

SCHOOL DISTRICT

AUDITED FINANCIAL STATEMENTS

FISCAL YEAR 2005/2006

SCHOOL DISTRICT NUMBER 60	NAME OF SCHOOL DISTRICT Peace River North	YEAR 2005/2006
OFFICE LOCATION 10112 105 Ave		TELEPHONE NUMBER 250-262-6000
CITY / PROVINCE Fort St John, BC		POSTAL CODE V1J 4S4
WEBSITE ADDRESS http://www.prn.bc.ca		
NAME OF SUPERINTENDENT Larry Espe		NAME OF SECRETARY - TREASURER Ernest Inglehart

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. 60 (Peace River North) ("the Board") have been prepared by school district management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with 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.

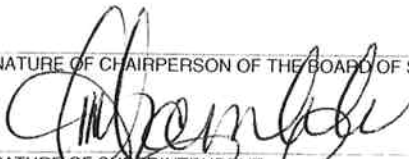
Declaration of Management and Board Chairperson

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 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. 60 (Peace River North) for the year ended June 30, 2006.

SIGNATURE OF CHAIRPERSON OF THE BOARD OF SCHOOL TRUSTEES

DATE SIGNED



2006-09-25

SIGNATURE OF SUPERINTENDENT

DATE SIGNED



SEPT 25th '06

SIGNATURE OF SECRETARY - TREASURER

DATE SIGNED



SEPT 25th '06

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SCHILDS & KURJATA
LTD.
CHARTERED ACCOUNTANTS

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AUDITORS' REPORT

The Board of School Trustees
School District 60 (Peace River North)
Fort St. John, BC

We have audited the statement of financial position of School District 60 (Peace River North) as at June 30, 2006 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.

Except as explained in the following paragraph, 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.

Beginning with the year ended June 30, 2005, School Based Accounts have been included in the financial statements in the Special Purpose Fund. The opening numbers, recorded as current year deferred revenue in the June 30, 2005 financial statements, were not subject to satisfactory audit verification. In addition, the school based accounts raise revenue by way of cash transactions through concession and ticket sales and other forms of cash fundraising for which we could not obtain satisfactory audit verification.

In our opinion, except for any adjustments that may be required on the School Based Accounts in the Special Purpose Fund opening numbers or cash transactions, these financial statements present fairly, in all material respects, the financial position of School District 60 (Peace River North) as at June 30, 2006 and the results of its operations for the year then ended in accordance with Canadian generally accounting principles. As required by the School Act (British Columbia), we report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year with allowances made for changes in accounting policies as disclosed in the notes.

September 1, 2006
Fort St John, BC

Schild's Kurjata Ltd.
CHARTERED ACCOUNTANTS

SCHOOL DISTRICT NO. 60 (Peace River North)
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2006

Statement 1

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2006	TOTAL 2005
ASSETS					
Current Assets					
Cash	27,552	2,699,902		2,727,454	2,835,431
Short Term Investments				0	0
Accounts Receivable					
Due from Province - Ministry of Education	35,699			35,699	0
Due from Province - Other	3,055,783			3,055,783	0
Due from LEA / Direct Funding				0	0
Other Receivables	794,799			794,799	1,122,573
Interfund Loans	1,277,564				
Inventories				0	0
Prepaid Expenses (Note Note 3)	308,083			308,083	956,652
	5,499,480	2,699,902	0	6,921,818	4,914,656
Investments				0	0
Equity Investments				0	0
Capital Assets - Net (Note Note 4)			48,937,716	48,937,716	46,388,419
TOTAL ASSETS	5,499,480	2,699,902	48,937,716	55,859,534	51,303,075
LIABILITIES AND FUND BALANCES					
Current Liabilities					
Bank Overdraft				0	0
Accounts Payable and Accrued Liabilities					
Due to Province - Ministry of Education			112,862	112,862	217,572
Due to Province - Other				0	0
Other				0	38,377
Bank Loans				0	0
Interfund Loans (Note Note 6)			1,277,564		
Other Current Liabilities	3,550,490			3,550,490	1,139,342
	3,550,490	0	1,390,426	3,663,352	1,395,291
Deferred Contributions					
Ministry of Education		1,372,688		1,372,688	971,480
Province - Other		120,992		120,992	171,402
Other	27,108	1,206,222		1,233,330	1,302,873
Accrued Employee Future Benefits (Note Note 7)	274,314			274,314	352,056
Deferred Capital Contributions			33,938,309	33,938,309	33,002,028
Bank Loans				0	0
Capital Lease Obligations				0	0
Other Long Term Liabilities				0	0
TOTAL LIABILITIES	3,851,912	2,699,902	35,328,735	40,602,985	37,195,130
Fund Balances					
Invested in Capital Assets			13,579,130	13,579,130	13,054,984
Endowment				0	0
Internally Restricted (Note Note 9)	1,603,497		29,851	1,633,348	1,052,961
Unrestricted (Note Note 9)	44,071			44,071	0
Unfunded Accrued Employee Future Benefits and Vacation Pay				0	0
TOTAL FUND BALANCES	1,647,568	0	13,608,981	15,256,549	14,107,945
TOTAL LIABILITIES AND FUND BALANCES	5,499,480	2,699,902	48,937,716	55,859,534	51,303,075

