

# SCHOOL DISTRICT AUDITED FINANCIAL STATEMENTS FISCAL YEAR 2010/2011

SCHOOL DISTRICT NUMBER 44	NAME OF SCHOOL DISTRICT North Vancouver	YEAR 2010/2011
OFFICE LOCATION 721 Chesterfield Avenue		TELEPHONE NUMBER 604-903-3444
CITY/PROVINCE North Vancouver, British Columbia		POSTAL CODE V7M 2M5
WEBSITE ADDRESS www.nvsd44.bc.ca		
NAME OF SUPERINTENDENT John Lewis		NAME OF SECRETARY-TREASURER Irene Young

## 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. 44 (North Vancouver) ("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. 44 (North Vancouver) for the year ended June 30, 2011.

SIGNATURE OF CHAIRPERSON OF THE BOARD OF EDUCATION	DATE SIGNED
SIGNATURE OF SUPERINTENDENT	DATE SIGNED
SIGNATURE OF SECRETARY-TREASURER	DATE SIGNED

**SCHOOL DISTRICT No. 44 (NORTH VANCOUVER)  
2010/2011 AUDITED FINANCIAL STATEMENTS**

**TABLE OF CONTENTS**

	<b>Page</b>
<b>AUDITORS' REPORT</b>	2
<b>FINANCIAL STATEMENTS</b>	
Statement of Financial Position	Statement 1 4
Statement of Revenue and Expense	Statement 2 5
Statement of Changes in Fund Balances	Statement 3 6
Statement of Cash Flows	Statement 4.1 7
Statement of Cash Flows	Statement 4.2 8
<b>NOTES TO FINANCIAL STATEMENTS</b>	9-22
<b>SCHEDULES</b>	
Operating Fund	
Surplus (Deficit)	Schedule A1 23
Comparative Schedule of Revenue by Source	Schedule A2 24
Comparative Schedule of Expense by Object	Schedule A3 25
Expense by Function, Program and Object	Schedule A4.1 26
Expense by Function, Program and Object	Schedule A4.2 27
Changes in Deferred Contributions	Schedule A5 28
Special Purpose Funds	
Summary of Changes	Schedule B1 29
Changes in Ministry of Education Designated Special Purpose Funds	Schedule B2 30
Changes in Other Special Purpose Funds	Schedule B3 31
Capital Fund	
Capital Assets	Schedule C1 32
Capital Assets - Work In Progress	Schedule C2 33
Deferred Capital Contributions	Schedule C3 34
Changes in Deferred Contributions	Schedule C4 35
Changes in Fund Balances	Schedule C5 36



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### *Independent Auditors' Report*

To the Board of Education

We have audited the accompanying financial statements of School District No. 44 (North Vancouver), which comprise the statement of financial position as at June 30, 2011, the statements of revenue and expense, changes in fund balances and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### *Auditors' Responsibility*

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 comply with ethical requirements and plan and perform an audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### *Opinion*

In our opinion, the financial statements present fairly, in all material respects, the financial position of School District No. 44 (North Vancouver) as at June 30, 2011, and its results of operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

#### *Other matter*

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The supplementary information included in Schedules A1 through C5 is presented for



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purposes of additional analysis and is not a required part of the financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

Chartered Accountants

Victoria, Canada  
September, 2011

DRAFT

**SCHOOL DISTRICT No. 44 (NORTH VANCOUVER)**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2011**

**Statement 1**

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2011	TOTAL 2010
<b>ASSETS</b>					
Current Assets					
Cash and Cash Equivalents	\$ 38,192,327	\$ 2,427,639		\$ 40,619,966	\$ 23,507,656
Accounts Receivable					
Due from Province - Ministry of Education	136,907			136,907	113,470
Due from Province - Other	714			714	59,579
Other Receivables (Note 3)	8,183,185	208,285		8,391,470	23,683,419
Interfund Loans		530,306	16,792,728		
Inventories (Note 4)	231,544	196,319		427,863	436,159
Prepaid Expenses	204,593	23,025		227,618	342,344
	46,949,270	3,385,574	16,792,728	49,804,538	48,142,627
Long-term Receivable and Permanent Art Collection (Note 5)		1,456,579		1,456,579	7,221,644
Capital Assets - Net (Note 6)			226,181,015	226,181,015	193,500,248
<b>TOTAL ASSETS</b>	<b>\$ 46,949,270</b>	<b>\$ 4,842,153</b>	<b>\$ 242,973,743</b>	<b>\$ 277,442,132</b>	<b>\$ 248,864,519</b>
<b>LIABILITIES AND FUND BALANCES</b>					
Current Liabilities					
Accounts Payable and Accrued Liabilities					
Due to Province - Ministry of Education	57,315			57,315	133,086
Due to Province - Other (Note 7)	75,299		7,217,086	7,292,385	7,191,936
Other	13,273,455			13,273,455	6,191,982
Bank Loans - Current Portion				-	1,005,000
Capital Lease Obligations - Current Portion (Note 9)			125,035	125,035	207,196
Interfund Loans	17,323,034				
Other Current Liabilities (Note 9)	1,578			1,578	9,090
	30,730,681	-	7,342,121	20,749,768	14,738,290
Deferred Revenue	5,323,054	79,633		5,402,687	6,064,582
Deferred Contributions					
Ministry of Education (Note 10)		251,363	3,881,644	4,133,007	4,938,401
Other (Note 10)		4,511,157	2,073,242	6,584,399	6,185,217
Accrued Employee Future Benefits (Note 11)	6,447,073			6,447,073	6,249,963
Deferred Capital Contributions (Note 10)			144,229,857	144,229,857	127,801,096
Capital Lease Obligations				-	117,838
<b>TOTAL LIABILITIES</b>	<b>42,500,808</b>	<b>4,842,153</b>	<b>157,526,864</b>	<b>187,546,791</b>	<b>166,095,387</b>
Fund Balances					
Invested in Capital Assets			74,637,471	74,637,471	58,184,737
Internally Restricted (Note 13)	4,435,000		10,809,408	15,244,408	24,567,082
Unrestricted (Note 13)	13,462			13,462	17,313
<b>TOTAL FUND BALANCES</b>	<b>4,448,462</b>	<b>-</b>	<b>85,446,879</b>	<b>89,895,341</b>	<b>82,769,132</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 46,949,270</b>	<b>\$ 4,842,153</b>	<b>\$ 242,973,743</b>	<b>\$ 277,442,132</b>	<b>\$ 248,864,519</b>

- > Commitments(Note16)
- > Contingencies(Note18)

