

# SCHOOL DISTRICT

## AUDITED FINANCIAL STATEMENTS

### FISCAL YEAR 2006/2007

SCHOOL DISTRICT NUMBER 87	NAME OF SCHOOL DISTRICT Stikine	YEAR 2006/2007
OFFICE LOCATION Commercial Drive and Stikine Street		TELEPHONE NUMBER 250-771-4440
CITY / PROVINCE Dease Lake, BC		POSTAL CODE V0C 1L0
WEBSITE ADDRESS <a href="http://www.sd87.bc.ca">http://www.sd87.bc.ca</a>		
NAME OF SUPERINTENDENT Bryan C. Ennis		NAME OF SECRETARY - TREASURER Ken A. Mackie

#### DECLARATION AND SIGNATURES

#### SCHOOL DISTRICT MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules of The Board of School Trustees of School District No. 87 (Stikine) ("the Board") have been prepared by school district management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with Canadian generally accepted accounting principles for not-for-profit organizations.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school district's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that the accounting records may be relied upon to properly reflect the school district's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

#### ***The Board's Responsibility***

The ultimate responsibility for the financial statements lies with the Board. The Board has reviewed and approved the financial statements.

#### ***External Auditors***

The Board appoints external auditors to audit the financial statements. The external auditors have full and free access to school district records, and present their report to the Board.

#### ***Declaration of Management and Board Chairperson***

To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position, revenue and expense and cash flows for the year in accordance with Canadian generally accepted accounting principles for not-for-profit organizations.

We, the undersigned, certify that the attached is a correct and true copy of the Audited Financial Statements of School District No. 87 (Stikine) for the year ended June 30, 2007.

SIGNATURE OF CHAIRPERSON OF THE BOARD OF SCHOOL TRUSTEES	DATE SIGNED
SIGNATURE OF SUPERINTENDENT	DATE SIGNED
SIGNATURE OF SECRETARY - TREASURER	DATE SIGNED

**AUDIT REPORT**

**To the Board of School Trustees  
School District No. 87 (Stikine)**

We have audited the statement of financial position of School District No. 87 (Stikine) as at June 30, 2007 and the statements of revenue and expense, changes in fund balances and cash flows for the year then ended. These financial statements are the responsibility of the School District's management. Our responsibility is to express an opinion on these financial statements based on the audit.

We conducted the audit in accordance with Canadian generally accepted auditing standards. These standards require that we plan and perform an audit to obtain reasonable assurance that the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the School District as at June 30, 2007 and the results of its operations for the year then ended in accordance with Canadian generally accepted accounting principles. These principles have been applied on a basis consistent with that of the preceding year.

Terrace, BC  
August 27, 2007

*Carlyle Shepherd : Co.*

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**SCHOOL DISTRICT NO. 87 (Stikine)**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2007**

**Statement 1**

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2007	TOTAL 2006
<b>ASSETS</b>					
Current Assets					
Cash and Cash Equivalents	1,148,472	29,091		1,177,563	2,434,474
Short Term Investments				0	0
Accounts Receivable					
Due from Province - Ministry of Education				0	83,110
Due from Province - Other				0	207,052
Due from LEA / Direct Funding	558,627			558,627	203,959
Other Receivables (Note 3)	48,375			48,375	46,660
Interfund Loans		520,062			
Inventories				0	0
Prepaid Expenses	5,943			5,943	6,317
	1,761,417	549,153	0	1,790,508	2,981,572
Investments				0	0
Equity Investments				0	0
Capital Assets - Net (Note 4)			9,450,714	9,450,714	9,645,960
<b>TOTAL ASSETS</b>	1,761,417	549,153	9,450,714	11,241,222	12,627,532
<b>LIABILITIES AND FUND BALANCES</b>					
Current Liabilities					
Bank Overdraft				0	0
Accounts Payable and Accrued Liabilities					
Due to Province - Ministry of Education				0	991,507
Due to Province - Other				0	0
Other	411,201			411,201	673,679
Bank Loans (Note 5)			75,000	75,000	75,000
Interfund Loans	520,062				
Other Current Liabilities				0	0
	931,263	0	75,000	486,201	1,740,186
Deferred Revenue				0	0
Deferred Contributions					
Ministry of Education	282,808	518,960		801,768	780,198
Province - Other				0	5,050
Other	1,300	30,193		31,493	27,052
Accrued Employee Future Benefits (Note 6)	3,594			3,594	2,836
Deferred Capital Contributions			8,036,924	8,036,924	8,439,137
Bank Loans (Note 5)			735,877	735,877	812,258
Capital Lease Obligations				0	0
Other Long Term Liabilities				0	0
<b>TOTAL LIABILITIES</b>	1,218,965	549,153	8,847,801	10,095,857	11,806,717
Fund Balances					
Invested in Capital Assets			602,913	602,913	319,565
Endowment				0	0
Internally Restricted (Note 8)	232,444			232,444	364,641
Unrestricted (Note 8)	310,008			310,008	136,609
Unfunded Accrued Employee Future Benefits and Vacation Pay				0	0
<b>TOTAL FUND BALANCES</b>	542,452	0	602,913	1,145,365	820,815
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	1,761,417	549,153	9,450,714	11,241,222	12,627,532

