

School District No. 60

PEACE RIVER NORTH

1000-10th Street, Box 100, Peace River, Alberta T8A 1P2
Tel: 780-762-2222 Fax: 780-762-2223

DISTRICT ADMINISTRATION OFFICE

September 14, 2010

VIA COURIER

Dianne Lyngard
School District Financial Reporting Branch
Resource Management Division
Ministry of Education
4th Floor, 620 Superior Street
Victoria, BC V8W 9H1

Dear Ms. Lyngard,

Re: 2009-2010 Audited Financial Statements

In accordance with Ministry instructions, we enclose two (2) hard copies (the original + one copy) of the District's 2009-2010 Audited Financial Statements.

Sincerely,

THE BOARD OF EDUCATION
School District No. 60
(Peace River North)

Doug Boyd,
Secretary-Treasurer

DB:rf

Enclosures

cc. Nic Weswick, Controller

File: 23.4{c}
2009-10 budget

Board of Education:

Gordon Anderson – Chair Ida Campbell - Vice-Chair
Erin Evans Heather Hannaford Gord Klassen Linda Sewell Jaret Thompson

SCHOOL DISTRICT AUDITED FINANCIAL STATEMENTS FISCAL YEAR 2009/2010

SCHOOL DISTRICT NUMBER 60	NAME OF SCHOOL DISTRICT Peace River North	YEAR 2009/2010
OFFICE LOCATION 10112 105th Avenue		TELEPHONE NUMBER 250-262-6000
CITY/PROVINCE Fort St John		POSTAL CODE V1J4S4
WEBSITE ADDRESS www.pm.bc.ca		
NAME OF SUPERINTENDENT Larry Espe		NAME OF SECRETARY-TREASURER Doug Boyd

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. 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 Canadian generally accepted accounting principles for not-for-profit organizations.

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

The Board's Responsibility

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

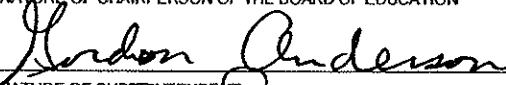
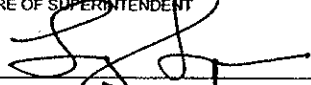
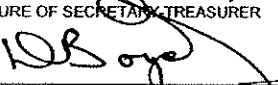
External Auditors

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

Declaration of Management and Board Chairperson

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

We, the undersigned, certify that the attached is a correct and true copy of the Audited Financial Statements of School District No. 60 (Peace River North) for the year ended June 30, 2010.

SIGNATURE OF CHAIRPERSON OF THE BOARD OF EDUCATION 	DATE SIGNED Sept. 13/10
SIGNATURE OF SUPERINTENDENT 	DATE SIGNED Sept 13/10
SIGNATURE OF SECRETARY-TREASURER 	DATE SIGNED Sept 13/10

**SCHOOL DISTRICT No. 60 (PEACE RIVER NORTH)
2009/2010 AUDITED FINANCIAL STATEMENTS**

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SCHILDS & KURJATA
LTD.
CHARTERED ACCOUNTANTS

Tim Schild's, B.Comm., C.A.
John Kurjata, C.A.

#101, 1136 - 103 Avenue,
Dawson Creek, BC V1G 2G7
Bus: (250) 782-2840 Fax: (250) 782-3908
Toll Free: 1-888-782-2840
Email: skldc@schildskurjata.bc.ca

AUDITORS' REPORT

To The Board of Education
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, 2010 and the statements of revenue and expense, changes in fund balances, and cash flows for the year then ended. These financial statements are the responsibility of the School District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, these financial statements present fairly, in all material respects, the financial position of School District 60 (Peace River North) as at June 30, 2010 and the results of its operations for the year then ended in accordance with the 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 includes Schedules A1 through C5, 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, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Dawson Creek, BC
August 31, 2010

Schild's Kurjata Ltd.
CHARTERED ACCOUNTANTS

SCHOOL DISTRICT No. 60 (PEACE RIVER NORTH)
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2010

Statement 1

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2010	TOTAL 2009
ASSETS					
Current Assets					
Cash and Cash Equivalents (Note 2b)	\$ 3,527,131	\$ 2,597,987		\$ 6,125,118	\$ 4,014,281
Short Term Investments (Note 2c)	601,956			601,956	602,000
Accounts Receivable					
Due from Province - Ministry of Education (Note 2d)	720			720	
Due from Province - Other (Note 2d)	74,289			74,289	41,754
Other Receivables (Note 3)	292,788			292,788	316,044
Interfund Loans			64,997		
Inventories				-	849,037
Prepaid Expenses (Note 2e)	62,104			62,104	139,530
	4,558,988	2,597,987	64,997	7,156,975	5,962,646
Capital Assets - Net (Note 4)			49,957,410	49,957,410	52,101,062
TOTAL ASSETS	\$ 4,558,988	\$ 2,597,987	\$ 50,022,407	\$ 57,114,385	\$ 58,063,708
LIABILITIES AND FUND BALANCES					
Current Liabilities					
Accounts Payable and Accrued Liabilities					
Other	2,081,797			2,081,797	1,453,941
Interfund Loans	64,997				
	2,146,794	-	-	2,081,797	1,453,941
Deferred Revenue	47,178			47,178	
Deferred Contributions					
Ministry of Education		866,429	40,198	906,627	554,765
Province - Other		4,401		4,401	12,326
Other		1,727,157		1,727,157	1,760,319
Accrued Employee Future Benefits (Note 6)	12,596			12,596	
Deferred Capital Contributions			35,190,796	35,190,796	36,976,554
TOTAL LIABILITIES	2,206,568	2,597,987	35,230,994	39,970,552	40,757,905
Fund Balances					
Invested in Capital Assets			14,753,578	14,753,578	15,111,472
Internally Restricted (Note 7)	2,225,334		37,835	2,263,169	2,105,975
Unrestricted (Note 7)	127,086			127,086	88,356
TOTAL FUND BALANCES	2,352,420	-	14,791,413	17,143,833	17,305,803
TOTAL LIABILITIES AND FUND BALANCES	\$ 4,558,988	\$ 2,597,987	\$ 50,022,407	\$ 57,114,385	\$ 58,063,708