**SCHOOL DISTRICT No. 44 (NORTH VANCOUVER)**  
**STATEMENT OF REVENUE AND EXPENSE**  
**YEAR ENDED JUNE 30, 2011**

**Statement 2**

	OPERATING	SPECIAL PURPOSE	CAPITAL	TOTAL	TOTAL
	FUND	FUNDS	FUND	2011	2010
<b>REVENUE</b>					
Provincial Grants - Ministry of Education	\$ 128,912,175	\$ 2,671,786		\$ 131,583,961	\$ 127,326,223
Provincial Grants - Other	250,066			250,066	1,182,220
Federal Grants	2,240			2,240	2,520
Other Revenue	10,665,677	6,906,919		17,572,596	17,490,115
Rentals and Leases	1,378,622			1,378,622	1,242,094
Investment Income	281,498	14,714	82,806	379,018	150,737
Amortization of Deferred Capital Contributions			3,932,446	3,932,446	3,401,720
Gain (Loss) on Disposal of Capital Assets				-	28,633,100
	<u>141,490,278</u>	<u>9,593,419</u>	<u>4,015,252</u>	<u>155,098,949</u>	<u>179,428,729</u>
<b>EXPENSE</b>					
<b>Salaries</b>					
Teachers	62,968,781	(140)		62,968,641	63,209,401
Principals and Vice Principals	8,106,504	72,745		8,179,249	8,592,564
Educational Assistants	11,372,713			11,372,713	12,140,527
Support Staff	11,068,513	114		11,068,627	11,943,012
Other Professionals	3,087,517	26,875		3,114,392	3,373,293
Substitutes	3,426,892	23,377		3,450,269	3,596,125
	<u>100,030,920</u>	<u>122,971</u>	<u>-</u>	<u>100,153,891</u>	<u>102,854,922</u>
Employee Benefits	23,096,110	21,479		23,117,589	22,451,673
Services and Supplies	11,349,937	6,536,091		17,886,028	17,738,189
Amortization of Capital Assets			6,815,232	6,815,232	6,564,454
	<u>134,476,967</u>	<u>6,680,541</u>	<u>6,815,232</u>	<u>147,972,740</u>	<u>149,609,238</u>
<b>NET REVENUE (EXPENSE)</b>	<u>\$ 7,013,311</u>	<u>\$ 2,912,878</u>	<u>\$ (2,799,980)</u>	<u>\$ 7,126,209</u>	<u>\$ 29,819,491</u>

**SCHOOL DISTRICT No. 44 (NORTH VANCOUVER)**  
**STATEMENT OF CHANGES IN FUND BALANCES**  
**YEAR ENDED JUNE 30, 2011**

**Statement 3**

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2011	TOTAL 2010
<b>FUND BALANCES, BEGINNING OF YEAR</b>	\$ 1,047,313		\$ 81,721,819	\$ 82,769,132	\$ 52,949,627
<b>Changes in Accounting Policies/ Prior Period Adjustments</b>					
Adjustment to Restate Prior Year-end Balances				-	14
<b>FUND BALANCES, BEGINNING OF YEAR, AS RESTATED</b>	<u>1,047,313</u>	<u>-</u>	<u>81,721,819</u>	<u>82,769,132</u>	<u>52,949,641</u>
<b>Changes for the Year</b>					
Net Revenue (Expense) for the Year	7,013,311	2,912,878	(2,799,980)	7,126,209	29,819,491
Interfund Transfers					
Capital Assets Purchased (Note 14 )	(1,466,589)	(2,683,607)	4,150,196	-	
Local Capital (Note 14 )	(1,950,000)		1,950,000	-	
Other (Note 14 )	(195,573)	(229,271)	424,844	-	
<b>Net Changes for the Year</b>	<u>3,401,149</u>	<u>-</u>	<u>3,725,060</u>	<u>7,126,209</u>	<u>29,819,491</u>
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 4,448,462</u>	<u>\$ -</u>	<u>\$ 85,446,879</u>	<u>\$ 89,895,341</u>	<u>\$ 82,769,132</u>

**SCHOOL DISTRICT No. 44 (NORTH VANCOUVER)**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED JUNE 30, 2011**

Statement 4.1

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2011	TOTAL 2010
<b>CASH PROVIDED BY (USED FOR)</b>					
<b>OPERATIONS</b>					
Net Revenue (Expense) for the Year	\$ 7,013,311	\$ 2,912,878	\$ (2,799,980)	\$ 7,126,209	\$ 29,819,491
Changes in Non-Cash Working Capital					
Decrease (Increase)					
Accounts Receivable	(1,536,723)	(2,800)		(1,539,523)	(76,474)
Interfund Loans	9,117,701	868,966	(9,986,667)	-	
Inventories	20,756	(12,460)		8,296	(2,092)
Prepaid Expenses	130,364	(15,638)		114,726	139,222
Increase (Decrease)					
Accounts Payable/Accrued Liabilities	7,081,001		25,150	7,106,151	(2,150,261)
Other Current Liabilities	(7,512)			(7,512)	(9,564)
Deferred Revenue	(664,418)	2,523		(661,895)	118,666
Deferred Contributions		(344,674)		(344,674)	(607,298)
Accrued Employee Future Benefits	197,110			197,110	410,543
Loss (Gain) on Disposal of Capital Assets				-	(28,633,100)
Items Not Involving Cash					
Amortization of Capital Assets			6,815,232	6,815,232	6,564,454
Amortization of Deferred Capital Contributions			(3,932,446)	(3,932,446)	(3,401,720)
Interfund Transfers	(3,612,162)	(2,912,878)	6,525,040	-	
	<u>17,739,428</u>	<u>495,917</u>	<u>(3,353,671)</u>	<u>14,881,674</u>	<u>2,171,867</u>
<b>FINANCING</b>					
Bank Loan Paid	(1,005,000)			(1,005,000)	
Deferred Contributions Received - Capital			20,299,669	20,299,669	23,246,144
Repayment of capital lease obligations			(209,732)	(209,732)	(240,528)
	<u>(1,005,000)</u>	<u>-</u>	<u>20,089,937</u>	<u>19,084,937</u>	<u>23,005,616</u>
<b>INVESTING</b>					
Capital Assets Purchased - Operating			(1,466,589)	(1,466,589)	(545,490)
Capital Assets Purchased - Special Purpose			(2,683,607)	(2,683,607)	(1,499,374)
Capital Assets Purchased - Local Capital			(2,235,153)	(2,235,153)	(36,473)
Capital Assets Purchased - Deferred Contributions - Capital			(20,361,207)	(20,361,207)	(18,296,951)
Permanent Art Collection		(118,035)		(118,035)	(85,574)
Debt Financed Assets / Local Capital Purchased Assets			730	730	(220,529)
Work in Progress Purchased from Other Funding Sources			(12,740,440)	(12,740,440)	(2,213,307)
Proceeds from Disposal of Capital Assets			22,750,000	22,750,000	
	<u>-</u>	<u>(118,035)</u>	<u>(16,736,266)</u>	<u>(16,854,301)</u>	<u>(22,897,698)</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	<u>\$ 16,734,428</u>	<u>\$ 377,882</u>	<u>\$ -</u>	<u>\$ 17,112,310</u>	<u>\$ 2,279,785</u>

**SCHOOL DISTRICT No. 44 (NORTH VANCOUVER)**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED JUNE 30, 2011**

Statement 4.2

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2011	TOTAL 2010
<b>NET INCREASE (DECREASE) IN CASH</b>	<u>\$ 16,734,428</u>	<u>\$ 377,882</u>	<u>\$ -</u>	<u>\$ 17,112,310</u>	<u>\$ 2,279,785</u>
<b>Net Cash, Beginning of Year</b>	21,457,899	2,049,757		23,507,656	21,227,871
<b>NET CASH, END OF YEAR</b>	<u><u>\$ 38,192,327</u></u>	<u><u>\$ 2,427,639</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 40,619,966</u></u>	<u><u>\$ 23,507,656</u></u>
Cash	\$ 38,192,327	\$ 2,427,639		\$ 40,619,966	\$ 23,507,656
<b>NET CASH, END OF YEAR</b>	<u><u>\$ 38,192,327</u></u>	<u><u>\$ 2,427,639</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 40,619,966</u></u>	<u><u>\$ 23,507,656</u></u>

**SCHOOL DISTRICT 44 (NORTH VANCOUVER)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2011**

**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. 44 (North Vancouver)", and operates as "School District No. 44 (North Vancouver)". 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 are prepared in accordance with Canadian generally accepted accounting principles (GAAP).

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 Statements 4.1 and 4.2 (Statement of Cash Flows) present annual results of each fund, changes in fund balances and cash flows for the year. Statement 1 (Statement of Financial Position) presents the assets, liabilities and fund balances as at June 30th. Interfund transfers and loans are recognized in each fund and eliminated in the combined totals.

a) Fund Accounting

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

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

b) Cash and Cash Equivalents

Cash and cash equivalents include cash and term deposits with original terms to maturity of three months or less when purchased.

c) Accounts Receivable

Accounts receivable are recorded net of allowance for doubtful accounts.