SCHOOL DISTRICT NO. 60 (Peace River North)
STATEMENT OF REVENUE AND EXPENSE
YEAR ENDED JUNE 30, 2006

Statement 2

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2006	TOTAL 2005
REVENUE					
Provincial Grants - Ministry of Education	45,538,425	1,632,713		47,171,138	45,502,871
Provincial Grants - Other	2,831,383	521,045		3,352,428	551,314
Federal Grants		75,217		75,217	74,447
Other Revenue	69,468	3,811,249		3,880,717	3,545,200
Rentals and Leases	68,094	97,940		166,034	67,575
Investment Income	107,860		600	108,460	75,259
Gain (Loss) on Equity Investment				0	0
Amortization of Deferred Capital Contributions			1,548,224	1,548,224	1,590,466
Gain (Loss) on Disposal of Capital Assets			13,698	13,698	0
	<u>48,615,230</u>	<u>6,138,164</u>	<u>1,562,522</u>	<u>56,315,916</u>	<u>51,407,132</u>
EXPENSE					
Salaries					
Teachers	19,119,692	567,458		19,687,150	18,402,883
Principals and Vice Principals	2,884,576	255,752		3,140,328	2,917,581
Educational Assistants	2,941,338	17,929		2,959,267	2,616,815
Support Staff	5,062,526	540,751		5,603,277	4,597,752
Other Professionals	1,281,273	52,172		1,333,445	1,166,354
Substitutes	886,384	18,316		904,700	911,594
	<u>32,175,789</u>	<u>1,452,378</u>	<u>0</u>	<u>33,628,167</u>	<u>30,612,979</u>
Employee Benefits	6,639,393	361,060		7,000,453	6,448,451
Services and Supplies	8,519,247	4,252,911		12,772,158	12,395,548
Amortization of Capital Assets			1,895,825	1,895,825	1,948,290
Write-off/down of Buildings and Sites				0	0
	<u>47,334,429</u>	<u>6,066,349</u>	<u>1,895,825</u>	<u>55,296,603</u>	<u>51,405,268</u>
NET REVENUE (EXPENSE)	<u>1,280,801</u>	<u>71,815</u>	<u>(333,303)</u>	<u>1,019,313</u>	<u>1,864</u>

SCHOOL DISTRICT NO. 60 (Peace River North)
 STATEMENT OF CHANGES IN FUND BALANCES
 YEAR ENDED JUNE 30, 2006

Statement 3

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2006	TOTAL 2005
FUND BALANCES, BEGINNING OF YEAR	1,037,408	0	13,070,537	14,107,945	14,114,929
Changes in Accounting Policies/ Prior Period Adjustments					
Accrued Employee Future Benefits				0	0
Accrued Vacation Pay				0	0
Accumulated Amortization of Capital Assets				0	0
Transfer Land Capital Reserve to Deferred Contributions				0	0
Transfer Capital Reserve to Deferred Contributions				0	0
School-Generated Funds				0	(8,848)
Related Entities				0	0
FUND BALANCES, BEGINNING OF YEAR, AS RESTATED	<u>1,037,408</u>	<u>0</u>	<u>13,070,537</u>	<u>14,107,945</u>	<u>14,106,081</u>
Changes for the Year					
Net Revenue (Expense) for the Year	1,280,801	71,815	(333,303)	1,019,313	1,864
Interfund Transfers					
Capital Assets Purchased	(460,817)	(71,815)	532,632	0	0
Local Capital				0	0
Other	(209,824)		209,824	0	0
Direct Increases in Fund Balances					
Endowment Contributions				0	0
Site Purchases			129,291	129,291	0
Comprehensive Income (Loss)				0	0
Net Changes for the Year	<u>610,160</u>	<u>0</u>	<u>538,444</u>	<u>1,148,604</u>	<u>1,864</u>
FUND BALANCES, END OF YEAR	<u><u>1,647,568</u></u>	<u><u>0</u></u>	<u><u>13,608,981</u></u>	<u><u>15,256,549</u></u>	<u><u>14,107,945</u></u>

SCHOOL DISTRICT NO. 60 (Peace River North)
STATEMENT OF CASH FLOWS
 YEAR ENDED JUNE 30, 2006

Statement 4.1

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2006	TOTAL 2005
CASH PROVIDED BY (USED FOR)					
OPERATIONS					
Net Revenue (Expense) for the Year	1,280,801	71,815	(333,303)	1,019,313	1,864
Changes In Non-Cash Working Capital					
Decrease (Increase)					
Accounts Receivable	(2,763,708)			(2,763,708)	(443,152)
Interfund Loans	(1,179,282)		1,179,282	0	0
Inventories				0	0
Prepaid Expenses	648,569			648,569	189,072
Increase (Decrease)					
Allowance for Doubtful Accounts				0	0
Accounts Payable/Accrued Liabilities	2,372,771			2,372,771	(772,101)
Other Current Liabilities				0	1,139,342
Deferred Contributions	27,108	254,147		281,255	1,475,832
Accrued Employee Future Benefits	(77,742)			(77,742)	352,056
Other Long Term Liabilities				0	0
Loss (Gain) on Disposal of Capital Assets			(13,698)	(13,698)	0
Items Not Involving Cash					
Amortization of Capital Assets			1,895,825	1,895,825	1,948,290
Amortization of Deferred Capital Contributions			(1,548,224)	(1,548,224)	(1,590,466)
Accounting Change - Accrued EFB				0	0
Accounting Change - Accrued Vacation Pay				0	0
Write-off/down of Buildings and Sites				0	0
Comprehensive Income (Loss)				0	0
Interfund Transfers	(670,641)	(71,815)	742,456	0	0
	(362,124)	254,147	1,922,338	1,814,361	2,300,737
FINANCING					
Bank Loan Received				0	0
Bank Loan Paid				0	0
Endowment Contributions				0	0
Increase (Decrease) Deferred Contributions - Capital			(104,710)	(104,710)	203,811
Proceeds from Disposal of Capital Assets			13,698	13,698	0
MEd Restricted Portion of Proceeds on Disposal				0	0
Net Deferred Capital Contributions					(286,200)
	0	0	(91,012)	(91,012)	(82,389)
INVESTING					
Capital Assets Purchased - Operating			(460,817)	(460,817)	(157,285)
Capital Assets Purchased - Special Purpose			(71,815)	(71,815)	(129,312)
Capital Assets Purchased - Local Capital				0	0
Increase in Work in Process			(247,095)	(247,095)	(400,080)
Underspent on vehicles			16,670	16,670	1,499
Bus purchase - other			(1,068,269)	(1,068,269)	
Decrease (Increase) in Investments				0	0
Decrease (Increase) in Equity Investments				0	0
	0	0	(1,831,326)	(1,831,326)	(685,178)
Net Increase (Decrease) in Cash	(362,124)	254,147	0	(107,977)	1,533,170