**SCHOOL DISTRICT NO. 87 (Stikine)**  
**STATEMENT OF REVENUE AND EXPENSE**  
**YEAR ENDED JUNE 30, 2007**

**Statement 2**

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2007	TOTAL 2006
<b>REVENUE</b>					
Provincial Grants - Ministry of Education	4,637,983	391,628		5,029,611	4,693,494
Provincial Grants - Other	64,308			64,308	313,499
Federal Grants				0	3,682
Other Revenue	1,670,460	58,212		1,728,672	1,737,105
Rentals and Leases	154,149			154,149	177,365
Investment Income	69,068	20,848		89,916	54,744
Gain (Loss) on Equity Investment				0	0
Amortization of Deferred Capital Contributions			402,213	402,213	408,757
Gain (Loss) on Disposal of Capital Assets				0	0
	6,595,968	470,688	402,213	7,468,869	7,388,646
<b>EXPENSE</b>					
Salaries					
Teachers	1,297,037			1,297,037	1,445,288
Principals and Vice Principals	415,598			415,598	324,652
Educational Assistants	350,123			350,123	418,924
Support Staff	623,131	24,882		648,013	613,070
Other Professionals	362,454			362,454	420,492
Substitutes	231,911			231,911	170,744
	3,280,254	24,882	0	3,305,136	3,393,170
Employee Benefits	856,559	3,041		859,600	800,294
Services and Supplies	2,271,831	292,103		2,563,934	1,968,551
Amortization of Capital Assets			415,649	415,649	408,364
Write-off/down of Buildings and Sites				0	0
	6,408,644	320,026	415,649	7,144,319	6,570,379
<b>NET REVENUE (EXPENSE)</b>	187,324	150,662	( 13,436)	324,550	818,267

**SCHOOL DISTRICT NO. 87 (Stikine)**  
**STATEMENT OF CHANGES IN FUND BALANCES**  
**YEAR ENDED JUNE 30, 2007**

**Statement 3**

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2007	TOTAL 2006
<b>FUND BALANCES, BEGINNING OF YEAR</b>	501,250	0	319,565	820,815	2,548
<b>Changes in Accounting Policies/ Prior Period Adjustments</b>					
<b>FUND BALANCES, BEGINNING OF YEAR, AS RESTATED</b>	501,250	0	319,565	820,815	2,548
<b>Changes for the Year</b>					
Net Revenue (Expense) for the Year	187,324	150,662	(13,436)	324,550	818,267
Interfund Transfers (Note 9)					
Capital Assets Purchased	(69,741)	(150,662)	220,403	0	0
Local Capital				0	0
Other	(76,381)		76,381	0	0
Direct Increases in Fund Balances					
Endowment Contributions				0	0
Site Purchases				0	0
Comprehensive Income (Loss)				0	0
<b>Net Changes for the Year</b>	41,202	0	283,348	324,550	818,267
<b>FUND BALANCES, END OF YEAR</b>	542,452	0	602,913	1,145,365	820,815

**SCHOOL DISTRICT NO. 87 (Stikine)**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED JUNE 30, 2007**

**Statement 4.1**

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2007	TOTAL 2006
<b>CASH PROVIDED BY (USED FOR)</b>					
<b>OPERATIONS</b>					
Net Revenue (Expense) for the Year	187,324	150,662	(13,436)	324,550	818,267
Changes In Non-Cash Working Capital					
Decrease (Increase)					
Accounts Receivable (Note 3)	(66,222)			(66,222)	(121,638)
Interfund Loans	(77,676)	77,676		0	0
Inventories				0	0
Prepaid Expenses	374			374	9,111
Increase (Decrease)					
Accounts Payable/Accrued Liabilities	(1,253,984)			(1,253,984)	374,467
Other Current Liabilities				0	0
Deferred Revenue				0	0
Deferred Contributions	92,060	(71,099)		20,961	47,666
Accrued Employee Future Benefits	758			758	(52,124)
Other Long Term Liabilities				0	0
Loss (Gain) on Disposal of Capital Assets				0	0
Items Not Involving Cash					
Amortization of Capital Assets			415,649	415,649	408,364
Amortization of Deferred Capital Contributions			(402,213)	(402,213)	(408,757)
Write-off/down of Buildings and Sites				0	0
Comprehensive Income (Loss)				0	0
Interfund Transfers	(146,122)	(150,662)	296,784	0	0
	(1,263,488)	6,577	296,784	(960,127)	1,075,356
<b>FINANCING</b>					
Bank Loan Received				0	0
Bank Loan Paid			(76,381)	(76,381)	(73,400)
Endowment Contributions				0	0
Increase (Decrease) Deferred Contributions - Capital				0	0
Proceeds from Disposal of Capital Assets				0	0
MEd Restricted Portion of Proceeds on Disposal				0	0
	0	0	(76,381)	(76,381)	(73,400)
<b>INVESTING</b>					
Capital Assets Purchased - Operating			(69,741)	(69,741)	(66,654)
Capital Assets Purchased - Special Purpose			(150,662)	(150,662)	(286,549)
Capital Assets Purchased - Local Capital				0	0
Decrease (Increase) in Investments				0	0
Decrease (Increase) in Equity Investments				0	0
	0	0	(220,403)	(220,403)	(353,203)
<b>NET INCREASE (DECREASE) IN CASH</b>	(1,263,488)	6,577	0	(1,256,911)	648,753

**SCHOOL DISTRICT NO. 87 (Stikine)**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED JUNE 30, 2007**

**Statement 4.2**

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2007	TOTAL 2006
<b>NET INCREASE (DECREASE) IN CASH</b>	(1,263,488)	6,577	0	(1,256,911)	648,753
<b>Net Cash, Beginning of Year</b>	2,411,960	22,514	0	2,434,474	1,785,721
<b>Changes in Accounting Policies/ Prior Period Adjustments</b>					
<b>Net Cash, Beginning of Year, as Restated</b>	2,411,960	22,514	0	2,434,474	1,785,721
<b>NET CASH, END OF YEAR</b>	1,148,472	29,091	0	1,177,563	2,434,474
Cash	1,148,472	29,091		1,177,563	2,434,474
Cash Equivalents				0	0
Short Term Investments				0	0
Bank Overdraft				0	0
<b>NET CASH, END OF YEAR</b>	1,148,472	29,091	0	1,177,563	2,434,474

**SCHOOL DISTRICT NO. 87 (STIKINE)**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2007**

**NOTE 1            AUTHORITY AND PURPOSE**

The School District operates under authority of the *School Act* of British Columbia as a corporation under the name of "The Board of School Trustees of School District No. 87 (Stikine)", and operates as "School District No. 87 (Stikine)." A board of school trustees (Board) elected for a three-year term governs the School District. The School District provides educational programs to students enrolled in schools in the district, and is principally funded by the Province of British Columbia through the Ministry of Education.

