

**SCHOOL DISTRICT
AUDITED FINANCIAL STATEMENTS
FISCAL YEAR 2007/2008**

SCHOOL DISTRICT NUMBER 81	NAME OF SCHOOL DISTRICT Fort Nelson	YEAR 2007/2008
OFFICE LOCATION PO Box 87		TELEPHONE NUMBER 250-774-2591
CITY / PROVINCE Fort Nelson, BC		POSTAL CODE V0C 1R0
WEBSITE ADDRESS http://www.sd81.bc.ca/		
NAME OF SUPERINTENDENT Diana Samchuck	NAME OF SECRETARY - TREASURER Margaret-Anne Hall	

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. 81 (Fort Nelson) ("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.


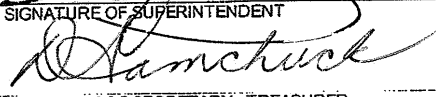
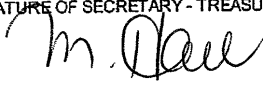
External Auditors

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. 81 (Fort Nelson) for the year ended June 30, 2008.

SIGNATURE OF CHAIRPERSON OF THE BOARD OF EDUCATION 	DATE SIGNED Sept 30/08
SIGNATURE OF SUPERINTENDENT 	DATE SIGNED Sept. 30/08
SIGNATURE OF SECRETARY - TREASURER 	DATE SIGNED Sept 30/08

SCHOOL DISTRICT NO. 81 (Fort Nelson)
2007/2008 AUDITED FINANCIAL STATEMENTS

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CHARTERED ACCOUNTANTS

Partners

- * Ben Sander, B. Comm., C.A.
- * Dale J. Rose, C.A.
- * R.S. (Bob) Trobak, C.A.

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AUDITORS' REPORT

To the Board of Education of School District No. 81 (Fort Nelson)

We have audited the statement of financial position of The Board of Education of School District No. 81 (Fort Nelson) as at June 30, 2008 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 Board's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Board as at June 30, 2008 and the results of its operations for the year then ended in accordance with Canadian generally accepted accounting principles.

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

Dawson Creek, BC
August 28, 2008

Sander Rose Trobak LLP
Chartered Accountants



Member, Chartered Accountants of British Columbia

* Denotes Professional Corporations

**SCHOOL DISTRICT NO. 81 (Fort Nelson)
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2008**

Statement 1

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2008	TOTAL 2007
ASSETS					
Current Assets					
Cash and Cash Equivalents	1,280,229	74,008		1,354,237	992,240
Short Term Investments				0	0
Accounts Receivable (Note 3)				4,872	1,572
Due from Province - Ministry of Education	4,872			4,872	0
Due from Province - Other	48,482			0	0
Due from LEA / Direct Funding				79,571	103,267
Other Receivables	79,571				
Interfund Loans	377,662	41,726		0	0
Inventories				1,883	110,911
Prepaid Expenses	1,883				
	<u>1,792,699</u>	<u>115,734</u>	<u>0</u>	<u>1,489,045</u>	<u>1,207,990</u>
Investments				0	0
Equity Investments				0	0
Capital Assets - Net (Note 4)			13,367,314	13,367,314	12,271,206
TOTAL ASSETS	<u>1,792,699</u>	<u>115,734</u>	<u>13,367,314</u>	<u>14,856,359</u>	<u>13,479,196</u>
LIABILITIES AND FUND BALANCES					
Current Liabilities					
Bank Overdraft				0	0
Accounts Payable and Accrued Liabilities				0	0
Due to Province - Ministry of Education				0	0
Due to Province - Other	1,010			1,010	0
Other	850,414			850,414	1,009,754
Bank Loans				0	0
Interfund Loans			419,388		
Other Current Liabilities			225,085	225,085	0
	<u>851,424</u>	<u>0</u>	<u>644,473</u>	<u>1,076,509</u>	<u>1,009,754</u>
Deferred Revenue				0	0
Deferred Contributions					
Ministry of Education	12,343	19,019		31,362	20,369
Province - Other	18,291			18,291	207,837
Other	28,773	96,715		125,488	5,134
Accrued Employee Future Benefits (Note 5)	141,087			141,087	127,938
Deferred Capital Contributions			5,840,938	5,840,938	6,139,199
Bank Loans				0	0
Capital Lease Obligations (Note 7)			1,646,623	1,646,623	0
Other Long Term Liabilities				0	0
TOTAL LIABILITIES	<u>1,051,918</u>	<u>115,734</u>	<u>8,132,034</u>	<u>8,880,298</u>	<u>7,510,231</u>
Fund Balances					
Invested in Capital Assets			5,235,280	5,235,280	4,806,625
Endowment				0	0
Internally Restricted (Note 8)	214,596			214,596	806,828
Unrestricted	526,185			526,185	355,512
Unfunded Accrued Employee Future Benefits and Vacation Pay				0	0
TOTAL FUND BALANCES	<u>740,781</u>	<u>0</u>	<u>5,235,280</u>	<u>5,976,061</u>	<u>5,968,965</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>1,792,699</u>	<u>115,734</u>	<u>13,367,314</u>	<u>14,856,359</u>	<u>13,479,196</u>