SCHOOL DISTRICT NO. 60 (Peace River North)
 STATEMENT OF CASH FLOWS
 YEAR ENDED JUNE 30, 2006

Statement 4.2

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2006	TOTAL 2005
NET INCREASE (DECREASE) IN CASH	(362,124)	254,147	0	(107,977)	1,533,170
Net Cash, Beginning of Year	389,676	2,445,755	0	2,835,431	1,302,261
Changes in Accounting Policies/ Prior Period Adjustments					
Net Cash, Beginning of Year, as Restated	389,676	2,445,755	0	2,835,431	1,302,261
NET CASH, END OF YEAR	27,552	2,699,902	0	2,727,454	2,835,431
Cash	27,552	2,699,902		2,727,454	2,835,431
Short Term Investments				0	0
Bank Overdraft				0	0
NET CASH, END OF YEAR	27,552	2,699,902	0	2,727,454	2,835,431

SCHOOL DISTRICT NO. 60 (PEACE RIVER NORTH)

Notes to the Audited Financial Statements

Year Ended June 30, 2006

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. 60 (Peace River North)", and operates as "School District No. 60 (Peace River North)." 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.
 - Endowment funds.
 - Funds collected and used at the school level (i.e. school-generated funds).
 - Controlled and/or related entities.
- Capital fund reports assets, liabilities, revenues and expenses for capital. Contributions of other funds used for capital purposes are transferred to the capital fund.

SCHOOL DISTRICT NO. 60 (PEACE RIVER NORTH)

Notes to the Audited Financial Statements

Year Ended June 30, 2006

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

b) Prepaid Expenses

Materials and supplies held in central stores for use within the district are included as a prepaid expense and stated at acquisition cost using the first-in-first-out method.

d) 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

- Disposals of sites or buildings are recorded and gains/losses calculated. Proceeds from the sale of other assets are recorded as other revenue in the operating fund. Assets that are fully amortized, except buildings, are written off as deemed disposals.

e) Capital Leases

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

SCHOOL DISTRICT NO. 60 (PEACE RIVER NORTH)

Notes to the Audited Financial Statements

Year Ended June 30, 2006

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

f) Revenue Recognition

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

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

- Non-capital contributions for specific purposes are recorded as deferred contributions and recognized as revenue in the year related expenses are incurred.
- Contributions restricted for capital purposes are recorded as deferred contributions until the amount is invested in capital assets.
 - If the capital asset is a site, the amount invested is recorded as a direct increase to net assets invested in capital assets.
 - If the capital asset is not a site, the amount invested is recorded as a deferred capital contribution and amortized over the useful life of the asset. Amortization commences in the year following acquisition.
 - Donated capital assets are recorded at fair market value and treated as a deferred capital contribution.
- Endowment contributions and matching contributions are reported as direct increases to net assets held as endowment principal.
- Investment income earned on endowment principal is recognized as a direct increase to net assets (endowment) to the extent required or agreed by donors. The remaining investment income earned on endowment principal is recorded as a deferred contribution and recognized as revenue in the year related expenses are incurred.

SCHOOL DISTRICT NO. 60 (PEACE RIVER NORTH)

Notes to the Audited Financial Statements

Year Ended June 30, 2006

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

g) Expenditures

- Categories of Salaries
 - Principals, Vice Principals, and Directors of Instruction employed under an administrative officer contract are categorized as Principals and Vice Principals.
 - 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.

h) Financial Instruments

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

i) Use of Estimates

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

SCHOOL DISTRICT NO. 60 (PEACE RIVER NORTH)

Notes to the Audited Financial Statements

Year Ended June 30, 2006

NOTE 3 PREPAID EXPENSES

Included in prepaid expenses is a Ministry of Education approved project titled the "Honeywell Project". Total project cost was \$2,450,178 with recovery through energy savings in the operating fund and transfers from the Annual Capital Grant (ACG) in the special purpose fund. To date, \$2,195,436 has been recovered with the remaining \$220,182 to be recovered in July, 2006.

NOTE 4 CAPITAL ASSETS

	2005		2004	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Sites	\$ 4,050,063	\$ -	\$ 4,050,063	\$ 3,920,772
Buildings	72,659,995	32,051,782	40,608,213	39,849,467
Furniture & Equipment	1,084,666	466,482	618,184	560,716
Vehicles	3,641,634	926,504	2,715,130	1,431,066
Computer Software	198,646	13,623	185,023	68,117
Computer Hardware	336,433	124,125	212,308	158,200
Work in Process	548,795	-	548,795	400,081
	<u>\$ 82,520,232</u>	<u>\$ 33,582,516</u>	<u>\$ 48,937,716</u>	<u>\$ 46,388,419</u>

NOTE 5 DISPOSAL OF SITES

During the year the School District disposed of two sites, one in Clayhurst obtained in 1955 and one in Taylor of which the District had no record of the original purchase price or date. The Clayhurst property was given to the District in 1955 and was sold for \$3,667. The Taylor site was sold for \$13,698.

NOTE 6 INTERFUND LOANS

During the year the School District purchased buses for a total value of \$1,068,269. The funding for this purchase is being provided from the operating fund and recovered over the next five years from present and future surplus at a minimum rate of \$209,824 per year. The first recovery has been recorded at June 30, 2006 leaving a balance to be retired in the amount of \$858,445 from future surplus allocations.

NOTE 7 ACCRUED EMPLOYEE FUTURE BENEFITS

Accrued employee future benefits at June 30, 2006 consist of vacation payable and are fully funded.

SCHOOL DISTRICT NO. 60 (PEACE RIVER NORTH)

Notes to the Audited Financial Statements

Year Ended June 30, 2006

NOTE 8 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 45,000 active members from school districts, and approximately 23,000 retired members from school districts. The Municipal Plan has about 130,000 active members, of which approximately 20,000 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, 2002 indicated a \$382 million unfunded liability for basic pension benefits. The next valuation will be as at December 31, 2005 with results available in late 2006. 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 School District No. 60 (Peace River North) paid \$2,763,829.02 for employer contributions to these plans in the year ended June 30, 2006.

