
5.50 Maintenance Operations	2,975,157	697,524	3,672,681	967,767	4,640,448	5,708,732	5,043,933
5.52 Maintenance of Grounds	126,551	34,448	160,999	79,315	240,314	373,806	281,847
5.56 Utilities	-	-	-	1,477,462	1,477,462	1,763,153	1,503,358
Total Function 5	3,361,419	786,688	4,148,107	2,678,591	6,826,698	8,320,740	7,271,099
7 TRANSPORTATION AND HOUSING							
7.41 Transportation and Housing Administration	159,567	25,357	184,924	7,083	192,007	167,973	160,361
7.70 Student Transportation	1,149,762	307,644	1,457,406	499,439	1,956,845	2,031,206	1,916,053
Total Function 7	1,309,329	333,001	1,642,330	506,522	2,148,852	2,199,179	2,076,414
9 DEBT SERVICES (OPERATING)							
Total Function 9	-	-	-	-	-	-	-
TOTAL FUNCTIONS 1 - 9	$ 53,066,089	$ 12,603,412	$ 65,669,501	$ 10,189,493	$ 75,858,994	$ 78,696,599	$ 74,471,691

SCHOOL DISTRICT No. 22 (VERNON)
OPERATING FUND
CHANGES IN DEFERRED CONTRIBUTIONS
YEAR ENDED JUNE 30, 2011

BALANCE, BEGINNING OF YEAR	
Changes for the Year	
Increase:	
	-
Decrease:	
	-
Net Changes for the Year	-
BALANCE, END OF YEAR	$ -

SCHOOL DISTRICT No. 22 (VERNON)
SPECIAL PURPOSE FUNDS
SUMMARY OF CHANGES
YEAR ENDED JUNE 30, 2011

	MINISTRY OF EDUCATION DESIGNATED	OTHER	SCHOOL GENERATED FUNDS	RELATED ENTITIES	TOTAL
DEFERRED CONTRIBUTIONS					
DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR	$ 404,085	$ 254,563	$ 789,456	$ 110,056	$ 1,558,160
Add: Contributions Received					
Provincial Grants - Ministry of Education	1,397,615		2,840	-	1,400,455
Provincial Grants - Other			1,000	-	1,000
Other		124,110	2,248,071	21,572	2,393,753
Investment Income	2,469	2,858	11,337	759	17,423
	1,400,084	126,968	2,263,248	22,331	3,812,631
Less: Allocated to Revenue	1,614,375	98,590	2,281,417	94,889	4,089,271
DEFERRED CONTRIBUTIONS, END OF YEAR	$ 189,794	$ 282,941	$ 771,287	$ 37,498	$ 1,281,520
REVENUE AND EXPENSE					
REVENUE					
Provincial Grants - Ministry of Education	$ 1,612,379		$ 2,840	$ -	$ 1,615,219
Provincial Grants - Other			1,000	-	1,000
Other Revenue		95,732	2,266,240	94,130	2,456,102
Investment Income	1,996	2,858	11,337	759	16,950
	1,614,375	98,590	2,281,417	94,889	4,089,271
EXPENSE					
Salaries					
Teachers	80,424	241	56,228	-	136,893
Educational Assistants	16,571		-	-	16,571
Support Staff	365,010		573	-	365,583
	462,005	241	56,801	-	519,047
Employee Benefits	70,434	49	10,526	-	81,009
Services and Supplies	346,033	98,300	2,214,090	94,889	2,753,312
	878,472	98,590	2,281,417	94,889	3,353,368
NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS	735,903	-	-	-	735,903
INTERFUND TRANSFERS					
Capital Assets Purchased	(735,903)		-	-	(735,903)
	(735,903)	-	-	-	(735,903)
NET REVENUE (EXPENSE)	$ -	$ -	$ -	$ -	$ -

SCHOOL DISTRICT No. 22 (VERNON)
SPECIAL PURPOSE FUNDS
CHANGES IN MINISTRY OF EDUCATION DESIGNATED SPECIAL PURPOSE FUNDS
YEAR ENDED JUNE 30, 2011