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

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

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

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

a) Fund Accounting

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

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

**SCHOOL DISTRICT NO. 87 (STIKINE)**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2007**

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

b) Accounts Receivable

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

c) 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 and commences the year following acquisition. Estimated useful life is as follows:

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

c) 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. Amortization commences in the year following acquisition.
  - Donated capital assets are recorded at fair market value and treated as a deferred capital contribution.

**SCHOOL DISTRICT NO. 87 (STIKINE)**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2007**

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

d) 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.

e) Financial Instruments

Financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities, other current liabilities and long-term debt. 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.

f) Use of Estimates

Preparation of financial statements requires management to make estimates and assumptions that impact reported amounts for assets and liabilities at the date of the financial statements and revenues and expenses during the reporting periods. Significant areas requiring the use of management estimates relate to the impairment of assets, rates for amortization and estimated employee future benefits. Actual results could differ from those estimates.

**SCHOOL DISTRICT NO. 87 (STIKINE)**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2007**

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

g) Employee Future Benefits

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

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

The excess of cumulative unrecognized actuarial gains (losses) over 10 percent of the accrued benefit obligation is amortized over the expected average remaining service lifetime (EARSL) of active employees covered under the plan. The EARSL for employees of the School District is 9.9.

The most recent valuation of the obligation was performed at March 31, 2007 for use at June 30, 2007 and projected to 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.

**NOTE 3      ACCOUNTS RECEIVABLE - OTHER RECEIVABLES**

	<u>2007</u>	<u>2006</u>
Due from Federal Government	\$29,288	\$25,281
Other	\$19,087	\$21,379
	\$48,375	\$46,660

**SCHOOL DISTRICT NO. 87 (STIKINE)**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2007**

**NOTE 4 CAPITAL ASSETS**

	2007		2006	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Sites	\$1,763,718	\$0	\$1,763,718	\$1,763,718
Buildings	19,346,195	11,988,275	7,357,920	7,556,261
Furniture and Equipment	399,525	232,277	167,248	176,019
Vehicles	277,058	127,246	149,812	138,808
Computer Software	0	0	0	0
Computer Hardware	28,796	16,780	12,016	11,154
	<u>\$21,815,292</u>	<u>\$12,364,578</u>	<u>\$9,450,714</u>	<u>\$9,645,960</u>

**NOTE 5 CAPITAL BANK LOANS PAYABLE**

The following loans approved under Section 144 of the *School Act* are outstanding:

Approval Date	Year Borrowed	Interest Rate	Term of Years	Amount Borrowed	Amount Paid	Balance O/S
Renewed	2003	4.79	15	1,064,750	253,873	\$ 810,877

Current Portion	<u>\$ 75,000</u>
Long Term Portion	<u>\$ 735,877</u>

**NOTE 6 EMPLOYEE FUTURE BENEFITS**

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

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

	2007	2006
<b>Reconciliation of Accrued Benefit Obligation</b>		
Accrued Benefit Obligation – April 1	\$ 3,264	\$ 54,288
Service Cost	558	532
Interest Cost	194	173
Benefit Payments	0	(52,243)
Actuarial (Gain)/Loss	(1,440)	514
Accrued Benefit Obligation – March 31	<u>\$ 2,576</u>	<u>\$ 3,264</u>

**SCHOOL DISTRICT NO. 87 (STIKINE)**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2007**

**Reconciliation of Funded Status at End of Fiscal Year**

Accrued Benefit Obligation – March 31	\$ 2,576	\$ 3,264
Market Value of Plan Assets – March 31	0	0
Funded Status - Surplus/(Deficit)	(2,576)	(3,264)
Employer Contributions After Measurement Date	0	0
Unamortized Net Actuarial (Gain)/Loss	(1,018)	428
Accrued Benefit Asset/(Liability) – June 30	<u>\$ (3,594)</u>	<u>\$ (2,836)</u>

**Components of Net Benefit Expense**

Service Cost	\$ 558	\$ 532
Interest Cost	194	173
Amortization of Net Actuarial (Gain)/Loss	6	0
Net Benefit Expense (Income)	<u>\$ 758</u>	<u>\$ 705</u>

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

Discount Rate – April 1	5.25%	5.50%
Discount Rate – March 31	5.00%	5.25%
Salary Growth – April 1	3.25% + seniority	3.25% + seniority
Salary Growth – March 31	3.25% + seniority	3.25% + seniority
EARSL - March 31	9.9	16.9

**NOTE 7 EMPLOYEE PENSION PLANS**

The School District and its employees contribute to the Teachers’ Pension Plan and Municipal Pension Plan, jointly trustee pension plans. The boards of trustees for these plans represent plan members and employers and are responsible for the management of the pension plan including investment of the assets and administration of benefits. The pension plans are multi-employer contributory pension plans. Basic pension benefits provided are defined. The Teachers’ Pension Plan has about 48,000 active members from school districts, and approximately 24,000 retired members from school districts. The Municipal Plan has about 140,000 active members, of which approximately 21,000 are from school districts.

Every three years, an actuarial valuation is performed to assess the financial position of the plans and the adequacy of plan funding. The most recent valuation of the Teachers’ Plan as at December 31, 2005 indicated a \$904 million unfunded liability for basic pension benefits. The next valuation will be as at December 31, 2008 with results available in late 2009. The most recent valuation for the Municipal Pension Plan as at December 31, 2003 indicated an unfunded liability of \$789 million for basic pension benefits. The next valuation will be as at December 31, 2006 with results available in 2007. The actuary does not attribute portions of the unfunded liability to individual employers. The Stikine School District paid \$311,329 for employer contributions to these plans in the year ended June 30, 2007.