SCHOOL DISTRICT NO. 81 (Fort Nelson)
STATEMENT OF REVENUE AND EXPENSE
YEAR ENDED JUNE 30, 2008

Statement 2

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2008	TOTAL 2007
REVENUE					
Provincial Grants - Ministry of Education	9,712,801	323,067		10,035,868	10,164,860
Provincial Grants - Other	50,769	916		51,685	53,880
Federal Grants				0	0
Other Revenue	190,720	234,134		424,854	286,808
Rentals and Leases	46,925			46,925	36,348
Investment Income	34,613			34,613	44,584
Gain (Loss) on Equity Investment				0	0
Amortization of Deferred Capital Contributions			268,012	268,012	298,064
Gain (Loss) on Disposal of Capital Assets				0	0
	<u>10,035,828</u>	<u>558,117</u>	<u>268,012</u>	<u>10,861,957</u>	<u>10,884,544</u>
EXPENSE					
Salaries					
Teachers	3,580,626			3,580,626	3,461,170
Principals and Vice Principals	789,717			789,717	673,204
Educational Assistants	634,961			634,961	582,448
Support Staff	654,940			654,940	597,149
Other Professionals	537,568			537,568	471,031
Substitutes	204,395			204,395	215,494
	<u>6,402,207</u>	<u>0</u>	<u>0</u>	<u>6,402,207</u>	<u>6,000,496</u>
Employee Benefits	1,609,161			1,609,161	1,464,240
Services and Supplies	2,156,870	235,050		2,391,920	1,944,079
Amortization of Capital Assets			481,822	481,822	445,392
Write-off/down of Buildings and Sites				0	0
	<u>10,168,238</u>	<u>235,050</u>	<u>481,822</u>	<u>10,885,110</u>	<u>9,854,207</u>
NET REVENUE (EXPENSE)	<u>(132,410)</u>	<u>323,067</u>	<u>(213,810)</u>	<u>(23,153)</u>	<u>1,030,337</u>

SCHOOL DISTRICT NO. 81 (Fort Nelson)
STATEMENT OF CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2008

Statement 3

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2008	TOTAL 2007
FUND BALANCES, BEGINNING OF YEAR	1,162,340	0	4,806,625	5,968,965	4,713,954
Changes in Accounting Policies/ Prior Period Adjustments (Note 9)					
As per statement C5			30,249	30,249	0
2006 overaccrual				0	224,674
FUND BALANCES, BEGINNING OF YEAR, AS RESTATED	1,162,340	0	4,836,874	5,999,214	4,938,628
Changes for the Year					
Net Revenue (Expense) for the Year	(132,410)	323,067	(213,810)	(23,153)	1,030,337
Interfund Transfers (Note 10)					
Capital Assets Purchased	(1,450,301)	(127,629)	1,577,930	0	0
Local Capital				0	0
Other	1,161,152	(195,438)	(965,714)	0	0
Direct Increases in Fund Balances					
Endowment Contributions				0	0
Site Purchases				0	0
Comprehensive Income (Loss)				0	0
Net Changes for the Year	(421,559)	0	398,406	(23,153)	1,030,337
FUND BALANCES, END OF YEAR	740,781	0	5,235,280	5,976,061	5,968,965

SCHOOL DISTRICT NO. 81 (Fort Nelson)
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2008

Statement 4.1

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2008	TOTAL 2007
CASH PROVIDED BY (USED FOR)					
OPERATIONS					
Net Revenue (Expense) for the Year	(132,410)	323,067	(213,810)	(23,153)	1,030,337
Changes In Non-Cash Working Capital					
Decrease (Increase)				(28,086)	446,269
Accounts Receivable	(28,086)			0	0
Interfund Loans	824,561	81,433	(905,994)	0	0
Inventories				109,028	(108,875)
Prepaid Expenses	109,028				
Increase (Decrease)				(158,330)	(168,175)
Accounts Payable/Accrued Liabilities	(158,330)			0	0
Other Current Liabilities				0	0
Deferred Revenue				0	0
Deferred Contributions	(50,774)	(7,425)		(58,199)	8,546
Accrued Employee Future Benefits	13,149			13,149	17,030
Other Long Term Liabilities				0	0
Loss (Gain) on Disposal of Capital Assets				0	0
Items Not Involving Cash					
Amortization of Capital Assets			481,822	481,822	445,392
Amortization of Deferred Capital Contributions			(268,012)	(268,012)	(298,064)
Write-off/down of Buildings and Sites				0	0
Comprehensive Income (Loss)				0	0
Interfund Transfers	(289,149)	(323,067)	612,216	0	0
	287,989	74,008	(293,778)	68,219	1,372,460
FINANCING					
Bank Loan Received				0	0
Bank Loan Paid				0	0
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
Proceeds from capital lease (net)			1,871,708	1,871,708	0
	0	0	1,871,708	1,871,708	0
INVESTING					
Capital Assets Purchased - Operating			(1,450,301)	(1,450,301)	(143,497)
Capital Assets Purchased - Special Purpose			(127,629)	(127,629)	(324,258)
Capital Assets Purchased - Local Capital				0	0
From Op Fund Loan				0	(1,325,383)
Rounding Difference				0	1
Decrease (Increase) in Investments				0	0
Decrease (Increase) in Equity Investments				0	0
	0	0	(1,577,930)	(1,577,930)	(1,793,137)
NET INCREASE (DECREASE) IN CASH	287,989	74,008	0	361,997	(420,677)

**SCHOOL DISTRICT NO. 81 (Fort Nelson)
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2008**

Statement 4.2

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2008	TOTAL 2007
NET INCREASE (DECREASE) IN CASH	287,989	74,008	0	361,997	(420,677)
Net Cash, Beginning of Year	992,240	0	0	992,240	1,188,243
Changes in Accounting Policies/ Prior Period Adjustments District Entered				0	224,674
Net Cash, Beginning of Year, as Restated	992,240	0	0	992,240	1,412,917
NET CASH, END OF YEAR	1,280,229	74,008	0	1,354,237	992,240
Cash	1,280,229	74,008		1,354,237	992,240
Cash Equivalents				0	0
Short Term Investments				0	0
Bank Overdraft				0	0
NET CASH, END OF YEAR	1,280,229	74,008	0	1,354,237	992,240

SCHOOL DISTRICT NO. 81 (Fort Nelson)
2007/08 Notes to Audited Financial Statements

NOTE 1 AUTHORITY AND PURPOSE

The School District operates under authority of the *School Act* of British Columbia as a corporation under the name of "The Board of Education of School District No. 81 (Fort Nelson)", and operates as "School District No. 81 (Fort Nelson)." A board of education (Board) elected for a three-year term governs the School District. The School District provides educational programs to students enrolled in schools in the district, and is principally funded by the Province of British Columbia through the Ministry of Education.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

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

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

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

a) Fund Accounting

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

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

b) Comparative Figures

The comparative figures were audited by another firm of Chartered Accountants.