SCHOOL DISTRICT No. 60 (PEACE RIVER NORTH)
STATEMENT OF REVENUE AND EXPENSE
YEAR ENDED JUNE 30, 2010

Statement 2

	OPERATING	SPECIAL	CAPITAL	TOTAL	TOTAL
	FUND	PURPOSE	FUND	2010	2009
	FUND	FUNDS	FUND	2010	2009
REVENUE					
Provincial Grants - Ministry of Education	\$ 52,979,789	\$ 918,310		\$ 53,898,099	\$ 54,093,853
Provincial Grants - Other		531,431		531,431	104,660
Other Revenue	2,061,285	2,596,410		4,657,695	3,324,814
Rentals and Leases	8,533			8,533	6,216
Investment Income	39,821	1,259	169	41,249	183,703
Amortization of Deferred Capital Contributions			1,817,793	1,817,793	1,790,560
	<u>55,089,428</u>	<u>4,047,410</u>	<u>1,817,962</u>	<u>60,954,800</u>	<u>59,503,806</u>
EXPENSE					
Salaries					
Teachers	22,306,137	258,209		22,564,346	22,068,905
Principals and Vice Principals	3,499,144	76,342		3,575,486	3,530,817
Educational Assistants	3,083,180	463,380		3,546,560	3,390,605
Support Staff	5,902,501	45,732		5,948,233	5,884,316
Other Professionals	1,427,255			1,427,255	1,420,425
Substitutes	1,212,916	9,096		1,222,012	1,239,949
	<u>37,431,133</u>	<u>852,759</u>	<u>-</u>	<u>38,283,892</u>	<u>37,535,017</u>
Employee Benefits	8,390,497	193,404		8,583,901	8,489,625
Services and Supplies	8,895,736	2,903,348		11,799,084	11,542,038
Amortization of Capital Assets			2,449,893	2,449,893	2,418,208
	<u>54,717,366</u>	<u>3,949,511</u>	<u>2,449,893</u>	<u>61,116,770</u>	<u>59,984,888</u>
NET REVENUE (EXPENSE)	<u>\$ 372,062</u>	<u>\$ 97,899</u>	<u>\$ (631,931)</u>	<u>\$ (161,970)</u>	<u>\$ (481,082)</u>

SCHOOL DISTRICT No. 60 (PEACE RIVER NORTH)
STATEMENT OF CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2010

Statement 3

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2010	TOTAL 2009
FUND BALANCES, BEGINNING OF YEAR	\$ 2,156,665	\$ -	\$ 15,149,138	\$ 17,305,803	\$ 17,786,885
Changes for the Year					
Net Revenue (Expense) for the Year	372,062	97,899	(631,931)	(161,970)	(481,082)
Interfund Transfers					
Capital Assets Purchased (Note 8)	(176,307)	(97,899)	274,206	-	
Net Changes for the Year	<u>195,755</u>	<u>-</u>	<u>(357,725)</u>	<u>(161,970)</u>	<u>(481,082)</u>
FUND BALANCES, END OF YEAR	<u>\$ 2,352,420</u>	<u>\$ -</u>	<u>\$ 14,791,413</u>	<u>\$ 17,143,833</u>	<u>\$ 17,305,803</u>

SCHOOL DISTRICT No. 60 (PEACE RIVER NORTH)
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2010

Statement 4.1

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2010	TOTAL 2009
CASH PROVIDED BY (USED FOR)					
OPERATIONS					
Net Revenue (Expense) for the Year	\$ 372,062	\$ 97,899	\$ (631,931)	\$ (161,970)	\$ (481,082)
Changes in Non-Cash Working Capital					
Decrease (Increase)					
Short Term Investments	44			44	(602,000)
Accounts Receivable	(9,999)			(9,999)	32,148
Interfund Loans	(7,231)		7,231	-	
Inventories	849,037			849,037	(481,727)
Prepaid Expenses	77,426			77,426	73,582
Increase (Decrease)					
Accounts Payable/Accrued Liabilities	627,856			627,856	187,666
Deferred Revenue	47,178			47,178	
Deferred Contributions	(14,927)	333,102		318,175	(451,235)
Accrued Employee Future Benefits	12,596			12,596	
Items Not Involving Cash					
Amortization of Capital Assets			2,449,893	2,449,893	2,418,208
Amortization of Deferred Capital Contributions			(1,817,793)	(1,817,793)	(1,790,560)
Interfund Transfers	(176,307)	(97,899)	274,206	-	
	<u>1,777,735</u>	<u>333,102</u>	<u>281,606</u>	<u>2,392,443</u>	<u>(1,095,000)</u>
FINANCING					
Deferred Contributions Received - Capital			24,635	24,635	522,222
	-	-	24,635	24,635	522,222
INVESTING					
Capital Assets Purchased - Operating			(176,307)	(176,307)	(130,305)
Capital Assets Purchased - Special Purpose			(97,899)	(97,899)	(432,970)
Capital Assets Purchased - Deferred Contributions - Capital			(32,035)	(32,035)	(482,215)
	-	-	(306,241)	(306,241)	(1,045,490)
NET INCREASE (DECREASE) IN CASH	<u>\$ 1,777,735</u>	<u>\$ 333,102</u>	<u>\$ -</u>	<u>\$ 2,110,837</u>	<u>\$ (1,618,268)</u>