	207 Annual Facility Grant	231 Aboriginal Education Technology	250 Special Education Equipment	302 Special Education Technology	TOTAL
DEFERRED CONTRIBUTIONS					
DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR	$ 341,305	$ 37,635	$ 13,520	$ 11,625	$ 404,085
Add: Contributions Received					
Provincial Grants - Ministry of Education	986,135		18,079	393,401	1,397,615
Investment Income	1,318	473	174	504	2,469
	987,453	473	18,253	393,905	1,400,084
Less: Allocated to Revenue	1,193,596	-	19,039	401,740	1,614,375
DEFERRED CONTRIBUTIONS, END OF YEAR	**$ 135,162**	**$ 38,108**	**$ 12,734**	**$ 3,790**	**$ 189,794**
REVENUE AND EXPENSE					
REVENUE					
Provincial Grants - Ministry of Education	$ 1,192,278	$ -	$ 18,865	$ 401,236	$ 1,612,379
Investment Income	1,318	-	174	504	1,996
	1,193,596	-	19,039	401,740	1,614,375
EXPENSE					
Salaries					
Teachers	-	-	-	80,424	80,424
Educational Assistants	-	-	-	16,571	16,571
Support Staff	365,010	-	-	-	365,010
	365,010	-	-	96,995	462,005
Employee Benefits	48,391	-	-	22,043	70,434
Services and Supplies	44,292	-	19,039	282,702	346,033
	457,693	-	19,039	401,740	878,472
NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS	735,903	-	-	-	735,903
INTERFUND TRANSFERS					
Capital Assets Purchased	(735,903)	-	-	-	(735,903)
	(735,903)	-	-	-	(735,903)
NET REVENUE (EXPENSE)	$ -	$ -	$ -	$ -	$ -

SCHOOL DISTRICT No. 22 (VERNON)
SPECIAL PURPOSE FUNDS
CHANGES IN OTHER SPECIAL PURPOSE FUNDS
YEAR ENDED JUNE 30, 2011

	Scholarhip	Student Concerts	Salmon Enhancement	TOTAL
DEFERRED CONTRIBUTIONS				
DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR	$ 247,298	$ 1,214	$ 6,051	$ 254,563
Add: Contributions Received				
Other	118,610	5,500		124,110
Investment Income	2,737	46	75	2,858
	121,347	5,546	75	126,968
Less: Allocated to Revenue	95,380	2,083	1,127	98,590
DEFERRED CONTRIBUTIONS, END OF YEAR	$ 273,265	$ 4,677	$ 4,999	$ 282,941
REVENUE AND EXPENSE				
REVENUE				
Other Revenue	92,643	2,037	1,052	95,732
Investment Income	2,737	46	75	2,858
	95,380	2,083	1,127	98,590
EXPENSE				
Salaries				
Teachers	-	241	-	241
	-	241	-	241
Employee Benefits	-	49	-	49
Services and Supplies	95,380	1,793	1,127	98,300
	95,380	2,083	1,127	98,590
NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS	-	-	-	-
INTERFUND TRANSFERS				
	-	-	-	-
NET REVENUE (EXPENSE)	$ -	$ -	$ -	$ -

SCHOOL DISTRICT No. 22 (VERNON)
CAPITAL FUND
CAPITAL ASSETS
YEAR ENDED JUNE 30, 2011

	SITES	BUILDINGS	FURNITURE AND EQUIPMENT	VEHICLES	COMPUTER SOFTWARE	COMPUTER HARDWARE	TOTAL
COST, BEGINNING OF YEAR	$ 8,657,246	$ 103,871,991	$ 1,140,710	$ 2,807,266	$ 214,967	$ 1,582,910	$ 118,275,090
Changes for the Year							
Increase:							
Purchases from:							
Deferred Contributions - Bylaw	-	5,417,321	261,419	614,694	8,841	69,418	6,371,693
Operating Fund	-	32,330	22,482	131,109	18,261	47,386	251,568
Special Purpose Funds	-	716,124	19,779	-	-	-	735,903
Transferred from Work in Progress		6,708,461					6,708,461
	-	12,874,236	303,680	745,803	27,102	116,804	14,067,625
Decrease:							
Deemed Disposals			104,477	3,100	43,327	396,110	547,014
	-	-	104,477	3,100	43,327	396,110	547,014
COST, END OF YEAR	8,657,246	116,746,227	1,339,913	3,549,969	198,742	1,303,604	131,795,701
WORK IN PROGRESS, END OF YEAR		7,412,985					7,412,985
COST AND WORK IN PROGRESS, END OF YEAR	$ 8,657,246	$ 124,159,212	$ 1,339,913	$ 3,549,969	$ 198,742	$ 1,303,604	$ 139,208,686
ACCUMULATED AMORTIZATION, BEGINNING OF YEAR		$ 50,563,003	$ 454,735	$ 1,012,012	$ 106,293	$ 883,907	$ 53,019,950
Changes for the Year							
Increase: Amortization for the Year		2,377,073	129,255	318,017	45,703	328,262	3,198,310
Decrease:							
Deemed Disposals			104,477	3,100	43,327	396,110	547,014
	-	-	104,477	3,100	43,327	396,110	547,014
ACCUMULATED AMORTIZATION, END OF YEAR	$ -	$ 52,940,076	$ 479,513	$ 1,326,929	$ 108,669	$ 816,059	$ 55,671,246
CAPITAL ASSETS - NET	**$ 8,657,246**	**$ 71,219,136**	**$ 860,400**	**$ 2,223,040**	**$ 90,073**	**$ 487,545**	**$ 83,537,440**