Certain accounts in prior years financial statements have been reclassified for comparative purposes to conform with current year's financial statements

c) Accounts Receivable

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

SCHOOL DISTRICT NO. 81 (Fort Nelson)
2007/08 Notes to Audited Financial Statements

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

d) **Prepaid Expenses**
 Prepaid expenses include certain deposits on account, future travel costs, and annual memberships.

e) **Capital Assets**

The following criteria apply:

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

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

f) **Capital Leases**

Leases that, from the point of view of the lessee, transfer substantially all the benefits and risks incident to ownership of property to the Board are considered capital leases. These are accounted for as an asset and an obligation.

g) **Revenue Recognition**

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

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

- Non-capital contributions for specific purposes are recorded as deferred contributions and recognized as revenue in the year related expenses are incurred.
- Contributions restricted for capital purposes are recorded as deferred contributions until the amount is invested in capital assets.
 - If the capital asset is a site, the amount invested is recorded as a direct increase to net assets invested in capital assets.
 - If the capital asset is not a site, the amount invested is recorded as a deferred capital contribution and amortized over the useful life of the asset.

SCHOOL DISTRICT NO. 81 (Fort Nelson)
2007/08 Notes to Audited Financial Statements

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

g) Revenue Recognition (Continued)

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

h) Expenditures

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

i) Financial Instruments

Financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities, other current liabilities and capital lease obligations. 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.

SCHOOL DISTRICT NO. 81 (Fort Nelson)
2007/08 Notes to Audited Financial Statements

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

j) **Use of Estimates**
 Preparation of financial statements in accordance with Canadian Generally Accepted Accounting Principles requires management to make estimates and assumptions that impact reported amounts for assets and liabilities at the date of the financial statements and revenues and expenses during the reporting periods. Significant areas requiring the use of management estimates relate to the potential impairment of assets, rates for amortization and estimated employee future benefits. Actual results could differ from those estimates.

k) **Employee Future Benefits**
 The School District provides certain post-employment benefits including vacation pay and retirement allowance 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 9.3 years.

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

NOTE 3 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	<u>2008</u>	<u>2007</u>
Due From Federal Government	\$ 30,478	\$ 45,886
Due from Province	53,354	1,572
Other Receivables	49,093	57,381
	<u>\$ 132,925</u>	<u>\$ 104,839</u>

SCHOOL DISTRICT NO. 81 (Fort Nelson)
2007/08 Notes to Audited Financial Statements

NOTE 4 CAPITAL ASSETS

	2008		2007	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Sites	\$ 1,175,101	\$ -	\$ 1,175,101	\$ 1,166,948
Buildings	20,140,948	8,859,697	11,281,251	10,567,850
Furniture & Equipment	560,892	206,654	354,238	266,904
Vehicles	110,692	18,165	92,527	103,596
Computer Software	39,084	9,908	29,176	11,931
Computer Hardware	521,942	86,921	435,021	153,978
	<u>\$ 22,548,659</u>	<u>\$ 9,181,345</u>	<u>\$ 13,367,314</u>	<u>\$ 12,271,207</u>

NOTE 5 EMPLOYEE FUTURE BENEFITS

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

	2008	2007
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	\$ 88,600	\$ 98,189
Service Cost	11,566	11,689
Interest Cost	4,860	5,520
Benefit Payments	0	0
Actuarial (Gain)/Loss	8,714	26,798
Accrued Benefit Obligation – March 31	<u>\$ 96,312</u>	<u>\$ 88,600</u>
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation – March 31	\$ 96,312	\$ 88,600
Market Value of Plan Assets – March 31	0	0
Funded Status - Surplus/(Deficit)	-96,312	-88,600
Employer Contributions After Measurement Date	0	0
Unamortized Net Actuarial (Gain)/Loss	-44,775	-39,338
Accrued Benefit Asset/(Liability) – June 30	<u>\$ -141,087</u>	<u>\$ -127,938</u>

SCHOOL DISTRICT NO. 81 (Fort Nelson)
2007/08 Notes to Audited Financial Statements

NOTE 5 EMPLOYEE FUTURE BENEFITS (Continued)

Components of Net Benefit Expense			
Service Cost	\$	11,566	\$ 11,689
Interest Cost		4,860	5,520
Amortization of Net Actuarial (Gain)/Loss		-3,277	-179
Net Benefit Expense (Income)	\$	13,149	\$ 17,030

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

Discount Rate – April 1	5.00%	5.25%
Discount Rate – March 31	5.50%	5.00%
Long Term Salary Growth – April 1	3.25% + seniority	3.25% + seniority
Long Term Salary Growth – March 31	3.25% + seniority	3.25% + seniority
EARSL – March 31	9.3 years	9.3 years

NOTE 6 EMPLOYEE PENSION PLANS

The School District and its employees contribute to the Teachers' Pension Plan and Municipal Pension Plan, jointly trustee pension plans. The boards of trustees for these plans represent plan members and employers and are responsible for the management of the pension plan including investment of the assets and administration of benefits. The pension plans are multi-employer contributory pension plans. Basic pension benefits provided are defined. The Teachers' Pension Plan has about 48,000 active members from school districts, and approximately 24,000 retired members from school districts. The Municipal Plan has about 145,000 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, 2006 indicated a surplus of \$438 million for basic pension benefits. The next valuation will be as at December 31, 2009 with results available in 2010. The actuary does not attribute portions of the unfunded liability to individual employers. The School District No. 81 (Fort Nelson) paid \$585,137 for employer contributions to these plans in the year ended June 30, 2008.