**SCHOOL DISTRICT No. 60 (PEACE RIVER NORTH)
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2010**

Statement 4.2

	<u>OPERATING FUND</u>	<u>SPECIAL PURPOSE FUNDS</u>	<u>CAPITAL FUND</u>	<u>TOTAL 2010</u>	<u>TOTAL 2009</u>
NET INCREASE (DECREASE) IN CASH	\$ 1,777,735	\$ 333,102	\$ -	\$ 2,110,837	\$ (1,618,268)
Net Cash, Beginning of Year	1,749,396	2,264,885		4,014,281	5,632,549
NET CASH, END OF YEAR	<u>\$ 3,527,131</u>	<u>\$ 2,597,987</u>	<u>\$ -</u>	<u>\$ 6,125,118</u>	<u>\$ 4,014,281</u>
Cash	\$ 2,004,207	\$ 2,597,987		\$ 4,602,194	\$ 4,014,281
Cash Equivalents	1,522,924			1,522,924	
NET CASH, END OF YEAR	<u>\$ 3,527,131</u>	<u>\$ 2,597,987</u>	<u>\$ -</u>	<u>\$ 6,125,118</u>	<u>\$ 4,014,281</u>

SCHOOL DISTRICT No. 60 (PEACE RIVER NORTH)
OPERATING FUND
SURPLUS (DEFICIT)
YEAR ENDED JUNE 30, 2010

Schedule A1

	2010	2010		2009
	ACTUAL	AMENDED ANNUAL BUDGET		ACTUAL
REVENUE				
Provincial Grants - Ministry of Education	\$ 52,979,789	\$ 52,802,257	\$	51,408,837
Other Revenue	2,061,285	935,000		963,192
Rentals and Leases	8,533	6,300		6,216
Investment Income	39,821	50,000		130,607
	<u>55,089,428</u>	<u>53,793,557</u>		<u>52,508,852</u>
EXPENSE				
Salaries				
Teachers	22,306,137	22,432,176		21,663,234
Principals and Vice Principals	3,499,144	3,506,836		3,491,045
Educational Assistants	3,083,180	3,290,874		3,049,531
Support Staff	5,902,501	5,908,303		5,847,084
Other Professionals	1,427,255	1,431,919		1,420,425
Substitutes	1,212,916	1,296,107		1,203,154
	<u>37,431,133</u>	<u>37,866,215</u>		<u>36,674,473</u>
Employee Benefits	8,390,497	8,530,203		8,304,577
Services and Supplies	8,895,736	9,553,804		7,816,898
	<u>54,717,366</u>	<u>55,950,222</u>		<u>52,795,948</u>
NET REVENUE (EXPENSE), FOR THE YEAR	372,062	(2,156,665)		(287,096)
INTERFUND TRANSFERS				
Capital Assets Purchased	(176,307)			(130,305)
Other				7,699
OTHER ADJUSTMENTS TO OPERATING FUND BALANCE				
BUDGETED ALLOCATION (RETIREMENT) OF SURPLUS (DEFICIT)		2,156,665		
SURPLUS (DEFICIT), FOR THE YEAR	195,755	\$ -		(409,702)
SURPLUS (DEFICIT), BEGINNING OF YEAR	2,156,665			2,566,367
SURPLUS (DEFICIT), END OF YEAR				
(Section 156 (12) of School Act)	<u>\$ 2,352,420</u>		<u>\$</u>	<u>2,156,665</u>
SURPLUS (DEFICIT), END OF YEAR				
Internally Restricted	2,225,334			
Unrestricted	127,086			
	<u>\$ 2,352,420</u>			

SCHOOL DISTRICT No. 60 (PEACE RIVER NORTH)
OPERATING FUND
COMPARATIVE SCHEDULE OF REVENUE BY SOURCE
YEAR ENDED JUNE 30, 2010

Schedule A2

	2010 ACTUAL	2010 AMENDED ANNUAL BUDGET	2009 ACTUAL
PROVINCIAL GRANTS - MINISTRY OF EDUCATION			
Operating Grant, Ministry of Education	\$ 52,642,553	\$ 52,541,307	\$ 50,885,008
Other Ministry of Education Grants			
Pay Equity	241,350	241,349	241,350
Labour Market Adjustments			232,940
Education Guarantee	45,705		11,299
BC150 Calendar Reimbursement			312
FSA Scorer Funding	8,696		7,200
Carbon Tax Reimbursement	41,485	19,601	13,198
BCeSIS Implementation			17,530
	<u>52,979,789</u>	<u>52,802,257</u>	<u>51,408,837</u>
PROVINCIAL GRANTS - OTHER			
FEDERAL GRANTS			
OTHER REVENUE			
Offshore Tuition Fees	246,562	250,000	244,451
Miscellaneous			
Miscellaneous	63,841	55,514	161,893
Distributed Learning 3rd Party Billings	189,825	385,000	556,848
Sales of Residential Construction Houses	1,310,331		
Trades and Apprenticeship Funding	250,726	244,486	
	<u>2,061,285</u>	<u>935,000</u>	<u>963,192</u>
RENTALS AND LEASES	<u>8,533</u>	<u>6,300</u>	<u>6,216</u>
INVESTMENT INCOME	<u>39,821</u>	<u>50,000</u>	<u>130,607</u>
TOTAL OPERATING REVENUE	<u>\$ 55,089,428</u>	<u>\$ 53,793,557</u>	<u>\$ 52,508,852</u>

SCHOOL DISTRICT No. 60 (PEACE RIVER NORTH)
OPERATING FUND
COMPARATIVE SCHEDULE OF EXPENSE BY OBJECT
YEAR ENDED JUNE 30, 2010