**SCHOOL DISTRICT NO. 87 (STIKINE)**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2007**

**NOTE 8 OPERATING FUND BALANCE, END OF YEAR**

Internally Restricted (appropriated) by the Board for:

Allocations made to schools - operating	\$22,670
Information Technology	\$90,000
Vehicle Reserve	\$75,000
Required for the 2007/08 Budget	
Housing Repairs	\$30,000
CUPE Severance Payment	\$3,523
06/07 Literacy Program Orders not received until 07/08	\$11,251
	\$44,774
Subtotal Internally Restricted	\$232,444
Unrestricted Operating Surplus	\$310,008
Total Available for Future Operations	\$542,452

**NOTE 9 INTERFUND TRANSFERS**

Interfund transfers between the operating, special purpose and capital funds are reported on Statement 3 (Statement of Changes in Fund Balances). For the year ended June 30, 2007, transfers were as follows:

- Transfer to the Capital Fund from the Operating Fund for capital asset purchases of \$69,741.
- Transfer to the Capital Fund from the Special Purposes Fund for capital asset purchases of \$150,662.
- Transfer to the Capital Fund from the Operating Fund for loan principal repayment of \$76,381.

**NOTE 10 RELATED PARTY TRANSACTIONS**

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

**NOTE 11 BUDGET FIGURES**

Budget figures included in the financial statements are not audited. They were approved by the Board through the adoption of an amended annual budget on February 1, 2007.

**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. 87 (Stikine)**  
**OPERATING FUND**  
**SURPLUS (DEFICIT)**  
**YEAR ENDED JUNE 30, 2007**

Schedule A1

	2007	2007 AMENDED ANNUAL BUDGET	2006
	ACTUAL		ACTUAL
<b>REVENUE</b>			
Provincial Grants - Ministry of Education	4,637,983	4,474,630	4,370,941
Provincial Grants - Other	64,308	74,000	313,499
Federal Grants	0	0	0
Other Revenue	1,670,460	1,568,823	1,635,216
Rentals and Leases	154,149	146,500	177,365
Investment Income	69,068	33,150	43,996
	6,595,968	6,297,103	6,541,017
<b>EXPENSE</b>			
Salaries			
Teachers	1,297,037	1,302,837	1,445,288
Principals and Vice Principals	415,598	441,279	324,652
Educational Assistants	350,123	535,387	418,924
Support Staff	623,131	642,445	599,465
Other Professionals	362,454	449,096	420,492
Substitutes	231,911	159,685	170,744
	3,280,254	3,530,729	3,379,565
Employee Benefits	856,559	1,039,685	797,554
Services and Supplies	2,271,831	1,919,460	1,832,573
	6,408,644	6,489,874	6,009,692
<b>NET REVENUE (EXPENSE), FOR THE YEAR</b>	187,324	(192,771)	531,325
<b>INTERFUND TRANSFERS</b>			
Capital Assets Purchased	(69,741)	(95,120)	(66,654)
Local Capital	0	0	0
Other	(76,381)	(76,750)	(73,400)
<b>OTHER ADJUSTMENTS TO OPERATING FUND BALANCE</b>			
Reduce Unfunded Employee Future Benefits and Vacation Pay	0	0	0
Comprehensive Income (Loss)	0	0	0
<b>BUDGETED ALLOCATION OF SURPLUS (DEFICIT)</b>		364,641	
<b>SURPLUS (DEFICIT), FOR THE YEAR</b>	41,202	0	391,271
<b>SURPLUS (DEFICIT), BEGINNING OF YEAR</b>	501,250		109,979
<b>Changes in Accounting Policies/ Prior Period Adjustments</b>			
<b>SURPLUS (DEFICIT), BEGINNING OF YEAR, AS RESTATED</b>	501,250		109,979
<b>SURPLUS (DEFICIT), END OF YEAR</b> (Section 156 (12) of School Act)	542,452		501,250
<b>SURPLUS (DEFICIT), END OF YEAR</b>			
Internally Restricted (Note 8)	232,444		
Unrestricted (Note 8)	310,008		
	542,452		

**SCHOOL DISTRICT NO. 87 (Stikine)**  
**OPERATING FUND**  
**COMPARATIVE SCHEDULE OF REVENUE BY SOURCE**  
**YEAR ENDED JUNE 30, 2007**

Schedule A2

	2007	2007 AMENDED ANNUAL BUDGET	2006
	ACTUAL		ACTUAL
<b>PROVINCIAL GRANTS - MINISTRY OF EDUCATION</b>			
Operating Grant, Ministry of Education	5,533,649	5,452,525	5,425,652
Other Ministry of Education Grants			
GAAP Implementation Funding	17,734	17,734	17,734
Reduction for Local Education Agreements	(1,592,647)	(1,557,823)	(1,577,522)
Pay Equity	129,794	129,794	129,784
Tranferred in from Deferred Contributions	150,214	40,000	0
Community Link	389,000	389,000	291,254
Employee/Ministry Incentive Grant	0	0	80,357
Miscellaneous	10,239	3,400	3,682
	<u>4,637,983</u>	<u>4,474,630</u>	<u>4,370,941</u>
<b>PROVINCIAL GRANTS - OTHER</b>			
	64,308	74,000	313,499
<b>FEDERAL GRANTS</b>			
	0	0	0
<b>OTHER REVENUE</b>			
School Referendum Taxes	0	0	0
Other School District/Education Authorities	0	0	0
Summer School Fees	0	0	0
Continuing Education	0	0	0
Offshore Tuition Fees	0	0	0
LEA/Direct Funding from First Nations	1,622,869	1,557,823	1,582,025
Miscellaneous			
Art in School	4,908	5,000	4,680
Tuition - CCRA	8,053	6,000	7,611
Trade-in on Vehicles	0	0	14,000
Legacies Now	14,500	0	0
Other	20,130	0	26,900
	<u>1,670,460</u>	<u>1,568,823</u>	<u>1,635,216</u>
<b>RENTALS AND LEASES</b>			
	154,149	146,500	177,365
<b>INVESTMENT INCOME</b>			
	69,068	33,150	43,996
<b>TOTAL OPERATING REVENUE</b>			
	<u><u>6,595,968</u></u>	<u><u>6,297,103</u></u>	<u><u>6,541,017</u></u>