SCHOOL DISTRICT NO. 81 (Fort Nelson)
2007/08 Notes to Audited Financial Statements

NOTE 7 CAPITAL LEASES

	<u>2008</u>			<u>2007</u>
	<u>Total</u>	<u>Current</u>	<u>Long Term</u>	<u>Long Term</u>
Lease contract repayable in annually instalments of \$200,000 plus GST, including interest at 6.27%, secured by heating and ventaltation equipment	\$ 1,667,402	\$ 124,279	\$ 1,543,123	\$ -
Lease contract repayable in annual instalments of \$99,313 plus taxes, including interest at 2.67%, secured by computers	<u>204,307</u>	<u>100,807</u>	<u>103,500</u>	<u>-</u>
	<u>\$ 1,871,709</u>	<u>\$ 225,086</u>	<u>\$ 1,646,623</u>	<u>\$ -</u>

Minimum lease commitments required within thenext 3 years, are as follows:

2009	\$ 306,265
2010	\$ 306,265
2011	\$ 200,000

NOTE 8 OPERATING FUND BALANCE, END OF YEAR

Internally Restricted (appropriated) by Board for:	
Early learning	\$ 122,742
Cupboards	50,000
RLA Skills	10,500
Aboriginal Education	31,804
Subtotal Internally Restricted	<u>214,596</u>
Unrestricted Operating Surplus (Deficit)	526,185
Total Available for Future Operations	<u>\$ 740,781</u>

NOTE 9 PRIOR PERIOD ERRORS

The School District statements for the year ended June 30, 2007 contained an error, which had the effect of understating Invested in Capital Assets by \$30,249. This is the net result of several errors in the amortization of Deferred Contributions.

SCHOOL DISTRICT NO. 81 (Fort Nelson)
2007/08 Notes to Audited Financial Statements

NOTE 10 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, 2008, transfers were as follows:

- A transfer in the amount of \$1,450,301 was made from the operating fund to the capital fund for capital equipment purchases out of local capital.
- A transfer in the amount of \$127,629 was made from the special purpose funds to the capital fund for capital equipment purchases out of local capital.
- A transfer in the amount of \$195,438 was made from special purposes funds to the capital fund for a capital lease payment.
- A transfer in the amount of \$1,267,190 was made from the capital fund to the operating fund for the transfer of lease proceeds.
- A transfer in the amount of \$106,038 was made from the operating fund to the capital fund for a capital lease payment.

NOTE 11 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 12 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 19, 2008.

NOTE 13 ASSET RETIREMENT OBLIGATION

Legal liabilities may exist for the removal/disposal of asbestos in schools that will undergo major renovations or demolition. The fair value of the liability for asbestos removal or disposal will be recognized in the period in which it is incurred if a reasonable estimate of fair value can be made. As at June 30, 2008 the liability is not reasonably determinable.

NOTE 14 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. 81 (Fort Nelson)
OPERATING FUND
SURPLUS (DEFICIT)
YEAR ENDED JUNE 30, 2008

Schedule A1

	2008	2008 AMENDED ANNUAL BUDGET	2007
	ACTUAL		ACTUAL
REVENUE			
Provincial Grants - Ministry of Education	9,712,801	9,664,131	9,840,602
Provincial Grants - Other	50,769	58,880	53,880
Federal Grants	0	0	0
Other Revenue	190,720	81,320	152,584
Rentals and Leases	46,925	47,500	36,348
Investment Income	34,613	42,000	44,584
	<u>10,035,828</u>	<u>9,893,831</u>	<u>10,127,998</u>
EXPENSE			
Salaries			
Teachers	3,580,626	3,533,499	3,461,170
Principals and Vice Principals	789,717	747,316	673,204
Educational Assistants	634,961	674,948	582,448
Support Staff	654,940	662,855	597,149
Other Professionals	537,568	505,518	471,031
Substitutes	204,395	192,313	215,494
	<u>6,402,207</u>	<u>6,316,449</u>	<u>6,000,496</u>
Employee Benefits	1,609,161	1,592,119	1,464,240
Services and Supplies	2,156,870	2,005,690	1,809,855
	<u>10,168,238</u>	<u>9,914,258</u>	<u>9,274,591</u>
NET REVENUE (EXPENSE), FOR THE YEAR	(132,410)	(20,427)	853,407
INTERFUND TRANSFERS			
Capital Assets Purchased	(1,450,301)	(291,368)	(143,497)
Local Capital	0	0	0
Other	1,161,152	0	0
OTHER ADJUSTMENTS TO OPERATING FUND BALANCE			
Reduce Unfunded Employee Future Benefits and Vacation Pay	0	0	0
Comprehensive Income (Loss)	0	0	0
BUDGETED ALLOCATION (RETIREMENT) OF SURPLUS (DEFICIT)		311,795	
SURPLUS (DEFICIT), FOR THE YEAR	<u>(421,559)</u>	0	709,910
SURPLUS (DEFICIT), BEGINNING OF YEAR	1,162,340		227,756
Changes in Accounting Policies/ Prior Period Adjustments 2006 Overaccrual			224,674
SURPLUS (DEFICIT), BEGINNING OF YEAR, AS RESTATED	<u>1,162,340</u>		<u>452,430</u>
SURPLUS (DEFICIT), END OF YEAR (Section 156 (12) of School Act)	<u>740,781</u>		<u>1,162,340</u>
SURPLUS (DEFICIT), END OF YEAR			
Internally Restricted	214,596		
Unrestricted	526,185		
	<u>740,781</u>		