**SCHOOL DISTRICT 44 (NORTH VANCOUVER)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2011**

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

d) Inventories

Inventories of supplies are recorded at lower of cost and net realizable value using the average cost method. Publications for resale are recorded at cost using the first-in-first-out method. Artists for Kids inventory is recorded at cost using the specific identification method.

e) Prepaid Expenses

Payments for insurance, subscriptions, membership, and maintenance contracts for use within the District in a future period are recorded as prepaid expenses and stated at cost. Textbooks and other teaching supplies are expensed when purchased.

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. Work-in-progress is not amortized until put into use.
- Sites and buildings that no longer contribute to the ability of the School District to provide services are written-down to residual value.
- Buildings that are demolished or destroyed are written-off.
- Amortization is recorded on a straight-line basis over the estimated useful life of the asset. Estimated useful life is as follows:

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

g) Capital Leases

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

h) 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.

**SCHOOL DISTRICT 44 (NORTH VANCOUVER)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2011**

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

h) Revenue Recognition (Continued)

- 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.
- Donated capital assets are recorded at fair market value and treated as a deferred capital contribution.
- If the capital asset is a site, the amount invested is recorded as a direct increase to net assets invested in capital assets.

i) Investment Income

Investment income, which is recorded on the accrual basis, includes interest income and realized and unrealized gains and losses.

j) Expenses

- 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, Board of Education 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, expenses are determined by actual identification. Additional costs pertaining to specific instructional programs, such as special and aboriginal education, are allocated to these programs. All other costs are allocated to regular programs.
  - 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.

k) Financial Instruments

Financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, bank loans and other current liabilities. It is management's opinion that the School District is not exposed to significant interest, currency or credit risks arising from these financial instruments. Cash and cash equivalents are carried at fair value. The fair values of the remaining financial instruments approximate their carrying values.

**SCHOOL DISTRICT 44 (NORTH VANCOUVER)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2011**

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

k) Financial Instruments (Continued)

The School District has designated all of its cash and cash equivalents as held for trading, and carries them at fair value with changes in fair value recognized in investment income. Accounts receivable are classified as loans and receivables; accounts payable and accrued liabilities, bank loans and other current liabilities are classified as other liabilities, all of which are measured at amortized cost. The School District has elected to continue to apply the financial instruments disclosure and presentation standards in accordance with Section 3861 of the Canadian Institute of Chartered Accountants Handbook.

l) 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.

m) Employee Future Benefits

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

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

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

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

n) Asset Retirement Obligations

The fair value of a liability for an asset retirement obligation is recognized in the period in which it is incurred if a reasonable estimate of fair value can be made. The associated retirement costs are capitalized as part of the carrying amount of the long-lived asset and depreciated over the life of the asset.

**SCHOOL DISTRICT 44 (NORTH VANCOUVER)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2011**

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

o) Future Changes in Accounting Standards

The School District will be required to adopt, on a retrospective basis, Public Sector Accounting standards issued by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants for the year beginning July 1, 2012. The impact of adoption of these standards is being evaluated and is not known or reasonably estimable at this time.

p) Comparative Information

Certain of the comparative information has been reclassified to conform to the financial statement presentation for the current year.

**NOTE 3      ACCOUNTS RECEIVABLE – OTHER RECEIVABLES**

	2011	2010
GST/PST/HST Receivable	\$1,362,095	\$185,711
Recoverable Insurance Claims	3,417	36,453
Recoverable Payroll	2,313	42,026
Sundry Billings	372,120	194,726
Land Proceeds Receivable	5,883,100	22,750,000
Miscellaneous Receivables	560,140	269,018
Special Purpose	208,285	205,485
	<b>\$8,391,470</b>	<b>\$23,683,419</b>

The land proceeds receivable represents proceeds of the Lonsdale School site due on June 30, 2012, which is secured by a mortgage against the land.

**SCHOOL DISTRICT 44 (NORTH VANCOUVER)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2011**

**NOTE 4 INVENTORIES**

Inventories consist of the following:

	2011	2010
Supplies	\$ -	\$ 9,355
Publications	231,544	242,945
Artists for Kids - Prints	196,319	183,859
	<b>\$ 427,863</b>	<b>\$ 436,159</b>

**NOTE 5 LONG-TERM RECEIVABLE AND PERMANENT ART COLLECTION**

A permanent collection of artwork is recorded under the Artists For Kids program to build a lasting legacy of visual arts programs for the children of British Columbia. The permanent collection totaling \$1,456,579 (2010 - \$1,338,544) is recorded at cost or at appraised value at the time of donation. The permanent collection includes 2011 acquisitions of \$118,035 (2010 - \$85,577).

**NOTE 6 CAPITAL ASSETS**

	2011			2010
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Work in Progress	\$ 36,122,072	\$ -	\$ 36,122,072	\$ 21,131,103
Sites	12,590,780	-	12,590,780	12,590,780
Buildings	246,016,415	74,915,364	171,101,051	153,542,592
Furniture & Equipment	3,924,515	2,084,257	1,840,258	1,914,453
Vehicles	1,525,154	678,244	846,910	813,189
Computer Software	1,220,945	587,722	633,223	883,535
Computer Hardware	4,520,975	1,474,254	3,046,721	2,624,596
	<b>\$ 305,920,856</b>	<b>\$ 79,739,841</b>	<b>\$ 226,181,015</b>	<b>\$ 193,500,248</b>

**SCHOOL DISTRICT 44 (NORTH VANCOUVER)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2011**

**NOTE 7 CAPITAL LOAN PAYABLE**

The following loan approved under Section 144 of the *School Act* is outstanding:

Approval Date	Year Borrowed	Interest Rate	Term	Amount Borrowed	Amount Paid	Balance O/S
November 27, 2008	2008	0.45% – 1.02%	1 – 3 Months	\$7,219,493	\$0	\$7,219,493
Unamortized Discount						(2,407)
Total						\$7,217,086

The Board of Education has been approved to borrow up to \$10,500,000 related to specific Capital Projects. The current \$7,219,493 is payable to the BC Provincial Treasury, Debt Management. The loan is advanced for one to three months at a time and interest is paid to the Province of British Columbia at the time of the maturity. The principal will be repaid through future land sales. The related unamortized discount on the loan interest of \$2,407 has been netted against the loan principal.

**NOTE 8 LINE OF CREDIT**

In 2009, the Board of Education authorized a Line of Credit of \$2,000,000 for the purposes of purchasing computer hardware and equipment in lieu of entering into capital leases at a higher interest rate. If drawn upon, the line of credit is to be paid down through future land sales, if Operating Surplus is unavailable.

**NOTE 9 CAPITAL LEASES**

As at June 30, 2011 the School District has principal outstanding of \$125,035 for capital lease obligations. Principal and interest repayments on the capital leases are recovered annually from the operating and special purpose funds.