**SCHOOL DISTRICT NO. 87 (Stikine)**  
**OPERATING FUND**  
**COMPARATIVE SCHEDULE OF EXPENSE BY OBJECT**  
**YEAR ENDED JUNE 30, 2007**

Schedule A3

	2007	2007 AMENDED ANNUAL BUDGET	2006
	ACTUAL		ACTUAL
<b>SALARIES</b>			
Teachers	1,297,037	1,302,837	1,445,288
Principals and Vice Principals	415,598	441,279	324,652
Educational Assistants	350,123	535,387	418,924
Support Staff	623,131	642,445	599,465
Other Professionals	362,454	449,096	420,492
Substitutes	231,911	159,685	170,744
	<u>3,280,254</u>	<u>3,530,729</u>	<u>3,379,565</u>
<b>EMPLOYEE BENEFITS</b>	856,559	1,039,685	797,554
<b>Total Salaries and Benefits</b>	<u>4,136,813</u>	<u>4,570,414</u>	<u>4,177,119</u>
<b>SERVICES AND SUPPLIES</b>			
Services	853,005	596,424	679,207
Student Transportation	232,207	245,170	209,956
Professional Development and Travel	372,589	325,575	287,877
Rentals and Leases	15,955	19,662	8,547
Dues and Fees	12,110	10,200	15,184
Insurance	21,700	31,410	21,756
Interest	39,456	39,923	41,273
Supplies	501,616	411,956	318,652
Bad Debts	0	0	0
Utilities	223,193	239,140	250,121
<b>Total Services and Supplies</b>	<u>2,271,831</u>	<u>1,919,460</u>	<u>1,832,573</u>
<b>TOTAL OPERATING EXPENSE</b>	<u>6,408,644</u>	<u>6,489,874</u>	<u>6,009,692</u>

**SCHOOL DISTRICT NO. 87 (Stikine)**  
**OPERATING FUND**  
**EXPENSE BY FUNCTION AND PROGRAM**  
**YEAR ENDED JUNE 30, 2007**

Schedule A4.1

	TEACHERS SALARIES	PRINCIPALS AND VICE PRINCIPALS SALARIES	EDUCATIONAL ASSISTANTS SALARIES	SUPPORT STAFF SALARIES	OTHER PROFESSIONALS SALARIES	SUBSTITUTES SALARIES	TOTAL SALARIES
<b>1 INSTRUCTION</b>							
1.02 Regular Instruction	1,069,333	15,262			10,087	114,719	1,209,401
1.03 Career Programs							0
1.07 Library Services	11,689			37,092			48,781
1.08 Counselling							0
1.10 Special Education	133,236	79,017	142,100		15,636	27,338	397,327
1.30 English as a Second Language	82,779	1,103					83,882
1.31 Aboriginal Education		62,064	42,661		25,054	2,651	132,430
1.41 School Administration		258,152		162,007		8,451	428,610
1.60 Summer School							0
1.61 Continuing Education							0
1.62 Off Shore Students							0
1.64 Other			165,362	9,047	34,589	32,579	241,577
1.65 Conseil Scolaire Francophone							0
<b>Total Function 1</b>	<b>1,297,037</b>	<b>415,598</b>	<b>350,123</b>	<b>208,146</b>	<b>85,366</b>	<b>185,738</b>	<b>2,542,008</b>
<b>4 DISTRICT ADMINISTRATION</b>							
4.11 Educational Administration					88,216		88,216
4.40 School District Governance					69,450		69,450
4.41 Business Administration				66,610	79,528		146,138
4.65 Conseil Scolaire Francophone							0
<b>Total Function 4</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>66,610</b>	<b>237,194</b>	<b>0</b>	<b>303,804</b>
<b>5 OPERATIONS AND MAINTENANCE</b>							
5.41 Operations and Maintenance Administration					28,474		28,474
5.50 Maintenance Operations				339,833		40,471	380,304
5.52 Maintenance of Grounds							0
5.56 Utilities							0
5.65 Conseil Scolaire Francophone							0
<b>Total Function 5</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>339,833</b>	<b>28,474</b>	<b>40,471</b>	<b>408,778</b>
<b>7 TRANSPORTATION AND HOUSING</b>							
7.41 Transportation and Housing Administration							0
7.65 Conseil Scolaire Francophone							0
7.70 Student Transportation							0
7.73 Housing				8,542	11,420	5,702	25,664
<b>Total Function 7</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8,542</b>	<b>11,420</b>	<b>5,702</b>	<b>25,664</b>
<b>9 DEBT SERVICES (OPERATING)</b>							
9.92 Interest on Bank Loans							0
9.94 Interest on Temporary Borrowing							0
<b>Total Function 9</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL FUNCTIONS 1 - 9</b>	<b>1,297,037</b>	<b>415,598</b>	<b>350,123</b>	<b>623,131</b>	<b>362,454</b>	<b>231,911</b>	<b>3,280,254</b>

**SCHOOL DISTRICT NO. 87 (Stikine)**  
**OPERATING FUND**  
**EXPENSE BY FUNCTION AND PROGRAM**  
**YEAR ENDED JUNE 30, 2007**