NOTE 9 OPERATING FUND BALANCE, END OF YEAR

Internally Restricted (appropriated) by Board for:

Budget allocations for carryforward costs	\$ 531,758	
Planned retirement of bus purchase	259,853	
Budget reserve for carry forward to 2006/07	811,886	
Subtotal Internally Restricted		1,603,497
Unrestricted Operating Surplus (Deficit)		1,647,568
Total Available for Future Operations		\$ 44,071

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, 2006, transfers were as follows:

- \$670,641 transferred from the operating fund to the capital fund for capital asset purchases
- \$71,815 transferred from the special purpose fund to the capital fund for capital asset purchases

SCHOOL DISTRICT NO. 60 (PEACE RIVER NORTH)

Notes to the Audited Financial Statements

Year Ended June 30, 2006

NOTE 11 COMMITMENTS

School District No. 60 (Peace River North) has entered into lease agreements on photocopiers, computer equipment for the Wireless Writing Project and automotive equipment of which the risks and benefits of ownership do not transfer. These leases have varying expiry dates to June 30, 2010. Future minimum lease payments required under these agreements are:

2007	\$ 679,507
2008	\$ 677,246
2009	\$ 556,834
2010	\$ 355,508

NOTE 12 BUDGET FIGURES

Budget figure included in the financial statements are not audited. They were approved by the Board through the adoption of an amended annual budget on February 22, 2006.

NOTE 13 ECONOMIC DEPENDENCE

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

SCHOOL DISTRICT NO. 60 (Peace River North)
OPERATING FUND
SURPLUS (DEFICIT)
YEAR ENDED JUNE 30, 2006

Schedule A1

	2006	2006 AMENDED ANNUAL BUDGET	2005
	ACTUAL		ACTUAL
REVENUE			
Provincial Grants - Ministry of Education	45,538,425	46,585,671	43,864,395
Provincial Grants - Other	2,831,383	0	0
Federal Grants	0	0	0
Other Revenue	69,468	90,696	202,050
Rentals and Leases	68,094	65,000	67,575
Investment Income	107,860	60,000	74,878
	<u>48,615,230</u>	<u>46,801,367</u>	<u>44,208,898</u>
EXPENSE			
Salaries			
Teachers	19,119,692	18,752,820	17,867,497
Principals and Vice Principals	2,884,576	2,751,411	2,705,264
Educational Assistants	2,941,338	3,127,964	2,397,602
Support Staff	5,062,526	5,210,889	4,323,172
Other Professionals	1,281,273	1,237,720	1,115,002
Substitutes	886,384	902,713	877,683
	<u>32,175,789</u>	<u>31,983,517</u>	<u>29,286,220</u>
Employee Benefits	6,639,393	6,728,553	6,186,540
Services and Supplies	8,519,247	9,126,705	8,506,143
	<u>47,334,429</u>	<u>47,838,775</u>	<u>43,978,903</u>
NET REVENUE (EXPENSE), FOR THE YEAR	1,280,801	(1,037,408)	229,995
INTERFUND TRANSFERS			
Capital Assets Purchased	(460,817)	0	(157,285)
Local Capital	0	0	0
Other	(209,824)	0	0
OTHER ADJUSTMENTS TO OPERATING FUND BALANCE			
Reduce Unfunded Employee Future Benefits and Vacation Pay			
Comprehensive Income (Loss)	0	0	964,698
BUDGETED ALLOCATION OF SURPLUS (DEFICIT)		0	
SURPLUS (DEFICIT), FOR THE YEAR	<u>610,160</u>	<u>(1,037,408)</u>	<u>1,037,408</u>
SURPLUS (DEFICIT), BEGINNING OF YEAR	1,037,408		0
Changes in Accounting Policies/ Prior Period Adjustments			
SURPLUS (DEFICIT), BEGINNING OF YEAR, AS RESTATED	<u>1,037,408</u>		<u>0</u>
SURPLUS (DEFICIT), END OF YEAR			
(Section 156 (12) of School Act)	<u>1,647,568</u>		<u>1,037,408</u>
SURPLUS (DEFICIT), END OF YEAR			
Internally Restricted	1,603,497		
Unrestricted	44,071		
	<u>1,647,568</u>		

SCHOOL DISTRICT NO. 60 (Peace River North)
OPERATING FUND
COMPARATIVE SCHEDULE OF REVENUE BY SOURCE
YEAR ENDED JUNE 30, 2006

Schedule A2

	2006	2006 AMENDED ANNUAL BUDGET	2005
	ACTUAL		ACTUAL
PROVINCIAL GRANTS - MINISTRY OF EDUCATION			
Operating Grant, Ministry of Education	44,113,478	45,227,508	42,673,077
Other Ministry of Education Grants			
GAAP Implementation Funding	344,643	344,643	344,643
Pay Equity	241,350	241,350	241,350
GAAP Funding Received in 2003/04			310,013
			295,312
Class Size and Composition	203,708	203,708	
School/Dist Based Learning Resources	568,462	568,462	
Other MOE funding	66,784		
	<u>45,538,425</u>	<u>46,585,671</u>	<u>43,864,395</u>
PROVINCIAL GRANTS - OTHER	<u>2,831,383</u>	<u>0</u>	<u>0</u>
FEDERAL GRANTS	<u>0</u>	<u>0</u>	<u>0</u>
OTHER REVENUE			
Other School District/Education Authorities	0	0	0
Summer School Fees	0	0	0
Continuing Education	0	0	0
Offshore Tuition Fees	35,428	40,696	121,977
LEA/Direct Funding from First Nations	0	0	0
Miscellaneous			
NET MISC REVENUE	34,040	50,000	80,073
	<u>69,468</u>	<u>90,696</u>	<u>202,050</u>
RENTALS AND LEASES	<u>68,094</u>	<u>65,000</u>	<u>67,575</u>
INVESTMENT INCOME	<u>107,860</u>	<u>60,000</u>	<u>74,878</u>
TOTAL OPERATING REVENUE	<u><u>48,615,230</u></u>	<u><u>46,801,367</u></u>	<u><u>44,208,898</u></u>

SCHOOL DISTRICT NO. 60 (Peace River North)
 OPERATING FUND
 COMPARATIVE SCHEDULE OF EXPENSE BY OBJECT
 YEAR ENDED JUNE 30, 2006