Schedule A3

	2010		
	2010 ACTUAL	AMENDED ANNUAL BUDGET	2009 ACTUAL
SALARIES			
Teachers	\$ 22,306,137	\$ 22,432,176	\$ 21,663,234
Principals and Vice Principals	3,499,144	3,506,836	3,491,045
Educational Assistants	3,083,180	3,290,874	3,049,531
Support Staff	5,902,501	5,908,303	5,847,084
Other Professionals	1,427,255	1,431,919	1,420,425
Substitutes	1,212,916	1,296,107	1,203,154
	<u>37,431,133</u>	<u>37,866,215</u>	<u>36,674,473</u>
EMPLOYEE BENEFITS	<u>8,390,497</u>	<u>8,530,203</u>	<u>8,304,577</u>
TOTAL SALARIES AND BENEFITS	<u>45,821,630</u>	<u>46,396,418</u>	<u>44,979,050</u>
SERVICES AND SUPPLIES			
Services	508,687	526,070	482,028
Student Transportation	508,470	505,940	499,748
Professional Development and Travel	564,016	623,074	637,923
Rentals and Leases	395,754	482,536	595,574
Dues and Fees	68,444	81,000	34,788
Insurance	171,866	151,532	144,071
Supplies	5,488,982	5,986,287	4,275,689
Utilities	1,189,517	1,197,365	1,147,077
TOTAL SERVICES AND SUPPLIES	<u>8,895,736</u>	<u>9,553,804</u>	<u>7,816,898</u>
TOTAL OPERATING EXPENSE	<u>\$ 54,717,366</u>	<u>\$ 55,950,222</u>	<u>\$ 52,795,948</u>

SCHOOL DISTRICT No. 60 (PEACE RIVER NORTH)
 OPERATING FUND
 EXPENSE BY FUNCTION, PROGRAM AND OBJECT
 YEAR ENDED JUNE 30, 2010

	TEACHERS SALARIES	PRINCIPALS & VICE PRINCIPALS SALARIES	EDUCATIONAL ASSISTANTS SALARIES	SUPPORT STAFF SALARIES	OTHER PROFESSIONALS SALARIES	SUBSTITUTES SALARIES	TOTAL SALARIES
1 INSTRUCTION							
1.02 Regular Instruction	\$ 17,792,348	\$ 1,532,796	\$ 104,555	\$ 1,578,827	\$ 111,124	\$ 827,320	\$ 21,946,970
1.03 Career Programs	161,703	67,533		36,532			265,768
1.07 Library Services	536,494			52,676			589,170
1.08 Counseling	746,798						746,798
1.10 Special Education	2,736,954	189,977	2,441,203	86,183		228,677	5,683,024
1.30 English as a Second Language	172,542		100,800				273,342
1.31 Aboriginal Education	159,268	84,684	436,622	34,111		16,615	731,300
1.41 School Administration		1,624,154		399,324			2,023,478
Total Function 1	22,306,137	3,499,144	3,083,180	2,187,653	111,124	1,072,612	32,259,850
4 DISTRICT ADMINISTRATION							
4.11 Educational Administration				23,962	513,993		537,955
4.40 School District Governance					91,917		91,917
4.41 Business Administration				124,033	454,620		578,653
Total Function 4	-	-	-	147,995	1,060,530	-	1,208,525
5 OPERATIONS AND MAINTENANCE							
5.41 Operations and Maintenance Administration				28,576	170,941		199,517
5.50 Maintenance Operations				2,113,622		61,189	2,174,811
5.52 Maintenance of Grounds				229,972		114	230,086
Total Function 5	-	-	-	2,372,170	170,941	61,303	2,604,414
7 TRANSPORTATION AND HOUSING							
7.41 Transportation and Housing Administration				3,706	84,660		88,366
7.70 Student Transportation				1,190,977		79,001	1,269,978
Total Function 7	-	-	-	1,194,683	84,660	79,001	1,358,344
9 DEBT SERVICES (OPERATING)							
Total Function 9	-	-	-	-	-	-	-
TOTAL FUNCTIONS 1 - 9	\$ 22,306,137	\$ 3,499,144	\$ 3,083,180	\$ 5,902,501	\$ 1,427,255	\$ 1,212,916	\$ 37,431,133

SCHOOL DISTRICT No. 60 (PEACE RIVER NORTH)
 OPERATING FUND
 EXPENSE BY FUNCTION, PROGRAM AND OBJECT
 YEAR ENDED JUNE 30, 2010

	TOTAL SALARIES	EMPLOYEE BENEFITS	TOTAL SALARIES AND BENEFITS	SERVICES AND SUPPLIES	2010 ACTUAL	2010 AMENDED ANNUAL BUDGET	2009 ACTUAL
1 INSTRUCTION							
1.02 Regular Instruction	\$ 21,946,970	\$ 4,925,526	\$ 26,872,496	\$ 4,435,613	\$ 31,308,109	\$ 32,311,090	\$ 29,228,026
1.03 Career Programs	265,768	56,613	324,381	25,078	348,459	395,466	345,215
1.07 Library Services	599,170	123,636	712,806	118,978	831,787	823,106	787,291
1.08 Counselling	746,798	154,399	901,157	4,145	905,302	896,798	839,756
1.10 Special Education	5,683,024	1,275,340	6,958,364	312,943	7,271,307	7,463,037	7,522,561
1.30 English as a Second Language	273,342	60,255	333,597	2,065	335,662	353,177	276,472
1.31 Aboriginal Education	731,300	166,197	897,497	150,957	1,048,454	1,097,226	987,900
1.41 School Administration	2,023,478	450,466	2,473,944	2,473,946	2,473,946	2,431,185	2,853,555
Total Function 1	32,259,850	7,214,396	39,474,246	5,049,760	44,524,026	45,771,065	42,840,778
4 DISTRICT ADMINISTRATION							
4.11 Educational Administration	537,955	105,801	643,756	101,247	745,003	782,348	754,064
4.40 School District Governance	91,917	1,682	93,599	91,448	185,047	188,355	186,002
4.41 Business Administration	578,653	119,061	697,714	233,558	931,270	985,568	947,387
Total Function 4	1,208,525	226,544	1,435,069	426,251	1,861,320	1,956,271	1,887,453
5 OPERATIONS AND MAINTENANCE							
5.41 Operations and Maintenance Administration	199,517	51,661	251,178	108,700	359,878	375,629	362,382
5.50 Maintenance Operations	2,174,811	494,982	2,669,793	782,898	3,452,691	3,341,642	3,243,084
5.52 Maintenance of Grounds	230,096	52,969	283,065	91,467	374,522	410,070	393,260
5.56 Utilities	-	-	-	1,187,606	1,187,606	1,195,065	1,145,070
Total Function 5	2,604,414	599,612	3,204,026	2,170,671	5,374,697	5,322,406	5,143,796
7 TRANSPORTATION AND HOUSING							
7.41 Transportation and Housing Administration	88,366	29,409	117,775	5,165	122,940	129,050	114,772
7.70 Student Transportation	1,269,978	320,536	1,590,514	1,238,659	2,829,173	2,768,410	2,804,601
7.73 Housing	-	-	-	5,210	5,210	5,000	4,550
Total Function 7	1,358,344	349,945	1,708,289	1,249,034	2,957,323	2,900,460	2,923,923
9 DEBT SERVICES (OPERATING)							
Total Function 9	-	-	-	-	-	-	-
TOTAL FUNCTIONS 1 - 9	\$ 37,431,133	\$ 8,330,497	\$ 45,821,630	\$ 8,895,736	\$ 54,717,366	\$ 55,950,222	\$ 52,796,948