Schedule A4.2

	TOTAL SALARIES	EMPLOYEE BENEFITS	TOTAL SALARIES AND BENEFITS	SERVICES AND SUPPLIES	2007 ACTUAL	2007 AMENDED ANNUAL BUDGET	2006 ACTUAL
<b>1 INSTRUCTION</b>							
1.02 Regular Instruction	1,209,401	344,385	1,553,786	312,327	1,866,113	1,989,023	2,046,441
1.03 Career Programs	0		0		0	122,096	0
1.07 Library Services	48,781	10,753	59,534	1,425	60,959	71,541	42,420
1.08 Counselling	0		0		0	0	0
1.10 Special Education	397,327	112,530	509,857	80,632	590,489	739,178	522,207
1.30 English as a Second Language	83,882	30,029	113,911	1,087	114,998	160,695	206,934
1.31 Aboriginal Education	132,430	31,563	163,993	29,571	193,564	218,073	222,549
1.41 School Administration	428,610	114,537	543,147	95,981	639,128	437,382	509,518
1.60 Summer School	0		0		0	0	0
1.61 Continuing Education	0		0		0	0	0
1.62 Off Shore Students	0		0		0	0	0
1.64 Other	241,577	52,206	293,783	160,427	454,210	476,397	409,798
1.65 Conseil Scolaire Francophone	0		0		0	0	0
<b>Total Function 1</b>	<b>2,542,008</b>	<b>696,003</b>	<b>3,238,011</b>	<b>681,450</b>	<b>3,919,461</b>	<b>4,214,385</b>	<b>3,959,867</b>
<b>4 DISTRICT ADMINISTRATION</b>							
4.11 Educational Administration	88,216	16,715	104,931	15,737	120,668	180,895	83,903
4.40 School District Governance	69,450	1,426	70,876	73,832	144,708	123,894	133,849
4.41 Business Administration	146,138	61,277	207,415	687,857	895,272	513,992	502,609
4.65 Conseil Scolaire Francophone	0		0		0	0	0
<b>Total Function 4</b>	<b>303,804</b>	<b>79,418</b>	<b>383,222</b>	<b>777,426</b>	<b>1,160,648</b>	<b>818,781</b>	<b>720,361</b>
<b>5 OPERATIONS AND MAINTENANCE</b>							
5.41 Operations and Maintenance Administration	28,474	5,674	34,148	27,654	61,802	78,246	69,455
5.50 Maintenance Operations	380,304	70,812	451,116	121,935	573,051	668,091	591,987
5.52 Maintenance of Grounds	0		0	25,199	25,199	13,000	14,896
5.56 Utilities	0		0	207,386	207,386	229,000	236,695
5.65 Conseil Scolaire Francophone	0		0		0	0	0
<b>Total Function 5</b>	<b>408,778</b>	<b>76,486</b>	<b>485,264</b>	<b>382,174</b>	<b>867,438</b>	<b>988,337</b>	<b>913,033</b>
<b>7 TRANSPORTATION AND HOUSING</b>							
7.41 Transportation and Housing Administration	0		0		0	0	0
7.65 Conseil Scolaire Francophone	0		0		0	0	0
7.70 Student Transportation	0		0	234,934	234,934	250,170	214,395
7.73 Housing	25,664	4,652	30,316	195,847	226,163	218,201	202,036
<b>Total Function 7</b>	<b>25,664</b>	<b>4,652</b>	<b>30,316</b>	<b>430,781</b>	<b>461,097</b>	<b>468,371</b>	<b>416,431</b>
<b>9 DEBT SERVICES (OPERATING)</b>							
9.92 Interest on Bank Loans					0	0	0
9.94 Interest on Temporary Borrowing					0	0	0
<b>Total Function 9</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL FUNCTIONS 1 - 9</b>	<b>3,280,254</b>	<b>856,559</b>	<b>4,136,813</b>	<b>2,271,831</b>	<b>6,408,644</b>	<b>6,489,874</b>	<b>6,009,692</b>

**SCHOOL DISTRICT NO. 87 (Stikine)**  
**OPERATING FUND**  
**CHANGES IN DEFERRED CONTRIBUTIONS**  
**YEAR ENDED JUNE 30, 2007**

Schedule A5

<b>BALANCE, BEGINNING OF YEAR</b>	192,048
 <b>Changes in Accounting Policies/ Prior Period Adjustments</b>	
<b>BALANCE, BEGINNING OF YEAR, AS RESTATED</b>	<u>192,048</u>
 <b>Changes for the Year</b>	
Increase:	
Provincial Grants - Ministry of Education	370,768
Provincial Grants - Other	0
Other Revenue	0
Unearned Lease Revenue	1,300
	<u>372,068</u>
 Decrease:	
Allocated to Revenue	
Provincial Grants - Ministry of Education	280,008
Provincial Grants - Other	0
Federal Grants	0
Other Revenue	0
Investment Income	0
	<u>280,008</u>
 <b>Net Changes for the Year</b>	 <u>92,060</u>
 <b>BALANCE, END OF YEAR</b>	 <u><u>284,108</u></u>

**SCHOOL DISTRICT NO. 87 (Stikine)**  
**SPECIAL PURPOSE FUNDS**  
**SUMMARY OF CHANGES**  
**YEAR ENDED JUNE 30, 2007**

Schedule B1

	MINISTRY OF EDUCATION DESIGNATED	OTHER	SCHOOL GENERATED FUNDS	RELATED ENTITIES	TOTAL
<b>DEFERRED CONTRIBUTIONS</b>					
<b>DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR</b>	596,635	1,102	22,515	0	620,252
Add: Contributions Received					
Provincial Grants - Ministry of Education	313,953				313,953
Provincial Grants - Other					0
Federal Grants					0
Other Revenue			64,788		64,788
Investment Income	20,848				20,848
	334,801	0	64,788	0	399,589
Less: Allocated to Revenue	412,476		58,212		470,688
Recovered					0
<b>DEFERRED CONTRIBUTIONS, END OF YEAR</b>	<b>518,960</b>	<b>1,102</b>	<b>29,091</b>	<b>0</b>	<b>549,153</b>
<b>REVENUE AND EXPENSE</b>					
<b>REVENUE</b>					
Provincial Grants - Ministry of Education	391,628				391,628
Provincial Grants - Other					0
Federal Grants					0
Other Revenue			58,212		58,212
Rentals and Leases					0
Investment Income	20,848				20,848
Gain (Loss) on Equity Investment					0
	412,476	0	58,212	0	470,688
<b>EXPENSE</b>					
Salaries					
Teachers					0
Principals and Vice Principals					0
Educational Assistants					0
Support Staff	24,882				24,882
Other Professionals					0
Substitutes					0
	24,882	0	0	0	24,882
Employee Benefits	3,041				3,041
Services and Supplies	233,891		58,212		292,103
	261,814	0	58,212	0	320,026
<b>NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS</b>	<b>150,662</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>150,662</b>
<b>INTERFUND TRANSFERS</b>					
Capital Assets Purchased	(150,662)				(150,662)
Other					0
	(150,662)	0	0	0	(150,662)
<b>NET REVENUE (EXPENSE)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**SCHOOL DISTRICT NO. 87 (Stikine)**  
**SPECIAL PURPOSE FUNDS**  
**CHANGES IN MINISTRY OF EDUCATION DESIGNATED SPECIAL PURPOSE FUNDS**  
**YEAR ENDED JUNE 30, 2007**