Schedule A3

	2006 ACTUAL	2006 AMENDED ANNUAL BUDGET	2005 ACTUAL
SALARIES			
Teachers	19,119,692	18,752,820	17,867,497
Principals and Vice Principals	2,884,576	2,751,411	2,705,264
Educational Assistants	2,941,338	3,127,964	2,397,602
Support Staff	5,062,526	5,210,889	4,323,172
Other Professionals	1,281,273	1,237,720	1,115,002
Substitutes	886,384	902,713	877,683
	<u>32,175,789</u>	<u>31,983,517</u>	<u>29,286,220</u>
EMPLOYEE BENEFITS			
	6,639,393	6,728,553	6,186,540
Total Salaries and Benefits	<u>38,815,182</u>	<u>38,712,070</u>	<u>35,472,760</u>
SERVICES AND SUPPLIES			
Services	2,510,766	2,568,928	2,116,335
Student Transportation	428,021	316,440	1,638,864
Professional Development and Travel	316,119	247,249	381,860
Rentals and Leases	36,612	38,683	28,951
Dues and Fees	34,534	34,500	33,888
Insurance	115,284	143,507	121,387
Interest	0	0	0
Supplies	3,851,799	4,614,749	3,073,025
Bad Debts	0	0	0
Utilities	1,226,112	1,162,649	1,111,833
Total Services and Supplies	<u>8,519,247</u>	<u>9,126,705</u>	<u>8,506,143</u>
TOTAL OPERATING EXPENSE	<u>47,334,429</u>	<u>47,838,775</u>	<u>43,978,903</u>

SCHOOL DISTRICT NO. 60 (Peace River North)
 OPERATING FUND
 EXPENSE BY FUNCTION AND PROGRAM
 YEAR ENDED JUNE 30, 2006

	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	14,876,464	1,165,131	72,531	996,722	94,396	561,190	17,766,434
1.03 Career Programs	142,489	34,411		38,062			214,962
1.07 Library Services	493,070	26,798		48,314			568,182
1.08 Counselling	652,973						652,973
1.10 Special Education	2,612,788	158,998	2,372,277	66,713	80,973	101,790	5,393,539
1.30 English as a Second Language	86,412		116,855			5,723	208,990
1.31 Aboriginal Education	255,496		379,675	35,329	63,845	20,754	755,099
1.41 School Administration		1,499,238		399,373		435	1,899,046
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							0
Total Function 1	19,119,692	2,884,576	2,941,338	1,564,513	239,214	689,892	27,459,225
4 DISTRICT ADMINISTRATION							
4.11 Educational Administration				22,968	369,155		392,123
4.40 School District Governance					68,571		68,571
4.41 Business Administration				151,134	387,763	2,999	541,896
4.65 Conseil Scolaire Francophone							0
Total Function 4	0	0	0	174,102	825,489	2,999	1,002,590
5 OPERATIONS AND MAINTENANCE							
5.41 Operations and Maintenance Administration				44,238	145,439		189,677
5.50 Maintenance Operations				1,876,087		125,769	2,001,856
5.52 Maintenance of Grounds				194,800		12,864	207,664
5.56 Utilities							0
5.65 Conseil Scolaire Francophone							0
Total Function 5	0	0	0	2,115,125	145,439	138,633	2,399,197
7 TRANSPORTATION AND HOUSING							
7.41 Transportation and Housing Administration				3,188	71,131		74,319
7.65 Conseil Scolaire Francophone							0
7.70 Student Transportation				1,185,598		54,860	1,240,458
7.73 Housing							0
Total Function 7	0	0	0	1,188,786	71,131	54,860	1,314,777
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	19,119,692	2,884,576	2,941,338	5,062,526	1,281,273	886,384	32,175,789

SCHOOL DISTRICT NO. 60 (Peace River North)
 OPERATING FUND
 EXPENSE BY FUNCTION AND PROGRAM
 YEAR ENDED JUNE 30, 2006

Schedule A4.2

	2006		2006		2005	
	TOTAL SALARIES	EMPLOYEE BENEFITS	TOTAL SALARIES AND BENEFITS	SERVICES AND SUPPLIES	AMENDED ANNUAL BUDGET	ACTUAL
1 INSTRUCTION						
1.02 Regular Instruction	17,766,434	3,875,659	21,642,093	3,919,163	25,561,256	24,625,843
1.03 Career Programs	214,962	38,552	253,514	44,401	297,915	294,981
1.07 Library Services	569,182	114,021	682,203	133,886	816,089	793,372
1.08 Counselling	652,973	129,240	782,213	6,204	788,417	677,234
1.10 Special Education	5,393,539	1,032,489	6,426,028	265,823	6,691,851	5,248,544
1.30 English as a Second Language	208,990	43,937	252,927	7,752	260,679	177,317
1.31 Aboriginal Education	755,099	133,483	888,582	149,402	1,037,984	941,283
1.41 School Administration	1,899,046	343,802	2,242,848	136	2,242,984	2,141,967
1.60 Summer School	0	0	0	0	0	0
1.61 Continuing Education	0	0	0	0	0	0
1.62 Off Shore Students	0	0	0	0	0	0
1.64 Other	0	0	0	0	0	0
1.65 Conseil Scolaire Francophone	0	0	0	0	0	0
Total Function 1	27,459,225	5,711,183	33,170,408	4,528,767	37,697,175	34,900,541
4 DISTRICT ADMINISTRATION						
4.11 Educational Administration	392,123	71,186	463,309	124,279	587,588	593,641
4.40 School District Governance	68,571	1,050	69,621	104,714	174,335	166,262
4.41 Business Administration	541,896	109,254	651,150	373,491	1,024,641	899,512
4.65 Conseil Scolaire Francophone	0	0	0	0	0	0
Total Function 4	1,002,590	181,490	1,184,080	602,484	1,786,564	1,662,457
5 OPERATIONS AND MAINTENANCE						
5.41 Operations and Maintenance Administration	189,677	51,491	241,168	99,103	340,271	332,712
5.50 Maintenance Operations	2,001,856	394,433	2,396,289	686,994	3,083,283	2,822,401
5.52 Maintenance of Grounds	207,664	35,553	243,217	107,791	351,008	272,034
5.56 Utilities	0	0	0	1,224,196	1,224,196	1,110,007
5.65 Conseil Scolaire Francophone	0	0	0	0	0	0
Total Function 5	2,399,197	481,477	2,880,674	2,118,084	4,998,758	4,537,154
7 TRANSPORTATION AND HOUSING						
7.41 Transportation and Housing Administration	74,319	24,183	98,502	4,901	103,403	85,176
7.65 Conseil Scolaire Francophone	0	0	0	0	0	0
7.70 Student Transportation	1,240,458	241,060	1,481,518	1,259,677	2,741,195	2,786,725
7.73 Housing	0	0	0	7,334	7,334	3,850
Total Function 7	1,314,777	265,243	1,580,020	1,271,912	2,851,932	2,878,751
9 DEBT SERVICES (OPERATING)						
9.92 Interest on Bank Loans	0	0	0	0	0	0
9.94 Interest on Temporary Borrowing	0	0	0	0	0	0
Total Function 9	0	0	0	0	0	0
TOTAL FUNCTIONS 1 - 9	32,175,769	6,639,393	38,815,162	8,519,247	47,334,429	43,978,903