SCHOOL DISTRICT No. 60 (PEACE RIVER NORTH)
OPERATING FUND
CHANGES IN DEFERRED CONTRIBUTIONS
YEAR ENDED JUNE 30, 2010

Schedule A5

BALANCE, BEGINNING OF YEAR	\$	14,927
 Changes for the Year		
Increase:		-
Decrease:		
Allocated to Revenue		14,927
Other Revenue		14,927
 Net Changes for the Year		(14,927)
 BALANCE, END OF YEAR	 \$	 -

SCHOOL DISTRICT No. 60 (PEACE RIVER NORTH)
 SPECIAL PURPOSE FUNDS
 SUMMARY OF CHANGES
 YEAR ENDED JUNE 30, 2010

	MINISTRY OF EDUCATION DESIGNATED	OTHER	SCHOOL GENERATED FUNDS	RELATED ENTITIES	TOTAL
DEFERRED CONTRIBUTIONS					
DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR					
Add: Contributions Received	\$ 291,841	\$ 1,052,291	\$ 920,763		\$ 2,264,895
Provincial Grants - Ministry of Education	743,013	634,559			1,277,572
Provincial Grants - Other		523,506			523,506
Other		427,413	2,150,762		2,578,175
Investment Income	1,259				1,259
	744,272	1,485,478	2,150,762		4,380,512
Less: Allocated to Revenue	345,261	1,603,378	2,098,771		4,047,410
DEFERRED CONTRIBUTIONS, END OF YEAR	\$ 690,852	\$ 934,391	\$ 972,744	\$ -	\$ 2,597,987
REVENUE AND EXPENSE					
REVENUE					
Provincial Grants - Ministry of Education	\$ 344,002	\$ 574,308		\$ -	\$ 918,310
Provincial Grants - Other		531,431			631,431
Other Revenue		497,639	2,098,771		2,596,410
Investment Income	1,259				1,259
	345,261	1,603,378	2,098,771		4,047,410
EXPENSE					
Salaries					
Teachers		258,209			258,209
Principals and Vice Principals		76,342			76,342
Educational Assistants		463,360			463,360
Support Staff		45,732			45,732
Substitutes		9,096			9,096
Employee Benefits		852,759			852,759
Services and Supplies		193,404			193,404
	247,362	557,215	2,098,771		2,903,348
	247,362	1,603,378	2,098,771		3,949,511
NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS	\$ 97,889	\$ -	\$ -	\$ -	\$ 97,889
INTERFUND TRANSFERS					
Capital Assets Purchased	(97,889)				(97,889)
	(97,889)				(97,889)
NET REVENUE (EXPENSE)	\$ -	\$ -	\$ -	\$ -	\$ -

SCHOOL DISTRICT No. 60 (PEACE RIVER NORTH)
 SPECIAL PURPOSE FUNDS
 CHANGES IN MINISTRY OF EDUCATION DESIGNATED SPECIAL PURPOSE FUNDS
 YEAR ENDED JUNE 30, 2010

	207 Annual Facility Grant	250 Special Education Equipment	TOTAL
DEFERRED CONTRIBUTIONS			
DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR			
Add: Contributions Received	\$ 288,755	\$ 3,086	\$ 291,841
Provincial Grants - Ministry of Education	730,137	12,876	743,013
Investment Income	1,259		1,259
	731,396	12,876	744,272
Less: Allocated to Revenue	333,576	11,685	345,261
DEFERRED CONTRIBUTIONS, END OF YEAR	\$ 688,575	\$ 4,277	\$ 690,852
REVENUE AND EXPENSE			
REVENUE			
Provincial Grants - Ministry of Education	\$ 332,317	\$ 11,685	\$ 344,002
Investment Income	1,259		1,259
	333,576	11,685	345,261
EXPENSE			
Salaries			
Services and Supplies	243,543	3,819	247,362
	243,543	3,819	247,362
	90,033	7,866	97,899
NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS			
INTERFUND TRANSFERS			
Capital Assets Purchased	(90,033)	(7,866)	(97,899)
	(90,033)	(7,866)	(97,899)
NET REVENUE (EXPENSE)	\$ -	\$ -	\$ -

SCHOOL DISTRICT No. 60 (PEACE RIVER NORTH)
 SPECIAL PURPOSE FUNDS
 CHANGES IN OTHER SPECIAL PURPOSE FUNDS
 YEAR ENDED JUNE 30, 2010