Schedule B2

	207 Annual Facility Grant	231 Aboriginal Education Technology	250 Special Education Equipment	TOTAL
<b>DEFERRED CONTRIBUTIONS</b>				
<b>DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR</b>	590,583	1,926	4,126	596,635
Add: Contributions Received				
Provincial Grants - Ministry of Education	313,156		797	313,953
Provincial Grants - Other				0
Federal Grants				0
Other Revenue				0
Investment Income	20,848			20,848
	334,004	0	797	334,801
Less: Allocated to Revenue	411,981		495	412,476
Recovered				0
<b>DEFERRED CONTRIBUTIONS, END OF YEAR</b>	<b>512,606</b>	<b>1,926</b>	<b>4,428</b>	<b>518,960</b>
<b>REVENUE AND EXPENSE</b>				
<b>REVENUE</b>				
Provincial Grants - Ministry of Education	391,133		495	391,628
Provincial Grants - Other				0
Federal Grants				0
Other Revenue				0
Investment Income	20,848			20,848
	411,981	0	495	412,476
<b>EXPENSE</b>				
Salaries				
Teachers				0
Principals and Vice Principals				0
Educational Assistants				0
Support Staff	24,882			24,882
Other Professionals				0
Substitutes				0
	24,882	0	0	24,882
Employee Benefits	3,041			3,041
Services and Supplies	233,396		495	233,891
	261,319	0	495	261,814
<b>NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS</b>	<b>150,662</b>	<b>0</b>	<b>0</b>	<b>150,662</b>
<b>INTERFUND TRANSFERS</b>				
Capital Assets Purchased	(150,662)			(150,662)
Other				0
	(150,662)	0	0	(150,662)
<b>NET REVENUE (EXPENSE)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**SCHOOL DISTRICT NO. 87 (Stikine)**  
**SPECIAL PURPOSE FUNDS**  
**CHANGES IN OTHER SPECIAL PURPOSE FUNDS**  
**YEAR ENDED JUNE 30, 2007**

Schedule B3

	Atlin Hard Surface Court	TOTAL
<b>DEFERRED CONTRIBUTIONS</b>		
<b>DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR</b>	1,102	1,102
Add: Contributions Received		
Provincial Grants - Ministry of Education		0
Provincial Grants - Other		0
Federal Grants		0
Other Revenue		0
Investment Income		0
	0	0
Less: Allocated to Revenue		0
Recovered		0
<b>DEFERRED CONTRIBUTIONS, END OF YEAR</b>	1,102	1,102
<b>REVENUE AND EXPENSE</b>		
<b>REVENUE</b>		
Provincial Grants - Ministry of Education		0
Provincial Grants - Other		0
Federal Grants		0
Other Revenue		0
Investment Income		0
	0	0
<b>EXPENSE</b>		
Salaries		
Teachers		0
Principals and Vice Principals		0
Educational Assistants		0
Support Staff		0
Other Professionals		0
Substitutes		0
	0	0
Employee Benefits		0
Services and Supplies		0
	0	0
<b>NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS</b>	0	0
<b>INTERFUND TRANSFERS</b>		
Capital Assets Purchased		0
Other		0
	0	0
<b>NET REVENUE (EXPENSE)</b>	0	0

**SCHOOL DISTRICT NO. 87 (Stikine)**  
**CAPITAL FUND**  
**CAPITAL ASSETS**  
**YEAR ENDED JUNE 30, 2007**

Schedule C1

	SITES	BUILDINGS	FURNITURE AND EQUIPMENT	VEHICLES	COMPUTER SOFTWARE	COMPUTER HARDWARE	TOTAL
<b>COST, BEGINNING OF YEAR</b>	1,763,718	19,195,533	378,027	241,867	0	23,278	21,602,423
<b>Changes in Accounting Policy/ Prior Period Adjustments</b>							
<b>COST, BEGINNING OF YEAR, AS RESTATED</b>	1,763,718	19,195,533	378,027	241,867	0	23,278	21,602,423
<b>Changes for the Year</b>							
Increase:							
Purchases from:							
Deferred Contributions - Bylaw							0
Deferred Contributions - Other							0
Operating Fund			29,032	35,191		5,518	69,741
Special Purpose Funds		150,662					150,662
Local Capital							0
Transferred from Work in Progress							0
	0	150,662	29,032	35,191	0	5,518	220,403
Decrease:							
Disposed of							0
Deemed Disposals			7,534				7,534
Written-off/down During Year							0
	0	0	7,534	0	0	0	7,534
<b>COST, END OF YEAR</b>	1,763,718	19,346,195	399,525	277,058	0	28,796	21,815,292
<b>WORK IN PROGRESS, END OF YEAR</b>							0
<b>COST AND WORK IN PROGRESS, END OF YEAR</b>	1,763,718	19,346,195	399,525	277,058	0	28,796	21,815,292
<b>ACCUMULATED AMORTIZATION, BEGINNING OF YEAR</b>	0	11,639,272	202,008	103,059	0	12,124	11,956,463
<b>Changes in Accounting Policies/ Prior Period Adjustments</b>							
<b>BALANCE, BEGINNING OF YEAR, AS RESTATED</b>	0	11,639,272	202,008	103,059	0	12,124	11,956,463
<b>Changes for the Year</b>							
Increase: Amortization for the Year		349,003	37,803	24,187		4,656	415,649
Decrease:							
Disposed of							0
Deemed Disposals			7,534				7,534
Written-off During Year							0
	0	0	7,534	0	0	0	7,534
<b>ACCUMULATED AMORTIZATION, END OF YEAR</b>	0	11,988,275	232,277	127,246	0	16,780	12,364,578
<b>CAPITAL ASSETS - NET</b>	1,763,718	7,357,920	167,248	149,812	0	12,016	9,450,714