(a) Detail of the capital leases is as follows:

Asset Class	Maturity in Fiscal Year Ending	Implicit Interest 2010/11	Annual Payment 2010/11	Interest Accrual June 2011	Current Portion of Lease	Long-term Capital Lease Obligation June 30, 2011	Capital Lease Obligation June 30, 2010
Computer Hardware	2012	6.08%– 7.25%	\$237,114	\$1,578	\$125,035	-	\$325,034

**SCHOOL DISTRICT 44 (NORTH VANCOUVER)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2011**

**NOTE 9 CAPITAL LEASES (Continued)**

(b) Assets under capital lease included in capital assets as at June 30, 2011:

Asset Class	Cost	2011		2010	
		Accumulated Amortization	Net Book Value	Net Book Value	Net Book Value
Computer Hardware	\$471,722	\$177,501	\$294,221	\$599,116	

**NOTE 10 DEFERRED CONTRIBUTIONS**

(a) Deferred Contributions – Ministry of Education

Deferred Contributions (Ministry of Education) recorded in the special purpose funds represent government grants for repairs and maintenance, minor renovations to existing buildings and acquisition of special education equipment. Deferred Contributions (Ministry of Education) recorded in the capital fund represent government grants for new or major replacements of buildings and equipment and asset disposal proceeds restricted in use by the Ministry of Education.

	2011			2010
	Special Purpose Funds	Capital Fund	Total	Total
<b>BALANCE, BEGINNING OF YEAR</b>	\$ 1,129,286	\$ 3,809,115	\$ 4,938,401	\$ 2,722,608
<b>Changes for the Year</b>				
Increase:				
Provincial Grants - Ministry of Education	1,793,863	19,453,008	21,246,871	22,431,682
Investment Income	11,099	-	11,099	5,352
Subtotal:	1,804,962	19,453,008	21,257,970	22,437,034
Decrease:				
Transferred to Revenue	2,682,885	-	2,682,885	2,136,727
Transferred to DCC				
- Capital Additions	-	8,964,342	8,964,342	4,516,397
- Work in Progress	-	10,416,137	10,416,137	13,568,117
Subtotal:	2,682,885	19,380,479	22,063,364	20,221,241
<b>Net Changes for Year</b>	(877,923)	72,529	(805,394)	2,215,793
<b>BALANCE, END OF YEAR</b>	\$ 251,363	\$ 3,881,644	\$ 4,133,007	\$ 4,938,401

**SCHOOL DISTRICT 44 (NORTH VANCOUVER)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2011**

**NOTE 10 DEFERRED CONTRIBUTIONS (Continued)**

(b) Deferred Contributions – Other

Deferred Contributions (Other) recorded in the special purpose funds represent donations and funds generated by individual schools for extra-curricular activities. Deferred contributions (Other) recorded in the capital fund represent funds designated specifically to be used for site acquisition and associated expenses.

	2011			2010
	Special Purpose Funds	Capital Fund	Total	Total
<b>BALANCE, BEGINNING OF YEAR</b>	\$ 3,977,908	\$ 2,207,309	\$ 6,185,217	\$ 4,046,667
<b>Changes for the Year</b>				
Increase:				
Federal Grants	-	580,333	580,333	21,838
School Generated Funds	6,784,737	-	6,784,737	5,869,221
Investment Income	3,635	24,992	28,628	1,400
Other Revenue	655,411	241,336	896,747	3,009,206
Subtotal:	7,443,783	846,661	8,290,444	8,901,665
Decrease:				
Transferred to Revenue	6,910,534	-	6,910,534	6,563,125
Transferred to DCC - Capital Additions	-	730,728	730,728	178,146
Transferred to DCC - Work in Progress	-	250,000	250,000	21,844
Subtotal:	6,910,534	980,728	7,891,262	6,763,115
<b>Net Changes for Year</b>	533,249	(134,067)	399,183	2,138,550
<b>BALANCE, END OF YEAR</b>	\$ 4,511,157	\$ 2,073,242	\$ 6,584,399	\$ 6,185,217

**SCHOOL DISTRICT 44 (NORTH VANCOUVER)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2011**

**NOTE 10 DEFERRED CONTRIBUTIONS (Continued)**

(c) **Deferred Capital Contributions**

Deferred Capital Contributions represent the unamortized balance of externally restricted funding used to purchase capital assets. These contributions will be recognized as revenue in future periods on the same basis as amortization of the related capital assets.

	<u>2011</u>	<u>2010</u>
<b>DEFERRED CAPITAL CONTRIBUTIONS BALANCE, BEGINNING OF YEAR</b>	<u>\$ 112,339,437</u>	<u>\$ 93,301,548</u>
<b>Changes for the Year</b>		
Increase:		
Transferred from Deferred Contributions - Capital Additions	9,695,070	4,706,990
Transferred from Work in Progress	<u>8,415,608</u>	<u>17,732,619</u>
Subtotal:	<u>18,110,678</u>	<u>22,439,609</u>
Decrease:		
Amortization of Deferred Capital Contributions	<u>3,932,446</u>	<u>3,401,720</u>
<b>Net Changes for Year</b>	<u>14,178,232</u>	<u>19,037,889</u>
<b>DEFERRED CAPITAL CONTRIBUTIONS BALANCE, END OF YEAR</b>	<u><b>\$126,517,669</b></u>	<u><b>\$ 112,339,437</b></u>
<b>WORK IN PROGRESS, BEGINNING OF YEAR</b>	<u>\$ 15,461,659</u>	<u>\$ 19,604,317</u>
<b>Changes for the Year</b>		
Increase:		
Transferred from Deferred Contributions	10,666,137	13,589,961
Decrease:		
Transferred to Deferred Contributions	8,415,608	17,732,619
<b>Net Changes for Year</b>	<u>2,250,529</u>	<u>(4,142,658)</u>
<b>WORK IN PROGRESS, END OF YEAR</b>	<u><b>\$ 17,712,188</b></u>	<u><b>\$ 15,461,659</b></u>
<b>TOTAL DEFERRED CAPITAL CONTRIBUTIONS, END OF YEAR</b>	<u><b>\$144,229,857</b></u>	<u><b>\$ 127,801,096</b></u>

**SCHOOL DISTRICT 44 (NORTH VANCOUVER)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2011**

**NOTE 11 ACCRUED 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 period of amortization is equal to the expected average remaining service lifetime (EARSL) of active employees.

	<u>2011</u>	<u>2010</u>
<b>Reconciliation of Accrued Benefit Obligation</b>		
Accrued Benefit Obligation – April 1	\$ 5,443,982	\$ 5,399,549
Service Cost	352,289	416,470
Interest Cost	267,534	384,322
Benefit Payments	(390,684)	(319,646)
Actuarial Gain	(434,841)	(436,713)
Accrued Benefit Obligation – March 31	<u>\$ 5,238,280</u>	<u>\$ 5,443,982</u>
<b>Reconciliation of Funded Status at End of Fiscal Year</b>		
Accrued Benefit Obligation - March 31	\$ 5,238,280	\$ 5,443,982
Market Value of Plan Assets - March 31	<u>0</u>	<u>0</u>
Funded Status - Deficit	(5,238,280)	(5,443,982)
Employer Contributions After Measurement Date	189,141	203,634
Unamortized Net Actuarial Gain	(1,397,934)	(1,009,615)
Accrued Benefit Liability - June 30	<u>\$ (6,447,073)</u>	<u>\$ (6,249,963)</u>
<b>Components of Net Benefit Expense</b>		
Service Cost	\$ 352,289	\$ 416,470
Interest Cost	267,534	384,322
Amortization of Net Actuarial Gain	(46,522)	(3,505)
Net Benefit Expense	<u>\$ 797,287</u>	<u>\$ 797,287</u>

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

	<u>2011</u>	<u>2010</u>
Discount Rate – April 1	5.00%	7.00%
Discount Rate – March 31	4.75%	5.00%
Long Term Salary Growth – April 1	2.50% + Seniority	3.25% + Seniority
Long Term Salary Growth – March 31	2.50% + Seniority	2.50% + Seniority
EARSL – March 31	10	10

**SCHOOL DISTRICT 44 (NORTH VANCOUVER)**

**NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2011**

**NOTE 12 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 47,000 active members from school districts, and approximately 29,000 retired members from school districts. The Municipal Plan has about 163,000 active members, of which approximately 23,000 are from school districts.