	MISC GRANTS	FRENCH FUNDING	EFAP PROGRAM	COMMUNITY LINK	T.R.U.OPEN LEARNING	S.W.I.S. PROGRAM	B.C.S.A.P PROGRAM
DEFERRED CONTRIBUTIONS							
DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR	\$ 884,729	\$ 39,805	\$ 1,853	\$ 39,580	\$ 77,258	\$ 12,328	\$ -
Add: Contributions Received							
Provincial Grants - Ministry of Education	225,700	120,571		188,288			
Provincial Grants - Other	352,616		38,850	346,676	17,545	136,555	40,275
Other	578,316	120,571	38,550	18,402	17,545	136,555	40,275
Less: Allocated to Revenue	630,920	129,216	35,494	528,190	94,803	150,863	33,892
DEFERRED CONTRIBUTIONS, END OF YEAR	\$ 832,125	\$ 27,860	\$ 5,239	\$ 64,766	\$ -	\$ (1,982)	\$ 6,383
REVENUE AND EXPENSE							
REVENUE							
Provincial Grants - Ministry of Education	\$ 281,980	\$ 129,216		\$ 183,112			
Provincial Grants - Other	346,940		35,494	346,676	94,803	150,863	33,892
Other Revenue	630,920	129,216	35,494	18,402	94,803	150,863	33,892
EXPENSE							
Salaries	123,202						
Teachers		39,716			74,612		20,678
Principals and Vice Principals		16,417		32,751		21,700	5,474
Educational Assistants	120,803	19,439		251,803		71,335	
Support Staff	7,402			36,032		2,288	
Substitutes	5,754	2,945				397	
Employee Benefits	257,161	78,517		320,586	74,612	95,730	26,153
Services and Supplies	59,376	14,295		73,591	16,959	22,575	6,806
	314,381	38,404	35,494	134,013	3,232	32,558	1,133
	630,920	129,216	35,494	528,190	94,803	150,863	33,892
NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS							
INTERFUND TRANSFERS							
NET REVENUE (EXPENSE)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

SCHOOL DISTRICT No. 60 (PEACE RIVER NORTH)
 SPECIAL PURPOSE FUNDS
 CHANGES IN OTHER SPECIAL PURPOSE FUNDS
 YEAR ENDED JUNE 30, 2010

	TOTAL
DEFERRED CONTRIBUTIONS	
DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR	\$ 1,052,291
Add: Contributions Received	
Provincial Grants - Ministry of Education	534,559
Provincial Grants - Other	523,508
Other	427,413
	1,485,478
Less: Allocated to Revenue	1,603,378
DEFERRED CONTRIBUTIONS, END OF YEAR	\$ 934,381
REVENUE AND EXPENSE	
REVENUE	
Provincial Grants - Ministry of Education	\$ 574,308
Provincial Grants - Other	531,431
Other Revenue	497,559
	1,603,378
EXPENSE	
Salaries	
Teachers	258,209
Principals and Vice Principals	76,342
Educational Assistants	463,380
Support Staff	45,732
Substitutes	9,096
Employee Benefits	852,759
Services and Supplies	193,404
	557,215
	1,603,378
NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS	-
INTERFUND TRANSFERS	
NET REVENUE (EXPENSE)	\$ -

SCHOOL DISTRICT NO. 60 (PEACE RIVER NORTH)
 CAPITAL FUND
 CAPITAL ASSETS
 YEAR ENDED JUNE 30, 2010

	SITES	BUILDINGS	FURNITURE AND EQUIPMENT	VEHICLES	COMPUTER SOFTWARE	COMPUTER HARDWARE	TOTAL
COST, BEGINNING OF YEAR	\$ 4,122,324	\$ 80,069,999	\$ 1,502,911	\$ 5,377,288	\$ 237,328	\$ 154,983	\$ 91,464,813
Changes for the Year							
Increase:							
Purchases from:							
Deferred Contributions - Bylaw		30,442	72,055	32,035			32,035
Operating Fund		90,033	7,866	29,534	12,596	31,680	176,307
Special Purpose Funds		120,475	79,921	61,569	12,596	31,680	97,899
Decrease:							
Deemed Disposals			119,535	226,592	68,117	10,687	424,931
			119,535	226,592	68,117	10,687	424,931
COST, END OF YEAR	4,122,324	80,190,474	1,463,297	5,212,245	181,807	175,976	91,346,123
WORK IN PROGRESS, END OF YEAR							
COST AND WORK IN PROGRESS, END OF YEAR	\$ 4,122,324	\$ 80,190,474	\$ 1,463,297	\$ 5,212,245	\$ 181,807	\$ 175,976	\$ 91,346,123
ACCUMULATED AMORTIZATION, BEGINNING OF YEAR							
Changes for the Year							
Increase: Amortization for the Year			565,593	1,768,008	137,886	76,704	39,383,751
Decrease:							
Deemed Disposals		1,683,411	150,291	537,728	47,466	30,997	2,449,893
			119,535	226,592	68,117	10,687	424,931
			119,535	226,592	68,117	10,687	424,931
ACCUMULATED AMORTIZATION, END OF YEAR	\$ -	\$ 38,488,971	\$ 596,349	\$ 2,079,144	\$ 117,235	\$ 97,014	\$ 41,386,713
CAPITAL ASSETS - NET	\$ 4,122,324	\$ 41,691,503	\$ 866,948	\$ 3,133,101	\$ 64,572	\$ 78,962	\$ 49,957,410

SCHOOL DISTRICT No. 60 (PEACE RIVER NORTH)
 CAPITAL FUND
 CAPITAL ASSETS - WORK IN PROGRESS
 YEAR ENDED JUNE 30, 2010

	BUILDINGS	FURNITURE AND EQUIPMENT	COMPUTER SOFTWARE	COMPUTER HARDWARE	TOTAL
WORK IN PROGRESS, BEGINNING OF YEAR					\$ -
Changes for the Year					
Increase	-	-	-	-	-
Decrease	-	-	-	-	-
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, 2010