SCHOOL DISTRICT NO. 60 (Peace River North)
OPERATING FUND
CHANGES IN DEFERRED CONTRIBUTIONS
YEAR ENDED JUNE 30, 2006

Schedule A5

BALANCE, BEGINNING OF YEAR	0
Changes in Accounting Policies/ Prior Period Adjustments	
BALANCE, BEGINNING OF YEAR, AS RESTATED	<u>0</u>
Changes for the Year	
Increase:	
Provincial Grants - Ministry of Education	0
Provincial Grants - Other	0
Other Revenue	0
Set Up Prepaid Revenue	27,108
	<u>27,108</u>
Decrease:	
Allocated to Revenue	
Provincial Grants - Ministry of Education	0
Provincial Grants - Other	0
Federal Grants	0
Other Revenue	0
Rentals and Leases	0
Investment Income	0
	<u>0</u>
Net Changes for the Year	<u>27,108</u>
BALANCE, END OF YEAR	<u><u>27,108</u></u>

SCHOOL DISTRICT NO. 60 (Peace River North)
SPECIAL PURPOSE FUNDS
SUMMARY OF CHANGES
YEAR ENDED JUNE 30, 2006

Schedule B1

	MINISTRY OF EDUCATION DESIGNATED	OTHER	SCHOOL GENERATED FUNDS	RELATED ENTITIES	TOTAL
DEFERRED CONTRIBUTIONS					
DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR					
Add: Contributions Received	1,253,439	236,951	955,365	0	2,445,755
Provincial Grants - Ministry of Education	1,797,542	95,027			1,892,569
Provincial Grants - Other	493,000				493,000
Federal Grants		94,836			94,836
Other Revenue	1,640,962	184,739	2,049,967		3,875,668
Rentals and Leases	36,238				36,238
Investment Income					0
	<u>3,967,742</u>	<u>374,602</u>	<u>2,049,967</u>	<u>0</u>	<u>6,392,311</u>
Less: Allocated to Revenue Recovered	3,727,501	203,051	2,207,612		6,138,164
DEFERRED CONTRIBUTIONS, END OF YEAR	<u>1,493,680</u>	<u>408,502</u>	<u>797,720</u>	<u>0</u>	<u>2,699,902</u>
REVENUE AND EXPENSE					
REVENUE					
Provincial Grants - Ministry of Education	1,599,828	32,885			1,632,713
Provincial Grants - Other	521,045				521,045
Federal Grants		75,217			75,217
Other Revenue	1,508,688	94,949	2,207,612		3,811,249
Rentals and Leases	97,940				97,940
Investment Income					0
Gain (Loss) on Equity Investment					0
	<u>3,727,501</u>	<u>203,051</u>	<u>2,207,612</u>	<u>0</u>	<u>6,138,164</u>
EXPENSE					
Salaries					
Teachers	552,013	15,445			567,458
Principals and Vice Principals	237,887	17,865			255,752
Educational Assistants	17,929				17,929
Support Staff	540,751				540,751
Other Professionals	52,172				52,172
Substitutes	14,131	4,185			18,316
	<u>1,414,883</u>	<u>37,495</u>	<u>0</u>	<u>0</u>	<u>1,452,378</u>
Employee Benefits	354,626	6,434			361,060
Services and Supplies	1,892,179	153,120	2,207,612		4,252,911
	<u>3,661,688</u>	<u>197,049</u>	<u>2,207,612</u>	<u>0</u>	<u>6,066,349</u>
	<u>65,813</u>	<u>6,002</u>	<u>0</u>	<u>0</u>	<u>71,815</u>
NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS					
INTERFUND TRANSFERS					
Capital Assets Purchased	(65,813)	(6,002)			(71,815)
Other					0
	<u>(65,813)</u>	<u>(6,002)</u>	<u>0</u>	<u>0</u>	<u>(71,815)</u>
NET REVENUE (EXPENSE)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

**SCHOOL DISTRICT NO. 60 (Peace River North)
SPECIAL PURPOSE FUNDS
CHANGES IN MINISTRY OF EDUCATION DESIGNATED SPECIAL PURPOSE FUNDS
YEAR ENDED JUNE 30, 2006**