Every three years, an actuarial valuation is performed to assess the financial position of the plans and the adequacy of plan funding. The most recent valuation of the Teachers' Plan as at December 31, 2008 indicated a \$291 million unfunded liability for basic pension benefits. The next valuation will be as at December 31, 2011 with results available in late 2012. The most recent valuation for the Municipal Pension Plan as at December 31, 2009 indicated an unfunded liability of \$1,024 million for basic pension benefits. The next valuation will be as at December 31, 2012 with results available in 2013. The actuary does not attribute portions of the unfunded liability to individual employers. The School District paid \$12,158,235 for employer contributions to these plans in the year (2010 - \$11,688,836).

**NOTE 13 INTERNALLY RESTRICTED AND UNRESTRICTED (OPERATING FUND BALANCE), END OF YEAR**

The Operating Fund Surplus at the end of June 30, 2011 was \$4,448,462, of which \$4,435,000 is internally restricted and has been appropriated by the Board for use in the 2011/12 fiscal year as listed below. The remaining \$13,462 surplus is unrestricted.

<b>Restricted Surplus</b>	
Restricted Balances Schools	\$710,000
Salary & Benefit Expenses to support 3 year staffing plan	2,600,000
Additional Salary & Benefit Expenses to support 3 year staffing plan	1,000,000
Outstanding Purchase Orders at June 30, 2011	<u>125,000</u>
<b>Subtotal Internally Restricted</b>	<b>\$4,435,000</b>
<b>Unrestricted Surplus</b>	<b>13,462</b>
<b>Total Available for Future Operations</b>	<b><u>\$4,448,462</u></b>

## **SCHOOL DISTRICT 44 (NORTH VANCOUVER)**

### **NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2011**

#### **NOTE 14 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, 2011, transfers were as follows:

- A transfer was made in the amount of \$195,573 from operating to capital for payment of capital leases principal.
- A transfer was made in the amount of \$1,466,589 from operating to capital for the purchase of furniture, equipment, and vehicles (\$289,666), computer hardware and software (\$1,147,281), and buildings (\$29,642).
- A transfer was made in the amount of \$1,950,000 from operating to capital to support technology and capital projects.
- A transfer in the amount of \$2,683,607 was made from special purpose to capital for Annual Facilities Grant upgrades (\$2,375,699) and for capital purchases of computer hardware and equipment (\$307,908).
- A transfer in the amount of \$229,271 was made from special purpose to capital for capital leases principal (\$14,159) and Annual Facilities Grant upgrades (\$215,112 Work in Progress).

#### **NOTE 15 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 16 COMMITMENTS**

The School District has entered into contracts related to capital projects with a remaining cost of approximately \$35,871,935.

#### **NOTE 17 BUDGET FIGURES**

Budget figures included in the financial statements are not audited. They were approved by the Board through the adoption of an amended annual budget on February 22, 2011.

#### **NOTE 18 CONTINGENCIES**

The School District has granted an irrevocable standby letter of credit in the amount of \$100,000 in favour of the Corporation of the District of North Vancouver. This letter is in lieu of security deposits for capital projects. A second irrevocable standby letter of credit in the amount of \$44,817 in favour of the Corporation of the District of North Vancouver was issued in lieu of a security deposit for the Highlands School capital project.

**SCHOOL DISTRICT 44 (NORTH VANCOUVER)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2011**

**NOTE 18      CONTINGENCIES (Continued)**

The School District has been served a writ of summons in a class action lawsuit involving 25 other school districts throughout the Province, seeking recovery of tuition fees paid for summer school courses in prior fiscal periods. Neither the outcome of this action nor any potential financial consequences are known at this time.

The nature of the School District's activities is such that there is usually litigation pending or in process at any time. With respect to unsettled claims at June 30, 2011, management believes the School District has valid defenses and appropriate insurance coverage in place. In the event that any claims are successful, management believes that such claims are not expected to have a material effect on the School District's financial position.

**NOTE 19      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, which contemplates continuation of the School District as a "going concern".

**NOTE 20      CAPITAL DISCLOSURES**

The School District receives its principal source of capital through funding received from the Province of British Columbia through the Ministry of Education. The School District defines capital to be fund balances.

The School District's objectives when managing capital are to fund operations and capital asset additions. The School District manages the capital structure in conjunction with the Ministry of Education and makes adjustments based on available government funding and economic conditions. Budgets are developed and monitored to ensure capital is preserved in accordance with funding terms.

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

**SCHOOL DISTRICT No. 44 (NORTH VANCOUVER)**  
**OPERATING FUND**  
**SURPLUS (DEFICIT)**  
**YEAR ENDED JUNE 30, 2011**

**Schedule A1**

	2011		
	2011	2011	2010
	ACTUAL	AMENDED ANNUAL BUDGET	ACTUAL
<b>REVENUE</b>			
Provincial Grants - Ministry of Education	\$ 128,912,175	\$ 127,785,070	\$ 125,198,772
Provincial Grants - Other	250,066	230,000	1,182,220
Federal Grants	2,240	2,240	2,520
Other Revenue	10,665,677	10,185,848	10,928,390
Rentals and Leases	1,378,622	741,054	1,242,094
Investment Income	281,498	100,000	143,985
	<u>141,490,278</u>	<u>139,044,212</u>	<u>138,697,981</u>
<b>EXPENSE</b>			
<b>Salaries</b>			
Teachers	62,968,781	63,046,013	63,100,576
Principals and Vice Principals	8,106,504	8,294,642	8,592,564
Educational Assistants	11,372,713	11,549,507	12,140,527
Support Staff	11,068,513	11,490,534	11,448,423
Other Professionals	3,087,517	3,257,611	3,277,838
Substitutes	3,426,892	3,371,300	3,568,783
	<u>100,030,920</u>	<u>101,009,607</u>	<u>102,128,711</u>
Employee Benefits	23,096,110	23,063,903	22,332,457
Services and Supplies	11,349,937	15,312,072	11,412,139
	<u>134,476,967</u>	<u>139,385,582</u>	<u>135,873,307</u>
<b>NET REVENUE (EXPENSE), FOR THE YEAR</b>	7,013,311	(341,370)	2,824,674
<b>INTERFUND TRANSFERS</b>			
Capital Assets Purchased	(1,466,589)	(705,943)	(545,490)
Local Capital	(1,950,000)		(1,005,000)
Other	(195,573)		(263,421)
<b>OTHER ADJUSTMENTS TO OPERATING FUND BALANCE</b>			
<b>BUDGETED ALLOCATION (RETIREMENT) OF SURPLUS (DEFICIT)</b>		1,047,313	
<b>SURPLUS (DEFICIT), FOR THE YEAR</b>	<u>3,401,149</u>	<u>\$ -</u>	<u>1,010,763</u>
<b>SURPLUS (DEFICIT), BEGINNING OF YEAR</b>	1,047,313		36,550
<b>SURPLUS (DEFICIT), END OF YEAR</b>			
(Section 156 (12) of School Act)	<u>\$ 4,448,462</u>		<u>\$ 1,047,313</u>
<b>SURPLUS (DEFICIT), END OF YEAR</b>			
Internally Restricted	4,435,000		
Unrestricted	13,462		
	<u>\$ 4,448,462</u>		

**SCHOOL DISTRICT No. 44 (NORTH VANCOUVER)**  
**OPERATING FUND**  
**COMPARATIVE SCHEDULE OF REVENUE BY SOURCE**  
**YEAR ENDED JUNE 30, 2011**