SCHOOL DISTRICT NO. 81 (Fort Nelson)
OPERATING FUND
COMPARATIVE SCHEDULE OF REVENUE BY SOURCE
YEAR ENDED JUNE 30, 2008

Schedule A2

	2008	2008 AMENDED ANNUAL BUDGET	2007
	ACTUAL	BUDGET	ACTUAL
PROVINCIAL GRANTS - MINISTRY OF EDUCATION			
Operating Grant, Ministry of Education	9,440,068	9,389,498	9,594,091
INAC Recovery	0	0	0
Other Ministry of Education Grants			0
GAAP Implementation Funding			0
Pay Equity	79,310	79,310	79,310
Community Links	120,666	120,666	117,000
Ready Set Learn	7,500	7,500	7,500
Literacy Grant	37,307	37,307	42,701
French Funds	25,650	15,950	0
Literacy Plan/FSA/Marker Train	2,300	13,900	0
	<u>9,712,801</u>	<u>9,664,131</u>	<u>9,840,602</u>
PROVINCIAL GRANTS - OTHER			
	50,769	58,880	53,880
FEDERAL GRANTS			
	0	0	0
OTHER REVENUE			
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	11,020	11,020	0
LEA/Direct Funding from First Nations	0	0	0
Miscellaneous			
Administrative Fee	0	700	0
Northern Lights College	48,000	48,000	44,000
Northern Opportunities	0	21,600	0
other	131,700	0	108,584
	<u>190,720</u>	<u>81,320</u>	<u>152,584</u>
RENTALS AND LEASES			
	46,925	47,500	36,348
INVESTMENT INCOME			
	34,613	42,000	44,584
TOTAL OPERATING REVENUE			
	<u>10,035,828</u>	<u>9,893,831</u>	<u>10,127,998</u>

SCHOOL DISTRICT NO. 81 (Fort Nelson)
OPERATING FUND
COMPARATIVE SCHEDULE OF EXPENSE BY OBJECT
YEAR ENDED JUNE 30, 2008

Schedule A3

	2008	2008 AMENDED ANNUAL BUDGET	2007
	ACTUAL		ACTUAL
SALARIES			
Teachers	3,580,626	3,533,499	3,461,170
Principals and Vice Principals	789,717	747,316	673,204
Educational Assistants	634,961	674,948	582,448
Support Staff	654,940	662,855	597,149
Other Professionals	537,568	505,518	471,031
Substitutes	204,395	192,313	215,494
	<u>6,402,207</u>	<u>6,316,449</u>	<u>6,000,496</u>
EMPLOYEE BENEFITS	1,609,161	1,592,119	1,464,240
Total Salaries and Benefits	<u>8,011,368</u>	<u>7,908,568</u>	<u>7,464,736</u>
SERVICES AND SUPPLIES			
Services	667,708	634,774	601,902
Student Transportation	373,095	381,742	358,522
Professional Development and Travel	164,348	141,071	150,363
Rentals and Leases	66,292	66,198	66,523
Dues and Fees	14,811	17,719	16,401
Insurance	32,936	27,933	27,010
Interest	22,541	0	0
Supplies	502,195	420,134	288,718
Bad Debts	0	0	0
Utilities	312,944	316,119	302,416
Total Services and Supplies	<u>2,156,870</u>	<u>2,005,690</u>	<u>1,809,855</u>
TOTAL OPERATING EXPENSE	<u>10,168,238</u>	<u>9,914,258</u>	<u>9,274,591</u>

SCHOOL DISTRICT NO. 81 (Fort Nelson)
 OPERATING FUND
 EXPENSE BY FUNCTION AND PROGRAM
 YEAR ENDED JUNE 30, 2008

	TEACHERS SALARIES	PRINCIPALS AND VICE PRINCIPALS SALARIES	EDUCATIONAL ASSISTANTS SALARIES	SUPPORT STAFF SALARIES	OTHER PROFESSIONALS SALARIES	SUBSTITUTES SALARIES	TOTAL SALARIES
1 INSTRUCTION							
1.02 Regular Instruction	2,744,442	171,673	28,600	264,425	16,943	155,472	3,383,555
1.03 Career Programs	122,944	8,737				1,837	133,518
1.07 Library Services	121,166			78,782		2,802	202,900
1.08 Counselling	161,838	8,789					171,627
1.10 Special Education	405,743	78,287	427,020	6,198		33,746	954,384
1.30 English as a Second Language							0
1.31 Aboriginal Education		12,634	179,341			10,360	202,355
1.41 School Administration	2,000	434,308					436,308
1.60 Summer School							0
1.61 Continuing Education							0
1.62 Off Shore Students							0
1.64 Other							0
1.65 Conseil Scolaire Francophone	20,073						20,073
Total Function 1	3,650,626	716,428	634,961	349,405	18,943	204,367	5,594,730
4 DISTRICT ADMINISTRATION							
4.11 Educational Administration		9,238		100,489		28	109,815
4.40 School District Governance				46,840			46,840
4.41 Business Administration		38,861		72,158		262,261	383,100
4.65 Conseil Scolaire Francophone	0	38,861	0	81,456		28	120,145
Total Function 4	0	86,960	0	220,943	0	296	308,103
5 OPERATIONS AND MAINTENANCE							
5.41 Operations and Maintenance Administration		34,867			119,035		153,902
5.50 Maintenance Operations		(258)		214,533			214,275
5.52 Maintenance of Grounds							0
5.56 Utilities							0
5.65 Conseil Scolaire Francophone	0	34,608	0	214,533		119,035	368,176
Total Function 5	0	69,217	0	214,533	119,035	0	402,785
7 TRANSPORTATION AND HOUSING							
7.41 Transportation and Housing Administration							0
7.65 Conseil Scolaire Francophone							0
7.70 Student Transportation				9,546			9,546
7.73 Housing	0	0	0	9,546	0	0	9,546
Total Function 7	0	0	0	9,546	0	0	9,546
9 DEBT SERVICES (OPERATING)							
9.92 Interest on Bank Loans							0
9.94 Interest on Temporary Borrowing							0
Total Function 9	0	0	0	0	0	0	0
TOTAL FUNCTIONS 1 - 9	3,650,626	785,717	634,961	654,940	537,968	204,365	6,402,207