	207 Annual Facility Grant	210 Distance Education School	250 Special Education Equipment	SOCIAL EQUITY FUNDING MCF	EMPLOYEE HOUSING	TOTAL
DEFERRED CONTRIBUTIONS						
DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR	968,263	71,220	3,217	149,037	61,702	1,253,439
Add: Contributions Received						
Provincial Grants - Ministry of Education	1,369,325	418,434	9,783	493,000		1,797,542
Provincial Grants - Other						493,000
Federal Grants						0
Other Revenue		1,640,962				1,640,962
Rentals and Leases					36,238	36,238
Investment Income						0
	<u>1,369,325</u>	<u>2,059,396</u>	<u>9,783</u>	<u>493,000</u>	<u>36,238</u>	<u>3,957,742</u>
Less: Allocated to Revenue Recovered	1,099,592	1,996,251	10,673	521,045	97,940	3,727,501
DEFERRED CONTRIBUTIONS, END OF YEAR	<u>1,237,996</u>	<u>132,365</u>	<u>2,327</u>	<u>120,992</u>		<u>1,493,680</u>
REVENUE AND EXPENSE						
REVENUE						
Provincial Grants - Ministry of Education	1,099,592	489,563	10,673	521,045		1,599,828
Provincial Grants - Other						521,045
Federal Grants						0
Other Revenue		1,508,688				1,508,688
Rentals and Leases					97,940	97,940
Investment Income						0
	<u>1,099,592</u>	<u>1,998,251</u>	<u>10,673</u>	<u>521,045</u>	<u>97,940</u>	<u>3,727,501</u>
EXPENSE						
Salaries						
Teachers		535,591		16,422		552,013
Principals and Vice Principals		219,546		18,341		237,887
Educational Assistants		17,929				17,929
Support Staff		226,152		314,599		540,751
Other Professionals		52,172				52,172
Substitutes		14,131				14,131
		<u>1,065,521</u>		<u>349,362</u>		<u>1,414,883</u>
Employee Benefits		198,002		72,488	84,136	354,626
Services and Supplies		668,915	10,673	99,195	13,804	1,892,179
	<u>1,099,592</u>	<u>1,932,438</u>	<u>10,673</u>	<u>521,045</u>	<u>97,940</u>	<u>3,661,688</u>
NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS		<u>65,813</u>				<u>65,813</u>
INTERFUND TRANSFERS						
Capital Assets Purchased		(65,813)				(65,813)
Other						0
NET REVENUE (EXPENSE)						<u>0</u>

SCHOOL DISTRICT NO. 60 (Peace River North)
 SPECIAL PURPOSE FUNDS
 CHANGES IN OTHER SPECIAL PURPOSE FUNDS
 YEAR ENDED JUNE 30, 2006

	MISC GRANTS	FEDERAL FRENCH FUNDING	EMPLOYEE & FAMILY ASSISTANCE	TOTAL
	173,125	22,365	41,461	236,951
DEFERRED CONTRIBUTIONS				
DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR				
Add: Contributions Received				
Provincial Grants - Ministry of Education	95,027			95,027
Provincial Grants - Other		94,836		94,836
Federal Grants	147,373		37,366	184,739
Other Revenue				0
Rentals and Leases				0
Investment Income				0
	<u>242,400</u>	<u>94,836</u>	<u>37,366</u>	<u>374,602</u>
Less: Allocated to Revenue				
Recovered	99,072	75,217	28,762	203,051
	<u>316,453</u>	<u>41,984</u>	<u>50,065</u>	<u>408,502</u>

	MISC GRANTS	FEDERAL FRENCH FUNDING	EMPLOYEE & FAMILY ASSISTANCE	TOTAL
	173,125	22,365	41,461	236,951
REVENUE				
Provincial Grants - Ministry of Education	32,885			32,885
Provincial Grants - Other				0
Federal Grants		75,217		75,217
Other Revenue	66,187		28,762	94,949
Rentals and Leases				0
Investment Income				0
	<u>99,072</u>	<u>75,217</u>	<u>28,762</u>	<u>203,051</u>

	MISC GRANTS	FEDERAL FRENCH FUNDING	EMPLOYEE & FAMILY ASSISTANCE	TOTAL
	173,125	22,365	41,461	236,951
EXPENSE				
Salaries				
Teachers		15,445		15,445
Principals and Vice Principals		17,865		17,865
Educational Assistants				0
Support Staff				0
Other Professionals				0
Substitutes	1,651	2,534		4,185
	<u>1,651</u>	<u>35,844</u>		<u>37,495</u>
Employee Benefits		6,434		6,434
Services and Supplies	91,419	32,939	28,762	153,120
	<u>93,070</u>	<u>75,217</u>	<u>28,762</u>	<u>197,049</u>
	<u>6,002</u>			<u>6,002</u>

NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS				
INTERFUND TRANSFERS				
Capital Assets Purchased	(6,002)			(6,002)
Other				0
	<u>(6,002)</u>			<u>(6,002)</u>
NET REVENUE (EXPENSE)				

SCHOOL DISTRICT NO. 60 (Peace River North)
 CAPITAL FUND
 CAPITAL ASSETS
 YEAR ENDED JUNE 30, 2006

Schedule C1

	SITES	BUILDINGS	FURNITURE AND EQUIPMENT	VEHICLES	COMPUTER SOFTWARE	COMPUTER HARDWARE	TOTAL
COST, BEGINNING OF YEAR	3,920,772	70,404,121	1,919,917	2,640,148	68,117	303,272	79,256,347
Changes in Accounting Policy/ Prior Period Adjustments							
Correct prior period entry			(896,432)	(375,214)		(22,116)	(1,293,762)
COST, BEGINNING OF YEAR, AS RESTATED	3,920,772	70,404,121	1,023,485	2,264,934	68,117	281,156	77,962,585
Changes for the Year							
Increase:							
Purchases from:							
Deferred Contributions - By/Law	129,291	1,954,174	14,672	197,290			2,295,427
Deferred Contributions - Other							0
Operating Fund			92,965	146,619	110,894	110,339	460,817
Special Purpose Funds			52,180		19,635		71,815
Local Capital							0
Bus acquisition - operating deferred funding (adj)		301,700		1,068,269			1,068,269
Transferred from Work in Progress					130,529	110,339	301,700
Decrease:							
Disposed of							0
Deemed Disposals			98,636	133,858		55,062	287,556
Written-off/down During Year							0
Add from prior year WIP				(98,380)			(98,380)
COST, END OF YEAR	0	0	98,636	35,478	0	55,062	189,176
WORK IN PROGRESS, END OF YEAR	4,050,063	72,659,995	1,084,666	3,641,634	198,646	336,433	81,971,437
COST AND WORK IN PROGRESS, END OF YEAR	4,050,063	73,208,790	1,084,666	3,641,634	198,646	336,433	82,520,232
ACCUMULATED AMORTIZATION, BEGINNING OF YEAR							
Changes in Accounting Policies/ Prior Period Adjustments							
Correct prior period entry			(896,432)	(375,214)		(22,116)	(1,293,762)
BALANCE, BEGINNING OF YEAR, AS RESTATED	0	30,554,654	462,763	833,868	0	122,956	31,974,247
Changes for the Year							
Increase: Amortization for the Year		1,497,128	102,349	226,494	13,623	56,231	1,895,825
Decrease:							
Disposed of							0
Deemed Disposals			98,636	133,858		55,062	287,556
Written-off During Year							0
ACCUMULATED AMORTIZATION, END OF YEAR	0	0	98,636	133,858	0	55,062	287,556
CAPITAL ASSETS - NET	0	32,051,782	466,482	925,503	13,623	124,125	33,582,516
	4,050,063	41,157,008	618,184	2,715,130	185,023	212,308	48,937,716