Schedule A2

	2011		
	2011 ACTUAL	AMENDED ANNUAL BUDGET	2010 ACTUAL
<b>PROVINCIAL GRANTS - MINISTRY OF EDUCATION</b>			
Operating Grant, Ministry of Education	\$ 124,061,862	\$ 122,984,640	\$ 120,391,407
Other Ministry of Education Grants			
Pay Equity / Labour Market Adjustment	2,966,047	2,966,046	2,966,047
OLEP Second Language - French	275,566	275,566	275,566
Scorer Training / Marker Training	18,842	18,842	18,842
Community Link Planning Fund	1,043,826	1,043,826	376,842
Ready, Set, Learn	66,150	66,150	71,050
Carbon Tax	93,789	90,000	88,257
Education Guarantee	176,093	130,000	761,011
Strong Starts	210,000	210,000	249,750
	<u>128,912,175</u>	<u>127,785,070</u>	<u>125,198,772</u>
<b>PROVINCIAL GRANTS - OTHER</b>	<u>250,066</u>	<u>230,000</u>	<u>1,182,220</u>
<b>FEDERAL GRANTS</b>	<u>2,240</u>	<u>2,240</u>	<u>2,520</u>
<b>OTHER REVENUE</b>			
Summer School Fees	136,150	127,752	116,895
Continuing Education	10,500	30,000	29,049
Offshore Tuition Fees	7,835,473	7,635,000	7,720,050
Miscellaneous			
Elementary Band & Strings	546,091	502,800	491,217
NV Outdoor School Revenue	1,278,155	1,286,500	1,298,444
Reading 44 / Math 44	70,224	72,000	113,733
Sundry (Crossing Guards / Transportation/ School Meals)	718,049	484,796	914,718
All Day Kindergarten (Inspirations 44)			222,460
Recoveries (Custodial Costs / VS Athletic Coord/ Donations)	71,035	47,000	21,824
	<u>10,665,677</u>	<u>10,185,848</u>	<u>10,928,390</u>
<b>RENTALS AND LEASES</b>	<u>1,378,622</u>	<u>741,054</u>	<u>1,242,094</u>
<b>INVESTMENT INCOME</b>	<u>281,498</u>	<u>100,000</u>	<u>143,985</u>
<b>TOTAL OPERATING REVENUE</b>	<u>\$ 141,490,278</u>	<u>\$ 139,044,212</u>	<u>\$ 138,697,981</u>

**SCHOOL DISTRICT No. 44 (NORTH VANCOUVER)**  
**OPERATING FUND**  
**COMPARATIVE SCHEDULE OF EXPENSE BY OBJECT**  
**YEAR ENDED JUNE 30, 2011**

Schedule A3

	2011	2011	2010
	ACTUAL	AMENDED ANNUAL BUDGET	ACTUAL
<b>SALARIES</b>			
Teachers	\$ 62,968,781	\$ 63,046,013	\$ 63,100,576
Principals and Vice Principals	8,106,504	8,294,642	8,592,564
Educational Assistants	11,372,713	11,549,507	12,140,527
Support Staff	11,068,513	11,490,534	11,448,423
Other Professionals	3,087,517	3,257,611	3,277,838
Substitutes	3,426,892	3,371,300	3,568,783
	<u>100,030,920</u>	<u>101,009,607</u>	<u>102,128,711</u>
<b>EMPLOYEE BENEFITS</b>	<u>23,096,110</u>	<u>23,063,903</u>	<u>22,332,457</u>
<b>TOTAL SALARIES AND BENEFITS</b>	<u>123,127,030</u>	<u>124,073,510</u>	<u>124,461,168</u>
<b>SERVICES AND SUPPLIES</b>			
Services	4,110,529	6,539,672	4,112,047
Student Transportation	144,640	155,500	160,885
Professional Development and Travel	594,692	667,189	529,305
Rentals and Leases	13,080	12,108	5,871
Dues and Fees	59,273	58,700	47,890
Insurance	352,916	322,700	277,836
Interest	16,709	26,198	51,774
Supplies	3,997,333	5,230,005	4,219,250
Utilities	2,060,765	2,300,000	2,007,281
<b>TOTAL SERVICES AND SUPPLIES</b>	<u>11,349,937</u>	<u>15,312,072</u>	<u>11,412,139</u>
<b>TOTAL OPERATING EXPENSE</b>	<u>\$ 134,476,967</u>	<u>\$ 139,385,582</u>	<u>\$ 135,873,307</u>

**SCHOOL DISTRICT No. 44 (NORTH VANCOUVER)**  
**OPERATING FUND**  
**EXPENSE BY FUNCTION, PROGRAM AND OBJECT**  
**YEAR ENDED JUNE 30, 2011**

Schedule A4.1

	TEACHERS SALARIES	PRINCIPALS & VICE PRINCIPALS SALARIES	EDUCATIONAL ASSISTANTS SALARIES	SUPPORT STAFF SALARIES	OTHER PROFESSIONALS SALARIES	SUBSTITUTES SALARIES	TOTAL SALARIES
<b>1 INSTRUCTION</b>							
1.02 Regular Instruction	\$ 49,906,949	\$ 2,682,066	\$ 1,819,542	\$ 1,513,693		\$ 2,760,391	\$ 58,682,641
1.03 Career Programs	72,036			122,933		10,503	205,472
1.07 Library Services	1,840,068	28,556	154,792	161,141		6,003	2,190,560
1.08 Counselling	2,377,328					1,504	2,378,832
1.10 Special Education	5,730,110	456,010	8,866,415	499,504		198,447	15,750,486
1.30 English as a Second Language	1,020,638			110,051		12,460	1,143,149
1.31 Aboriginal Education	254,405	120,097	384,572			16,740	775,814
1.41 School Administration		4,747,269		1,230,791		60,137	6,038,197
1.60 Summer School	273,784			41,892			315,676
1.61 Continuing Education	746,166	72,506	89,544	97,269		14,443	1,019,928
1.62 Off Shore Students	736,766			82,513	88,418	342	908,039
1.64 Other				283,377		4,622	287,999
<b>Total Function 1</b>	<b>62,958,250</b>	<b>8,106,504</b>	<b>11,314,865</b>	<b>4,143,164</b>	<b>88,418</b>	<b>3,085,592</b>	<b>89,696,793</b>
<b>4 DISTRICT ADMINISTRATION</b>							
4.11 Educational Administration					711,453	526	711,979
4.40 School District Governance					141,137		141,137
4.41 Business Administration				806,669	1,242,763	1,529	2,050,961
<b>Total Function 4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>806,669</b>	<b>2,095,353</b>	<b>2,055</b>	<b>2,904,077</b>
<b>5 OPERATIONS AND MAINTENANCE</b>							
5.41 Operations and Maintenance Administration	10,531			46,711	453,590		510,832
5.50 Maintenance Operations				5,693,375	450,156	333,247	6,476,778
5.52 Maintenance of Grounds				353,812			353,812
<b>Total Function 5</b>	<b>10,531</b>	<b>-</b>	<b>-</b>	<b>6,093,898</b>	<b>903,746</b>	<b>333,247</b>	<b>7,341,422</b>
<b>7 TRANSPORTATION AND HOUSING</b>							
7.70 Student Transportation			57,848	24,782		5,998	88,628
<b>Total Function 7</b>	<b>-</b>	<b>-</b>	<b>57,848</b>	<b>24,782</b>	<b>-</b>	<b>5,998</b>	<b>88,628</b>
<b>9 DEBT SERVICES (OPERATING)</b>							
<b>Total Function 9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL FUNCTIONS 1 - 9</b>	<b>\$ 62,968,781</b>	<b>\$ 8,106,504</b>	<b>\$ 11,372,713</b>	<b>\$ 11,068,513</b>	<b>\$ 3,087,517</b>	<b>\$ 3,426,892</b>	<b>\$ 100,030,920</b>