**SCHOOL DISTRICT NO. 87 (Stikine)**  
**CAPITAL FUND**  
**CAPITAL ASSETS - WORK IN PROGRESS**  
**YEAR ENDED JUNE 30, 2007**

Schedule C2

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

**SCHOOL DISTRICT NO. 87 (Stikine)**  
**CAPITAL FUND**  
**DEFERRED CAPITAL CONTRIBUTIONS**  
**YEAR ENDED JUNE 30, 2007**

**Schedule C3**

	BYLAW CAPITAL (NET)	OTHER PROVINCIAL (NET)	OTHER CAPITAL (NET)	TOTAL CAPITAL
<b>DEFERRED CAPITAL CONTRIBUTIONS, BEGINNING OF YEAR</b>	8,439,137	0	0	8,439,137
<b>Changes in Accounting Policies/ Prior Period Adjustments</b>				
<b>DEFERRED CAPITAL CONTRIBUTIONS, BEGINNING OF YEAR, AS RESTATED</b>	8,439,137	0	0	8,439,137
<b>Changes for the Year</b>				
Increase:				
Transferred from Deferred Contributions - Capital Additions				0
Transferred from Work in Progress				0
	0	0	0	0
Decrease:				
Amortization of Deferred Capital Contributions	402,213			402,213
Revenue Recognized on Disposal of Buildings				0
Revenue Recognized on Write-off/down of Buildings				0
	402,213	0	0	402,213
<b>Net Changes for the Year</b>	(402,213)	0	0	(402,213)
<b>DEFERRED CAPITAL CONTRIBUTIONS, END OF YEAR</b>	8,036,924	0	0	8,036,924
<b>WORK IN PROGRESS, BEGINNING OF YEAR</b>	0	0	0	0
<b>Changes in Accounting Policies/ Prior Period Adjustments</b>				
<b>WORK IN PROGRESS, BEGINNING OF YEAR, AS RESTATED</b>	0	0	0	0
<b>Changes for the Year</b>				
Increase:				
Transferred from Deferred Contributions - Work in Progress				0
	0	0	0	0
Decrease:				
Transferred to Deferred Capital Contributions				0
	0	0	0	0
<b>Net Changes for the Year</b>	0	0	0	0
<b>WORK IN PROGRESS, END OF YEAR</b>	0	0	0	0
<b>TOTAL DEFERRED CAPITAL CONTRIBUTIONS, END OF YEAR</b>	8,036,924	0	0	8,036,924

**SCHOOL DISTRICT NO. 87 (Stikine)**  
**CAPITAL FUND**  
**CHANGES IN DEFERRED CONTRIBUTIONS**  
**YEAR ENDED JUNE 30, 2007**

Schedule C4

	BYLAW CAPITAL	MINISTRY OF EDUCATION RESTRICTED CAPITAL	OTHER PROVINCIAL CAPITAL	LAND CAPITAL	OTHER CAPITAL	TOTAL
<b>BALANCE, BEGINNING OF YEAR</b>	0	0	0	0	0	0
<b>Changes in Accounting Policies/ Prior Period Adjustments</b>						
<b>BALANCE, BEGINNING OF YEAR, AS RESTATED</b>	0	0	0	0	0	0
<b>Changes for the Year</b>						
Increase:						
Provincial Grants - Ministry of Education						0
Provincial Grants - Other						0
Other						0
Investment Income						0
MEd Restricted Portion of Proceeds on Disposal						0
	0	0	0	0	0	0
Decrease:						
Transferred to DCC - Capital Additions						0
Transferred to DCC - Work in Progress						0
Transferred to Invested in Capital Assets - Site Purchases						0
	0	0	0	0	0	0
<b>Net Changes for the Year</b>	0	0	0	0	0	0
<b>BALANCE, END OF YEAR</b>	0	0	0	0	0	0

**SCHOOL DISTRICT NO. 87 (Stikine)**  
**CAPITAL FUND**  
**CHANGES IN FUND BALANCES**  
**YEAR ENDED JUNE 30, 2007**

Schedule C5

	INVESTED IN CAPITAL ASSETS	LOCAL CAPITAL	FUND BALANCE
<b>BALANCE, BEGINNING OF YEAR</b>	319,565	0	319,565
<b>Changes in Accounting Policies/ Prior Period Adjustments</b>			
<b>BALANCE, BEGINNING OF YEAR, AS RESTATED</b>	<u>319,565</u>	<u>0</u>	<u>319,565</u>
<b>Changes for the Year</b>			
Investment Income			0
Comprehensive Income (Loss)			0
Gain (Loss) on Disposal of Capital Assets			0
District Portion of Proceeds on Disposal			0
Write-off/down of Buildings and Sites			0
Amortization of Deferred Capital Contributions	402,213		402,213
Capital Assets Purchased from Local Capital			0
Interfund Transfers - Capital Assets Purchased	220,403		220,403
Interfund Transfers - Capital Assets WIP			0
Interfund Transfers - Local Capital			0
Amortization of Capital Assets	(415,649)		(415,649)
Transferred to Invested in Capital Assets			
- Site Purchases			0
Principal Reduction on Capital Loan	76,381		76,381
<b>Net Changes for the Year</b>	<u>283,348</u>	<u>0</u>	<u>283,348</u>
<b>BALANCE, END OF YEAR</b>	<u><u>602,913</u></u>	<u><u>0</u></u>	<u><u>602,913</u></u>