SCHOOL DISTRICT NO. 60 (Peace River North)
 CAPITAL FUND
 CAPITAL ASSETS - WORK IN PROGRESS
 YEAR ENDED JUNE 30, 2006

Schedule C2

	BUILDINGS	FURNITURE AND EQUIPMENT	COMPUTER SOFTWARE	COMPUTER HARDWARE	TOTAL
	301,700	0	0	0	301,700
	<u>301,700</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>301,700</u>
	548,795				
	<u>548,795</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>548,795</u>
	301,700				
	<u>301,700</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>301,700</u>
	247,095				
	<u>247,095</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>247,095</u>
	548,795				
	<u>548,795</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>548,795</u>

WORK IN PROGRESS, BEGINNING OF YEAR
 Changes in Accounting Policy/
 Prior Period Adjustments

WORK IN PROGRESS, BEGINNING OF YEAR, AS RESTATED

Changes for the Year

Increase:

- Deferred Contributions - Bylaw 0
- Deferred Contributions - Other 0
- Operating Fund 548,795
- Special Purpose Funds 0
- Local Capital 0

Decrease:

- Transferred to Capital Assets 301,700

Net Changes for the Year

WORK IN PROGRESS, END OF YEAR

SCHOOL DISTRICT NO. 60 (Peace River North)
CAPITAL FUND
DEFERRED CAPITAL CONTRIBUTIONS
YEAR ENDED JUNE 30, 2006

Schedule C3

	BYLAW CAPITAL (NET)	OTHER PROVINCIAL (NET)	OTHER CAPITAL (NET)	TOTAL CAPITAL
DEFERRED CAPITAL CONTRIBUTIONS, BEGINNING OF YEAR	33,002,028	0	0	33,002,028
Changes in Accounting Policies/ Prior Period Adjustments				
DEFERRED CAPITAL CONTRIBUTIONS, BEGINNING OF YEAR, AS RESTATED	<u>33,002,028</u>	<u>0</u>	<u>0</u>	<u>33,002,028</u>
Changes for the Year				
Increase:				
Transferred from Deferred Contributions - Capital Additions	2,166,136			2,166,136
Transferred from Work in Progress				0
District Entered	318,369			318,369
	<u>2,484,505</u>	<u>0</u>	<u>0</u>	<u>2,484,505</u>
Decrease:				
Amortization of Deferred Capital Contributions	1,548,224			1,548,224
Revenue Recognized on Disposal of Buildings				0
Revenue Recognized on Write-off/down of Buildings				0
	<u>1,548,224</u>	<u>0</u>	<u>0</u>	<u>1,548,224</u>
Net Changes for the Year	<u>936,281</u>	<u>0</u>	<u>0</u>	<u>936,281</u>
DEFERRED CAPITAL CONTRIBUTIONS, END OF YEAR	<u>33,938,309</u>	<u>0</u>	<u>0</u>	<u>33,938,309</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>
DEFERRED CAPITAL CONTRIBUTIONS AND WORK IN PROGRESS, END OF YEAR	<u>33,938,309</u>	<u>0</u>	<u>0</u>	<u>33,938,309</u>

SCHOOL DISTRICT NO. 60 (Peace River North)
 CAPITAL FUND
 CHANGES IN DEFERRED CONTRIBUTIONS
 YEAR ENDED JUNE 30, 2006

	BY-LAW CAPITAL	MINISTRY OF EDUCATION RESTRICTED CAPITAL	OTHER PROVINCIAL CAPITAL	LAND CAPITAL	OTHER CAPITAL	TOTAL
BALANCE, BEGINNING OF YEAR	208,519	9,053	0	0	0	217,572
Changes in Accounting Policies/ Prior Period Adjustments						
BALANCE, BEGINNING OF YEAR, AS RESTATED	208,519	9,053	0	0	0	217,572
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	2,186,734					2,186,734
Provincial Grants - Other						0
Other						0
Investment Income		316				316
MEd Restricted Portion of Proceeds on Disposal		3,667				3,667
	2,186,734	3,983	0	0	0	2,190,717
Decrease:						
Transferred to DCC - Capital Additions	2,166,136					2,166,136
Transferred to DCC - Work in Progress						0
Transferred to Invested in Capital Assets - Site Purchases	129,291					129,291
	2,295,427	0	0	0	0	2,295,427
Net Changes for the Year	(108,693)	3,983	0	0	0	(104,710)
BALANCE, END OF YEAR	99,826	13,036	0	0	0	112,862

SCHOOL DISTRICT NO. 60 (Peace River North)

Schedule C5

**CAPITAL FUND
CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2006**

	INVESTMENT IN CAPITAL	LOCAL CAPITAL	FUND BALANCE
BALANCE, BEGINNING OF YEAR	13,054,984	15,553	13,070,537
Changes in Accounting Policies/ Prior Period Adjustments			
BALANCE, BEGINNING OF YEAR, AS RESTATED	13,054,984	15,553	13,070,537
Changes for the Year			
Investment Income		600	600
Comprehensive Income (Loss)			0
Gain (Loss) on Disposal of Capital Assets	13,698		13,698
District Portion of Proceeds on Disposal	(13,698)	13,698	0
Write-off/down of Buildings and Sites			0
Amortization of Deferred Capital Contributions	1,548,224		1,548,224
Capital Assets Purchased from Local Capital			0
Interfund Transfers - Capital Assets Purchased	532,632		532,632
Interfund Transfers - Capital Assets WIP			0
Interfund Transfers - Local Capital			0
Amortization of Capital Assets	(1,895,825)		(1,895,825)
Transferred to Invested in Capital Assets			
- Site Purchases	129,291		129,291
First year retirement of bus acquisition	209,824		209,824
Net Changes for the Year	524,146	14,298	538,444
BALANCE, END OF YEAR	13,579,130	29,851	13,608,981