**SCHOOL DISTRICT No. 44 (NORTH VANCOUVER)  
OPERATING FUND  
EXPENSE BY FUNCTION, PROGRAM AND OBJECT  
YEAR ENDED JUNE 30, 2011**

Schedule A4.2

	TOTAL SALARIES	EMPLOYEE BENEFITS	TOTAL SALARIES AND BENEFITS	SERVICES AND SUPPLIES	2011 ACTUAL	2011 AMENDED ANNUAL BUDGET	2010 ACTUAL
<b>1 INSTRUCTION</b>							
1.02 Regular Instruction	\$ 58,682,641	\$ 14,180,157	\$ 72,872,798	\$ 3,792,234	\$ 76,665,032	\$ 75,467,489	\$ 76,233,294
1.03 Career Programs	205,472	41,413	246,885	24,144	271,029	251,151	487,012
1.07 Library Services	2,190,560	508,439	2,698,999	41,205	2,740,204	2,837,555	2,659,630
1.08 Counselling	2,378,832	560,029	2,938,861	9,808	2,948,669	2,730,409	2,876,567
1.10 Special Education	15,750,486	3,339,279	19,089,765	319,274	19,409,039	20,458,459	20,044,603
1.30 English as a Second Language	1,143,149	312,816	1,455,965	17,076	1,473,041	1,250,639	1,690,370
1.31 Aboriginal Education	775,814	146,611	922,425	28,440	950,865	1,145,732	954,338
1.41 School Administration	6,038,197	1,263,520	7,301,717	142,189	7,443,906	7,267,820	7,896,739
1.60 Summer School	315,676	57,573	373,249	10,197	383,446	436,033	435,125
1.61 Continuing Education	1,019,928	234,299	1,254,227	166,105	1,420,332	1,432,872	1,390,712
1.62 Off Shore Students	908,039	210,567	1,118,606	572,674	1,691,280	3,811,286	1,973,728
1.64 Other	287,999	40,485	328,464	330,479	658,943	3,126,058	872,479
<b>Total Function 1</b>	<b>89,696,793</b>	<b>20,905,168</b>	<b>110,601,961</b>	<b>5,453,825</b>	<b>116,055,786</b>	<b>120,205,503</b>	<b>117,294,597</b>
<b>4 DISTRICT ADMINISTRATION</b>							
4.11 Educational Administration	711,979	159,879	871,858	167,113	1,038,971	1,049,782	1,141,991
4.40 School District Governance	141,137	19,100	160,237	107,207	267,444	260,984	321,105
4.41 Business Administration	2,050,961	393,850	2,444,811	605,572	3,050,383	3,140,379	3,231,840
<b>Total Function 4</b>	<b>2,904,077</b>	<b>572,829</b>	<b>3,476,906</b>	<b>879,892</b>	<b>4,356,798</b>	<b>4,451,145</b>	<b>4,694,936</b>
<b>5 OPERATIONS AND MAINTENANCE</b>							
5.41 Operations and Maintenance Administration	510,832	84,631	595,463	506,829	1,102,292	1,056,207	954,015
5.50 Maintenance Operations	6,476,778	1,441,892	7,918,670	1,939,777	9,858,447	10,259,215	9,777,441
5.52 Maintenance of Grounds	353,812	73,477	427,289	423,938	851,227	867,543	918,308
5.56 Utilities	-	-	-	2,060,765	2,060,765	2,292,000	2,007,281
<b>Total Function 5</b>	<b>7,341,422</b>	<b>1,600,000</b>	<b>8,941,422</b>	<b>4,931,309</b>	<b>13,872,731</b>	<b>14,474,965</b>	<b>13,657,045</b>
<b>7 TRANSPORTATION AND HOUSING</b>							
7.70 Student Transportation	88,628	18,113	106,741	71,090	177,831	227,771	197,691
<b>Total Function 7</b>	<b>88,628</b>	<b>18,113</b>	<b>106,741</b>	<b>71,090</b>	<b>177,831</b>	<b>227,771</b>	<b>197,691</b>
<b>9 DEBT SERVICES (OPERATING)</b>							
9.94 Interest on Temporary Borrowing	-	-	-	13,821	13,821	26,198	29,038
<b>Total Function 9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,821</b>	<b>13,821</b>	<b>26,198</b>	<b>29,038</b>
<b>TOTAL FUNCTIONS 1 - 9</b>	<b>\$ 100,030,920</b>	<b>\$ 23,096,110</b>	<b>\$ 123,127,030</b>	<b>\$ 11,349,937</b>	<b>\$ 134,476,967</b>	<b>\$ 139,385,582</b>	<b>\$ 135,873,307</b>

**SCHOOL DISTRICT No. 44 (NORTH VANCOUVER)**  
**OPERATING FUND**  
**CHANGES IN DEFERRED CONTRIBUTIONS**  
**YEAR ENDED JUNE 30, 2011**

**Schedule A5**

<b>BALANCE, BEGINNING OF YEAR</b>	
<b>Changes for the Year</b>	
Increase:	_____
	-
Decrease:	_____
	-
<b>Net Changes for the Year</b>	_____
	-
<b>BALANCE, END OF YEAR</b>	<u><u>\$ -</u></u>

**SCHOOL DISTRICT No. 44 (NORTH VANCOUVER)**  
**SPECIAL PURPOSE FUNDS**  
**SUMMARY OF CHANGES**  
**YEAR ENDED JUNE 30, 2011**

Schedule B1

	MINISTRY OF EDUCATION DESIGNATED	OTHER	SCHOOL GENERATED FUNDS	RELATED ENTITIES	TOTAL
<b>DEFERRED CONTRIBUTIONS</b>					
<b>DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR</b>	\$ 1,129,286	\$ 1,723,259	\$ 2,254,649		\$ 5,107,194
<b>Add: Contributions Received</b>					
Provincial Grants - Ministry of Education	1,793,863				1,793,863
Other		655,411	6,784,737		7,440,148
Investment Income	11,099	3,635			14,734
	1,804,962	659,046	6,784,737	-	9,248,745
<b>Less: Allocated to Revenue</b>	2,682,885	612,006	6,298,528		9,593,419
<b>DEFERRED CONTRIBUTIONS, END OF YEAR</b>	\$ 251,363	\$ 1,770,299	\$ 2,740,858	\$ -	\$ 4,762,520
<b>REVENUE AND EXPENSE</b>					
<b>REVENUE</b>					
Provincial Grants - Ministry of Education	\$ 2,671,786				\$ 2,671,786
Other Revenue		608,39	6,298,528		6,906,919
Investment Income	11,099	3,615			14,714
	2,682,885	612,006	6,298,528	-	9,593,419
<b>EXPENSE</b>					
Salaries					
Teachers		(140)			(140)
Principals and Vice Principals		72,745			72,745
Support Staff		114			114
Other Professionals		26,875			26,875
Substitutes		23,377			23,377
	-	122,971	-	-	122,971
Employee Benefits		21,479			21,479
Services and Supplies	58,052	484,903	6,013,136		6,536,091
	58,052	609,353	6,013,136	-	6,680,541
<b>NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS</b>	2,624,833	2,653	285,392	-	2,912,878
<b>INTERFUND TRANSFERS</b>					
Capital Assets Purchased	(2,409,721)	(2,653)	(271,233)		(2,683,607)
Other	(215,112)		(14,159)		(229,271)
	(2,624,833)	(2,653)	(285,392)	-	(2,912,878)
<b>NET REVENUE (EXPENSE)</b>	\$ -	\$ -	\$ -	\$ -	\$ -