SCHOOL DISTRICT NO. 81 (Fort Nelson)
 OPERATING FUND
 EXPENSE BY FUNCTION AND PROGRAM
 YEAR ENDED JUNE 30, 2008

	2007		2008		2008		2007	
	TOTAL SALARIES	EMPLOYEE BENEFITS	TOTAL SALARIES AND BENEFITS	SERVICES AND SUPPLIES	AMENDED ANNUAL BUDGET	ACTUAL	ACTUAL	
1 INSTRUCTION								
1.02 Regular Instruction	3,383,555	982,751	4,366,306	419,645	4,785,951	4,669,129	4,678,622	
1.03 Career Programs	133,516	28,236	161,754		161,754	158,285	48,321	
1.07 Library Services	202,900	37,397	240,297	26,235	266,532	259,228	307,546	
1.08 Counselling	171,627	38,652	210,279	1,107	211,386	233,737	131,524	
1.10 Special Education	954,394	179,215	1,133,609	139,576	1,273,185	1,295,749	1,252,297	
1.30 English as a Second Language	0	0	0	0	0	0	0	
1.31 Aboriginal Education	202,355	33,081	235,436	57,886	293,322	285,248	172,776	
1.41 School Administration	436,306	91,487	527,795	22,489	550,284	574,525	432,774	
1.60 Summer School	0	0	0	0	0	0	0	
1.61 Continuing Education	0	0	0	0	0	0	0	
1.62 Off Shore Students	0	0	0	0	0	0	0	
1.64 Other	0	0	0	0	0	0	0	
1.65 Conseil Scolaire Francophone	20,073	5,577	25,650		25,650		0	
Total Function 1	6,504,730	1,396,336	7,901,066	665,938	8,567,004	7,425,902	7,023,860	
4 DISTRICT ADMINISTRATION								
4.11 Educational Administration	108,815	31,538	140,353	56,735	197,088	157,463	130,949	
4.40 School District Governance	46,840	705	47,545	32,969	80,514	83,653	80,867	
4.41 Business Administration	363,100	123,088	486,188	127,743	613,941	493,808	500,275	
4.65 Conseil Scolaire Francophone	0	0	0	0	0	0	0	
Total Function 4	519,755	155,341	675,096	217,447	892,543	744,944	712,111	
5 OPERATIONS AND MAINTENANCE								
5.41 Operations and Maintenance Administration	153,902	19,153	173,055	17,213	190,268	150,213	127,841	
5.50 Maintenance Operations	214,274	35,422	249,696	508,956	758,652	815,951	694,771	
5.52 Maintenance of Grounds	0	0	0	5,655	5,655	16,750	4,164	
5.58 Utilities	0	0	0	312,540	312,540	315,719	302,141	
5.65 Conseil Scolaire Francophone	0	0	0	0	0	0	0	
Total Function 5	368,176	54,575	422,751	844,374	1,287,125	1,297,643	1,128,917	
7 TRANSPORTATION AND HOUSING								
7.41 Transportation and Housing Administration	0	0	0	0	0	30,295	28,547	
7.65 Conseil Scolaire Francophone	0	0	0	0	0	0	0	
7.70 Student Transportation	9,546	2,849	12,395	399,462	411,857	415,473	380,196	
7.73 Housing	0	0	0	7,108	7,108	0	0	
Total Function 7	9,546	2,849	12,395	406,570	418,965	445,769	408,703	
9 DEBT SERVICES (OPERATING)								
9.92 Interest on Bank Loans	0	0	0	22,541	22,541	0	0	
9.94 Interest on Temporary Borrowing	0	0	0	0	0	0	0	
Total Function 9	0	0	0	22,541	22,541	0	0	
TOTAL FUNCTIONS 1 - 9	6,402,207	1,609,161	8,011,368	2,156,870	10,168,238	9,814,258	9,274,581	

SCHOOL DISTRICT NO. 81 (Fort Nelson)
OPERATING FUND
CHANGES IN DEFERRED CONTRIBUTIONS
YEAR ENDED JUNE 30, 2008

Schedule A5

BALANCE, BEGINNING OF YEAR	110,181
Changes in Accounting Policies/ Prior Period Adjustments	
BALANCE, BEGINNING OF YEAR, AS RESTATED	<u>110,181</u>
Changes for the Year	
Increase:	
Provincial Grants - Ministry of Education	17,665
Provincial Grants - Other	0
Other Revenue	0
	<u>17,665</u>
Decrease:	
Allocated to Revenue	
Provincial Grants - Ministry of Education	0
Provincial Grants - Other	0
Federal Grants	0
Other Revenue	0
Investment Income	0
Services & Supplies	68,439
	<u>68,439</u>
Net Changes for the Year	<u>(50,774)</u>
BALANCE, END OF YEAR	<u><u>59,407</u></u>