Schedule C3

	BYLAW CAPITAL	OTHER PROVINCIAL	OTHER CAPITAL	TOTAL CAPITAL
DEFERRED CAPITAL CONTRIBUTIONS, BEGINNING OF YEAR	\$ 36,976,554			\$ 36,976,554
Changes for the Year				
Increase				
Transferred from Deferred Contributions - Capital Additions	32,035			32,035
	<u>32,035</u>	-	-	<u>32,035</u>
Decrease				
Amortization of Deferred Capital Contributions	1,817,793			1,817,793
	<u>1,817,793</u>	-	-	<u>1,817,793</u>
Net Changes for the Year	<u>(1,785,758)</u>	-	-	<u>(1,785,758)</u>
DEFERRED CAPITAL CONTRIBUTIONS, END OF YEAR	<u>\$ 35,190,796</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35,190,796</u>
WORK IN PROGRESS, BEGINNING OF YEAR				\$ -
Changes for the Year				
Increase				
	-	-	-	-
Decrease				
	-	-	-	-
Net Changes for the Year	-	-	-	-
WORK IN PROGRESS, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
TOTAL DEFERRED CAPITAL CONTRIBUTIONS, END OF YEAR	<u>\$ 35,190,796</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35,190,796</u>

SCHOOL DISTRICT No. 60 (PEACE RIVER NORTH)
 CAPITAL FUND
 CHANGES IN DEFERRED CONTRIBUTIONS
 YEAR ENDED JUNE 30, 2010

	BYLAW CAPITAL	MINISTRY OF EDUCATION RESTRICTED CAPITAL	OTHER PROVINCIAL CAPITAL	LAND CAPITAL	OTHER CAPITAL	TOTAL
BALANCE, BEGINNING OF YEAR	\$ 32,691	\$ 14,907				\$ 47,598
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	24,568	67				24,568
Investment Income		67				67
Decrease:						
Transferred to DCC - Capital Additions	32,035					32,035
	32,035					32,035
	(7,467)	67				(7,400)
Net Changes for the Year						
	\$ 25,224	\$ 14,974	\$ -	\$ -	\$ -	\$ 40,198
BALANCE, END OF YEAR						

SCHOOL DISTRICT No. 60 (PEACE RIVER NORTH)
CAPITAL FUND
CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2010

Schedule C5

	INVESTED IN CAPITAL ASSETS	LOCAL CAPITAL	FUND BALANCE
BALANCE, BEGINNING OF YEAR	\$ 15,111,472	\$ 37,666	\$ 15,149,138
Changes for the Year			
Investment Income		169	169
Amortization of Deferred Capital Contributions	1,817,793		1,817,793
Interfund Transfers - Capital Assets Purchased	274,206		274,206
Amortization of Capital Assets	(2,449,893)		(2,449,893)
Net Changes for the Year	(357,894)	169	(357,725)
BALANCE, END OF YEAR	\$ 14,753,578	\$ 37,835	\$ 14,791,413

SCHOOL DISTRICT NO. 60 (PEACE RIVER NORTH)

Notes to the Audited Financial Statements

Year Ended June 30, 2010

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. 60 (Peace River North)", and operates as "School District No. 60 (Peace River North)." A board of education (Board) elected for a three-year term governs the School District. The School District provides educational programs to students enrolled in schools in the district, and is principally funded by the Province of British Columbia through the Ministry of Education.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

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

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

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

b) Cash and Cash Equivalents

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

SCHOOL DISTRICT NO. 60 (PEACE RIVER NORTH)

Notes to the Audited Financial Statements

Year Ended June 30, 2010

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

c) Short Term Investments

Short Term investments include securities with terms to maturity of greater than three months and less than one year.

d) Accounts Receivable

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

e) 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. Prepaid expenses also include prepaid corporate flight passes to be expensed as used in the coming year.

f) 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.

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.

SCHOOL DISTRICT NO. 60 (PEACE RIVER NORTH)

Notes to the Audited Financial Statements

Year Ended June 30, 2010

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

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

- 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.

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.

SCHOOL DISTRICT NO. 60 (PEACE RIVER NORTH)

Notes to the Audited Financial Statements

Year Ended June 30, 2010

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

i) Financial Instruments

Financial instruments consist of cash, cash equivalents, investments, 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.

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) Comparative data

For the purpose of providing better comparative data, certain prior year figures have been restated to correspond with current year's presentation.

l) Employee Future Benefits

The School District provides certain post-employment benefits including banked sick leave 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.

Due to the minimal dollar value relating to these obligations, the cumulative unrecognized actuarial gains (losses) of the accrued benefit obligation is recognized in the current year.

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

SCHOOL DISTRICT NO. 60 (PEACE RIVER NORTH)

Notes to the Audited Financial Statements

Year Ended June 30, 2010

NOTE 3 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	2010	2009
Due from Other School Districts	\$ -	\$ 21
Other	536,475	559,710
Allowance for Doubtful Accounts	(243,687)	(243,687)
	<u>\$ 292,788</u>	<u>\$ 316,044</u>

NOTE 4 CAPITAL ASSETS

	2010		2009	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Sites	\$ 4,122,324	\$ -	\$ 4,122,324	\$ 4,122,324
Buildings	80,190,474	38,498,971	41,691,503	43,254,439
Furniture & Equipment	1,463,297	596,349	866,948	937,318
Vehicles	5,212,245	2,079,144	3,133,101	3,609,261
Computer Software	181,807	117,235	64,572	99,441
Computer Hardware	175,976	97,014	78,962	78,279
	<u>\$ 91,346,123</u>	<u>\$ 41,388,713</u>	<u>\$ 49,957,410</u>	<u>\$52,101,062</u>

NOTE 5 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 27,000 retired members from school districts. The Municipal Plan has about 158,000 active members, of which approximately 23,000 are from school districts.