SCHOOL DISTRICT No. 22 (VERNON)
CAPITAL FUND
CAPITAL ASSETS - WORK IN PROGRESS
YEAR ENDED JUNE 30, 2011

	BUILDINGS	FURNITURE AND EQUIPMENT	COMPUTER SOFTWARE	COMPUTER HARDWARE	TOTAL
WORK IN PROGRESS, BEGINNING OF YEAR	$ 8,826,867	$ -	$ -	$ -	$ 8,826,867
Changes for the Year					
Increase					
Deferred Contributions - Bylaw	5,294,579	-	-	-	5,294,579
	5,294,579	-	-	-	5,294,579
Decrease					
Transferred to Capital Assets	6,708,461	-	-	-	6,708,461
	6,708,461	-	-	-	6,708,461
Net Changes for the Year	(1,413,882)	-	-	-	(1,413,882)
WORK IN PROGRESS, END OF YEAR	$ 7,412,985	$ -	$ -	$ -	$ 7,412,985

SCHOOL DISTRICT No. 22 (VERNON)
CAPITAL FUND
DEFERRED CAPITAL CONTRIBUTIONS
YEAR ENDED JUNE 30, 2011

Schedule C3

	BYLAW CAPITAL	OTHER PROVINCIAL	OTHER CAPITAL	TOTAL CAPITAL
DEFERRED CAPITAL CONTRIBUTIONS, BEGINNING OF YEAR	$ 48,965,512	$ -	$ 19,256	$ 48,984,768
Changes for the Year				
Increase				
Transferred from Deferred Contributions - Capital Additions	6,371,693	-	-	6,371,693
Transferred from Work in Progress	6,708,461			6,708,461
	13,080,154	-	-	13,080,154
Decrease				
Amortization of Deferred Capital Contributions	2,453,454	-	2,027	2,455,481
	2,453,454	-	2,027	2,455,481
Net Changes for the Year	10,626,700	-	(2,027)	10,624,673
DEFERRED CAPITAL CONTRIBUTIONS, END OF YEAR	$ 59,592,212	$ -	$ 17,229	$ 59,609,441
WORK IN PROGRESS, BEGINNING OF YEAR	$ 8,826,867	$ -	$ -	$ 8,826,867
Changes for the Year				
Increase				
Transferred from Deferred Contributions - Work in Progress	5,294,579	-	-	5,294,579
	5,294,579	-	-	5,294,579
Decrease				
Transferred to Deferred Capital Contributions	6,708,461	-	-	6,708,461
	6,708,461	-	-	6,708,461
Net Changes for the Year	(1,413,882)	-	-	(1,413,882)
WORK IN PROGRESS, END OF YEAR	$ 7,412,985	$ -	$ -	$ 7,412,985
TOTAL DEFERRED CAPITAL CONTRIBUTIONS, END OF YEAR	**$ 67,005,197**	**$ -**	**$ 17,229**	**$ 67,022,426**

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SCHOOL DISTRICT No. 22 (VERNON)
CAPITAL FUND
CHANGES IN DEFERRED CONTRIBUTIONS
YEAR ENDED JUNE 30, 2011

	BYLAW CAPITAL	MINISTRY OF EDUCATION RESTRICTED CAPITAL	OTHER PROVINCIAL CAPITAL	LAND CAPITAL	OTHER CAPITAL	TOTAL
BALANCE, BEGINNING OF YEAR	$ (147,553)	$ 113,266	$ -	$ -	$ 962	$ (33,325)
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	11,813,826					11,813,826
Investment Income	-	1,375	-	-	-	1,375
	11,813,826	1,375	-	-	-	11,815,201
Decrease:						
Transferred to DCC - Capital Additions	6,371,693	-	-		-	6,371,693
Transferred to DCC - Work in Progress	5,294,579	-	-		-	5,294,579
	11,666,272	-	-	-	-	11,666,272
Net Changes for the Year	147,554	1,375	-	-	-	148,929
BALANCE, END OF YEAR	$ 1	$ 114,641	$ -	$ -	$ 962	$ 115,604

SCHOOL DISTRICT No. 22 (VERNON)
CAPITAL FUND
CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2011

Schedule C5

	INVESTED IN CAPITAL ASSETS	LOCAL CAPITAL	FUND BALANCE
BALANCE, BEGINNING OF YEAR	$ 16,270,371	$ 2,844	$ 16,273,215
Changes for the Year			
Investment Income		36	36
Amortization of Deferred Capital Contributions	2,455,481		2,455,481
Interfund Transfers - Capital Assets Purchased	987,471		987,471
Amortization of Capital Assets	(3,198,310)		(3,198,310)
Net Changes for the Year	244,642	36	244,678
BALANCE, END OF YEAR	**$ 16,515,013**	**$ 2,880**	**$ 16,517,893**

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