SCHOOL DISTRICT NO. 81 (Fort Nelson)
SPECIAL PURPOSE FUNDS
SUMMARY OF CHANGES
YEAR ENDED JUNE 30, 2008

	MINISTRY OF EDUCATION DESIGNATED	OTHER	SCHOOL GENERATED FUNDS	RELATED ENTITIES	TOTAL
DEFERRED CONTRIBUTIONS					
DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR	20,369	12,750	90,040	0	123,169
Add: Contributions Received	323,067				323,067
Provincial Grants - Ministry of Education					0
Provincial Grants - Other					0
Federal Grants					0
Other	915	6,950	194,895		202,760
Investment Income					0
District Entered					24,875
	323,382	6,950	219,760	0	550,092
Less: Allocated to Revenue Recovered	325,332	5,950	226,835		558,117
DEFERRED CONTRIBUTIONS, END OF YEAR	19,019	13,760	82,985	0	115,764
REVENUE AND EXPENSE					
REVENUE					
Provincial Grants - Ministry of Education	323,067				323,067
Provincial Grants - Other	916				916
Federal Grants					0
Other Revenue	1,349	5,950	226,835		234,134
Rentals and Leases					0
Investment Income					0
Gain (Loss) on Equity Investment					0
	325,382	5,950	226,835	0	558,117
EXPENSE					
Salaries					
Teachers					0
Principals and Vice Principals					0
Educational Assistants					0
Support Staff					0
Other Professionals					0
Substitutes					0
Employee Benefits					0
Services and Supplies	2,285	5,950	226,835		235,070
	2,285	5,950	226,835	0	235,070
NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS	323,067	0	0	0	323,067
INTERFUND TRANSFERS					
Capital Assets Purchased	(127,629)				(127,629)
Other	(195,438)				(195,438)
	(323,067)	0	0	0	(323,067)
NET REVENUE (EXPENSE)	0	0	0	0	0

**SCHOOL DISTRICT NO. 81 (Fort Nelson)
SPECIAL PURPOSE FUNDS
CHANGES IN MINISTRY OF EDUCATION DESIGNATED SPECIAL PURPOSE FUNDS
YEAR ENDED JUNE 30, 2008**

	207 Annual Facility Grant	231 Aboriginal Education Technology	250 Special Education Equipment	TOTAL
DEFERRED CONTRIBUTIONS				
DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR	0	16,667	3,702	20,369
Add: Contributions Received	323,067			323,067
Provincial Grants - Ministry of Education				0
Provincial Grants - Other				0
Federal Grants				0
Other			915	915
Investment Income				0
	323,067	0	915	323,982
Less: Allocated to Revenue				325,332
Recovered		449	1,816	2,265
DEFERRED CONTRIBUTIONS, END OF YEAR	0	16,218	2,807	19,019
REVENUE AND EXPENSE				
REVENUE				
Provincial Grants - Ministry of Education	323,067		916	323,067
Provincial Grants - Other				916
Federal Grants				0
Other Revenue		449	900	1,348
Investment Income				0
	323,067	449	1,816	325,332
EXPENSE				
Salaries				0
Teachers				0
Principals and Vice Principals				0
Educational Assistants				0
Support Staff				0
Other Professionals				0
Substitutes				0
Employee Benefits				0
Services and Supplies		449	1,816	2,265
	0	449	1,816	2,265
NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS	323,067	0	0	323,067
INTERFUND TRANSFERS				
Capital Assets Purchased	(127,629)			(127,629)
Other	(165,438)			(165,438)
	(323,067)	0	0	(323,067)
NET REVENUE (EXPENSE)	0	0	0	0

SCHOOL DISTRICT NO. 81 (Fort Nelson)
 SPECIAL PURPOSE FUNDS
 CHANGES IN OTHER SPECIAL PURPOSE FUNDS
 YEAR ENDED JUNE 30, 2008

	Bursary	TOTAL
DEFERRED CONTRIBUTIONS		
DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR	12,750	12,750
Add: Contributions Received		
Provincial Grants - Ministry of Education		0
Provincial Grants - Other		0
Federal Grants	6,950	6,950
Other		0
Investment Income		0
	<u>6,950</u>	<u>6,950</u>
Less: Allocated to Revenue		
Recovered	5,950	5,950
	<u>13,750</u>	<u>13,750</u>
DEFERRED CONTRIBUTIONS, END OF YEAR		
REVENUE AND EXPENSE		
REVENUE		
Provincial Grants - Ministry of Education		0
Provincial Grants - Other		0
Federal Grants		0
Other Revenue	5,950	5,950
Investment Income		0
	<u>5,950</u>	<u>5,950</u>
EXPENSE		
Salaries		0
Teachers		0
Principals and Vice Principals		0
Educational Assistants		0
Support Staff		0
Other Professionals		0
Substitutes		0
Employee Benefits		0
Services and Supplies	5,950	5,950
	<u>5,950</u>	<u>5,950</u>
NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS	<u>0</u>	<u>0</u>
INTERFUND TRANSFERS		
Capital Assets Purchased		0
Other		0
	<u>0</u>	<u>0</u>
NET REVENUE (EXPENSE)	<u>0</u>	<u>0</u>