Every three years, an actuarial valuation is performed to assess the financial position of the plans and the adequacy of plan funding. The most recent valuation of the Teachers' Plan as at December 31, 2008 indicated a \$291 million unfunded liability for basic pension benefits. The next valuation will be as at December 31, 2011 with results available in late 2012. The most recent valuation for the Municipal Pension Plan as at December 31, 2006 indicated a surplus of \$438 million for basic pension benefits. The next valuation will be as at December 31, 2009 with results available in 2010. The actuary does not attribute portions of the unfunded liability to individual employers. School District 60 (Peace River North) paid \$4,311,140 for employer contributions to these plans in the year ended June 30, 2010.

SCHOOL DISTRICT NO. 60 (PEACE RIVER NORTH)

Notes to the Audited Financial Statements

Year Ended June 30, 2010

NOTE 6 EMPLOYEE FUTURE BENEFITS

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

Due to the minimal dollar value relating to these obligations, the cumulative unrecognized actuarial gains (losses) of the accrued benefit obligation is recognized in the current year.

Fiscal Year	<u>2010</u>	<u>2009</u>
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	0	0
Service Cost	0	0
Interest Cost	0	0
Benefit Payments	0	0
Actuarial (Gain)/Loss	<u>13,149</u>	<u>0</u>
Accrued Benefit Obligation – March 31	<u><u>13,149</u></u>	<u><u>0</u></u>
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation - March 31	13,149	0
Market Value of Plan Assets - March 31	<u>0</u>	<u>0</u>
Funded Status - Surplus/(Deficit)	(13,149)	0
Employer Contributions After Measurement Date	553	0
Unamortized Net Actuarial (Gain)/Loss	<u>0</u>	<u>0</u>
Accrued Benefit Asset/(Liability) - June 30	<u><u>(12,596)</u></u>	<u><u>0</u></u>
Components of Net Benefit Expense		
Service Cost	0	0
Interest Cost	0	0
Amortization of Net Actuarial (Gain)/Loss	<u>13,149</u>	<u>0</u>
Net Benefit Expense (Income)	<u><u>13,149</u></u>	<u><u>0</u></u>
Assumptions		
Discount Rate - April 1	7.00%	5.50%
Discount Rate - March 31	5.00%	7.00%
Long Term Salary Growth - April 1	3.25% + seniority	3.25% + seniority
Long Term Salary Growth - March 31	2.50% + seniority	3.25% + seniority
EARSL - March 31	12.3	0

SCHOOL DISTRICT NO. 60 (PEACE RIVER NORTH)

Notes to the Audited Financial Statements

Year Ended June 30, 2010

NOTE 7 OPERATING FUND BALANCE, END OF YEAR

Internally Restricted (appropriated) by Board for:

Educational Initiatives	\$ 427,640	
Planned Projects & Staffing Contingency	641,008	
Aboriginal Education Surplus	48,772	
Budget reserve for carry forward to 2010/11	1,107,914	
	<u>1,107,914</u>	
Subtotal Internally Restricted		\$2,225,334
Unrestricted Operating Surplus (Deficit)		127,086
Total Available for Future Operations		<u>\$2,352,420</u>

NOTE 8 INTERFUND TRANSFERS

Interfund transfers between the operating, special purpose and capital funds are reported on Statement 3 (Statement of Changes in Fund Balances). For the year ended June 30, 2010, transfers were as follows:

- \$176,307 transferred from the operating fund to the capital fund for capital asset purchases
- \$97,899 transferred from the special purpose fund to the capital fund for capital asset purchases

NOTE 9 RELATED PARTY TRANSACTIONS

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

NOTE 10 CONTRACTUAL OBLIGATIONS

School District No. 60 (Peace River North) has entered into lease agreements on computer equipment for the Wireless Writing Project 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:

2011	\$	329,134
2012	\$	325,190
2013	\$	313,977
2014	\$	308,370

School District No. 60 (Peace River North) has also entered into an agreement with the City of Fort St. John to develop a school facility within the Enerplex Community Centre. Costs related to the setup of this facility will include a capital contribution to the City of approximately \$1.34 million and significant leasehold improvements, which will commence in the 2010/11 school year. These costs will be funded through capital contributions from the Ministry of Education.

SCHOOL DISTRICT NO. 60 (PEACE RIVER NORTH)

Notes to the Audited Financial Statements

Year Ended June 30, 2010

NOTE 11 BUDGET FIGURES

Budget figures included in the financial statements are not audited. They were approved by the Board through the adoption of an amended annual budget on February 8th, 2010.

NOTE 12 CAPITAL MANAGEMENT

The School District defines capital as fund balances (operating fund, special purpose funds, and capital fund). The School District receives the majority of these operating and capital funds from the Ministry of Education.

The School District's objective when managing capital is to meet its current operating budget with the current funding available from the Ministry and other sources and to complete the budgeted capital expansions and improvements with the capital funding available from the Ministry. Management makes adjustments to the School District's capital structure and strategy based on available funding and economic conditions. Currently, management's strategy is to monitor expenditures to preserve capital in accordance with budgeted funding granted.

The School District is not subject to debt covenants or any other capital requirements with respect to operating funding. Funding received for designated purposes are accumulated in the special purposes fund of capital fund and must be used for the purposes outlined by the funding party. The School District has complied with the restrictions on any external funding provided.

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".

NOTE 14 ASSET RETIREMENT OBLIGATION

Legal Liabilities may exist for the removal or disposal of asbestos in schools that will undergo major renovations or demolition. The liability will be recognized in the period in which a reasonable estimate of fair value can be made. As at June 30, 2010, the liability is not reasonably determinable.