SCHOOL DISTRICT NO. 81 (Fort Nelson)
 CAPITAL FUND
 CAPITAL ASSETS
 YEAR ENDED JUNE 30, 2008

	SITES	BUILDINGS	FURNITURE AND EQUIPMENT	VEHICLES	COMPUTER SOFTWARE	COMPUTER HARDWARE	TOTAL
COST, BEGINNING OF YEAR	1,166,947	16,051,812	476,929	110,692	18,199	217,427	21,045,106
Changes in Accounting Policy/ Prior Period Adjustments							
COST, BEGINNING OF YEAR, AS RESTATED	1,166,947	16,051,812	476,929	110,692	18,199	217,427	21,045,106
Changes for the Year							
Increase:							
Purchases from:							
Deferred Contributions - Bylaw							0
Deferred Contributions - Other							0
Operating Fund	8,154	951,407	135,327		20,885	324,528	1,450,301
Special Purpose Funds		127,525					127,629
Local Capital							0
Transferred from Work in Progress	8,154	1,088,035	135,327	0	20,885	324,528	1,577,930
Decrease:							
Disposed of							0
Deemed Disposals			54,364			20,012	74,376
Written-off/Down During Year	0	0	54,364	0	0	20,012	74,376
COST, END OF YEAR	1,175,101	20,140,948	560,892	110,692	39,084	521,943	22,548,660
WORK IN PROGRESS, END OF YEAR							0
COST AND WORK IN PROGRESS, END OF YEAR	1,175,101	20,140,948	560,892	110,692	39,084	521,943	22,548,660
ACCUMULATED AMORTIZATION, BEGINNING OF YEAR							
Changes in Accounting Policies/ Prior Period Adjustments							
BALANCE, BEGINNING OF YEAR, AS RESTATED	0	8,494,062	213,025	7,096	6,288	63,449	8,773,930
Changes for the Year							
Increase: Amortization for the Year		375,635	47,898	11,069	3,640	43,465	481,822
Decrease:							
Disposed of							0
Deemed Disposals			54,364			20,012	74,376
Written-off During Year	0	8,639,897	206,654	18,165	9,908	56,922	9,161,346
ACCUMULATED AMORTIZATION, END OF YEAR	1,175,101	11,281,251	354,238	92,527	29,176	435,021	13,367,314
CAPITAL ASSETS - NET							

SCHOOL DISTRICT NO. 81 (Fort Nelson)
 CAPITAL FUND
 CAPITAL ASSETS - WORK IN PROGRESS
 YEAR ENDED JUNE 30, 2008

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

SCHOOL DISTRICT NO. 81 (Fort Nelson)
CAPITAL FUND
DEFERRED CAPITAL CONTRIBUTIONS
YEAR ENDED JUNE 30, 2008

Schedule C3

	BYLAW CAPITAL (NET)	OTHER PROVINCIAL (NET)	OTHER CAPITAL (NET)	TOTAL CAPITAL
DEFERRED CAPITAL CONTRIBUTIONS, BEGINNING OF YEAR	6,139,199	0	0	6,139,199
Changes in Accounting Policies/ Prior Period Adjustments				
Prior period By Law capital	(30,249)			(30,249)
DEFERRED CAPITAL CONTRIBUTIONS, BEGINNING OF YEAR, AS RESTATED	<u>6,108,950</u>	<u>0</u>	<u>0</u>	<u>6,108,950</u>
Changes for the Year				
Increase:				
Transferred from Deferred Contributions - Capital Additions				0
Transferred from Work in Progress				0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Decrease:				
Amortization of Deferred Capital Contributions	268,012			268,012
Revenue Recognized on Disposal of Buildings				0
Revenue Recognized on Write-off/down of Buildings				0
	<u>268,012</u>	<u>0</u>	<u>0</u>	<u>268,012</u>
Net Changes for the Year	<u>(268,012)</u>	<u>0</u>	<u>0</u>	<u>(268,012)</u>
DEFERRED CAPITAL CONTRIBUTIONS, END OF YEAR	<u>5,840,938</u>	<u>0</u>	<u>0</u>	<u>5,840,938</u>
WORK IN PROGRESS, BEGINNING OF YEAR	0	0	0	0
Changes in Accounting Policies/ Prior Period Adjustments				
WORK IN PROGRESS, BEGINNING OF YEAR, AS RESTATED	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Changes for the Year				
Increase:				
Transferred from Deferred Contributions - Work in Progress				0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Decrease:				
Transferred to Deferred Capital Contributions				0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Changes for the Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
WORK IN PROGRESS, END OF YEAR	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL DEFERRED CAPITAL CONTRIBUTIONS, END OF YEAR	<u>5,840,938</u>	<u>0</u>	<u>0</u>	<u>5,840,938</u>

SCHOOL DISTRICT NO. 81 (Fort Nelson)
 CAPITAL FUND
 CHANGES IN DEFERRED CONTRIBUTIONS
 YEAR ENDED JUNE 30, 2008

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

SCHOOL DISTRICT NO. 81 (Fort Nelson)
CAPITAL FUND
CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2008

Schedule C5

	INVESTED IN CAPITAL ASSETS	LOCAL CAPITAL	FUND BALANCE
BALANCE, BEGINNING OF YEAR	4,806,625	0	4,806,625
Changes in Accounting Policies/ Prior Period Adjustments (Note Note 9)			
Prior period errors	30,249		30,249
BALANCE, BEGINNING OF YEAR, AS RESTATED	<u>4,836,874</u>	<u>0</u>	<u>4,836,874</u>
Changes for the Year			
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	268,012		268,012
Capital Assets Purchased from Local Capital			0
Interfund Transfers - Capital Assets Purchased	1,577,930		1,577,930
Interfund Transfers - Capital Assets WIP			0
Interfund Transfers - Local Capital			0
Amortization of Capital Assets	(481,822)		(481,822)
Transferred to Invested in Capital Assets			0
- Site Purchases			0
lease proceeds	(1,271,752)		(1,271,752)
lease payments	306,038		306,038
Net Changes for the Year	<u>398,406</u>	<u>0</u>	<u>398,406</u>
BALANCE, END OF YEAR	<u><u>5,235,280</u></u>	<u><u>0</u></u>	<u><u>5,235,280</u></u>