**SCHOOL DISTRICT No. 44 (NORTH VANCOUVER)**  
**SPECIAL PURPOSE FUNDS**  
**CHANGES IN MINISTRY OF EDUCATION DESIGNATED SPECIAL PURPOSE FUNDS**  
**YEAR ENDED JUNE 30, 2011**

	207 Annual Facility Grant	250 Special Education Equipment	290 Debt Services	TOTAL
<b>DEFERRED CONTRIBUTIONS</b>				
<b>DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR</b>	\$ 974,590	\$ 28,727	\$ 125,969	\$ 1,129,286
Add: Contributions Received				
Provincial Grants - Ministry of Education	1,765,526	28,337		1,793,863
Investment Income	10,772	327		11,099
	1,776,298	28,664	-	1,804,962
Less: Allocated to Revenue	2,590,811	34,022	58,052	2,682,885
<b>DEFERRED CONTRIBUTIONS, END OF YEAR</b>	<b>\$ 160,077</b>	<b>\$ 23,369</b>	<b>\$ 67,917</b>	<b>\$ 251,363</b>
<b>REVENUE AND EXPENSE</b>				
<b>REVENUE</b>				
Provincial Grants - Ministry of Education	\$ 2,580,039	\$ 33,695	\$ 58,052	\$ 2,671,786
Investment Income	10,772	327		11,099
	2,590,811	34,022	58,052	2,682,885
<b>EXPENSE</b>				
Salaries				
	-	-	-	-
Services and Supplies			58,052	58,052
	-	-	58,052	58,052
<b>NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS</b>	<b>2,590,811</b>	<b>34,022</b>	<b>-</b>	<b>2,624,833</b>
<b>INTERFUND TRANSFERS</b>				
Capital Assets Purchased	(2,375,699)	(34,022)		(2,409,721)
Other	(215,112)			(215,112)
	(2,590,811)	(34,022)	-	(2,624,833)
<b>NET REVENUE (EXPENSE)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**SCHOOL DISTRICT No. 44 (NORTH VANCOUVER)**  
**SPECIAL PURPOSE FUNDS**  
**CHANGES IN OTHER SPECIAL PURPOSE FUNDS**  
**YEAR ENDED JUNE 30, 2011**

	270 Metro Regional Implementation	Violence Prevention	Artistsfor Kids	NVOS Special Projectes	TOTAL
<b>DEFERRED CONTRIBUTIONS</b>					
<b>DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR</b>	\$ 291,882	\$ 23,614	\$ 1,404,221	\$ 3,542	\$ 1,723,259
Add: Contributions Received					
Other	28,200	20,000	607,211	-	655,411
Investment Income	3,294	321	-	20	3,635
	31,494	20,321	607,211	20	659,046
Less: Allocated to Revenue	91,628	16,423	503,955	-	612,006
<b>DEFERRED CONTRIBUTIONS, END OF YEAR</b>	<b>\$ 231,748</b>	<b>\$ 27,512</b>	<b>\$ 1,507,477</b>	<b>\$ 3,562</b>	<b>\$ 1,770,289</b>
<b>REVENUE AND EXPENSE</b>					
<b>REVENUE</b>					
Other Revenue	88,334	16,102	503,955		608,391
Investment Income	3,294	321			3,615
	91,628	16,423	503,955	-	612,006
<b>EXPENSE</b>					
Salaries					
Teachers			(140)		(140)
Principals and Vice Principals			72,745		72,745
Support Staff			114		114
Other Professionals			26,875		26,875
Substitutes			23,377		23,377
			122,971		122,971
Employee Benefits			21,479		21,479
Services and Supplies	91,628	16,423	356,852		464,903
	91,628	16,423	501,302	-	609,353
<b>NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS</b>	<b>-</b>	<b>-</b>	<b>2,653</b>	<b>-</b>	<b>2,653</b>
<b>INTERFUND TRANSFERS</b>					
Capital Assets Purchased			(2,653)		(2,653)
			(2,653)		(2,653)
<b>NET REVENUE (EXPENSE)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**SCHOOL DISTRICT No. 44 (NORTH VANCOUVER)**  
**CAPITAL FUND**  
**CAPITAL ASSETS**  
**YEAR ENDED JUNE 30, 2011**

Schedule C1

	SITES	BUILDINGS	FURNITURE AND EQUIPMENT	VEHICLES	COMPUTER SOFTWARE	COMPUTER HARDWARE	TOTAL
<b>COST, BEGINNING OF YEAR</b>	\$ 12,590,780	\$ 223,515,105	\$ 4,780,530	\$ 1,355,848	\$ 1,607,271	\$ 4,686,448	\$ 248,535,982
<b>Changes for the Year</b>							
Increase:							
Purchases from:							
Deferred Contributions - Bylaw		8,865,607	98,735				8,964,342
Deferred Contributions - Other		580,333	150,395				730,728
Operating Fund		29,642	120,360	169,306	71,142	1,076,139	1,466,589
Special Purpose Funds		2,375,699	34,368			273,540	2,683,607
Local Capital		2,235,153					2,235,153
Capital Leases (Function 081)						9,735	9,735
Assets from Debt Financing		(732)					(732)
Transferred from Work in Progress		8,415,608					8,415,608
Decrease:							
Deemed Disposals			1,259,873		457,468	1,524,887	3,242,228
			1,259,873		457,468	1,524,887	3,242,228
<b>COST, END OF YEAR</b>	12,590,780	246,016,415	3,924,515	1,525,154	1,220,945	4,520,975	269,798,784
<b>WORK IN PROGRESS, END OF YEAR</b>		35,672,818			449,254		36,122,072
<b>COST AND WORK IN PROGRESS, END OF YEAR</b>	\$ 12,590,780	\$ 281,689,233	\$ 3,924,515	\$ 1,525,154	\$ 1,670,199	\$ 4,520,975	\$ 305,920,856
<b>ACCUMULATED AMORTIZATION, BEGINNING OF YEAR</b>		\$ 69,972,513	\$ 2,866,077	\$ 542,659	\$ 723,736	\$ 2,061,852	\$ 76,166,837
<b>Changes for the Year</b>							
Increase: Amortization for the Year		4,942,851	478,053	135,585	321,454	937,289	6,815,232
Decrease:							
Deemed Disposals			1,259,873		457,468	1,524,887	3,242,228
			1,259,873		457,468	1,524,887	3,242,228
<b>ACCUMULATED AMORTIZATION, END OF YEAR</b>	\$ -	\$ 74,915,364	\$ 2,084,257	\$ 678,244	\$ 587,722	\$ 1,474,254	\$ 79,739,841
<b>CAPITAL ASSETS - NET</b>	\$ 12,590,780	\$ 206,773,869	\$ 1,840,258	\$ 846,910	\$ 1,082,477	\$ 3,046,721	\$ 226,181,015

**SCHOOL DISTRICT No. 44 (NORTH VANCOUVER)**  
**CAPITAL FUND**  
**CAPITAL ASSETS - WORK IN PROGRESS**  
**YEAR ENDED JUNE 30, 2011**

	BUILDINGS	FURNITURE AND EQUIPMENT	COMPUTER SOFTWARE	COMPUTER HARDWARE	TOTAL
<b>WORK IN PROGRESS, BEGINNING OF YEAR</b>	\$ 20,681,849		\$ 449,254		\$ 21,131,103
<b>Changes for the Year</b>					
Increase					
Deferred Contributions - Bylaw	10,416,137				10,416,137
Deferred Contributions - Other	250,000				250,000
Special Purpose Funds	215,112				215,112
Local Capital	12,525,328				12,525,328
	<u>23,406,577</u>	-	-	-	<u>23,406,577</u>
Decrease					
Transferred to Capital Assets	8,415,608				8,415,608
	<u>8,415,608</u>	-	-	-	<u>8,415,608</u>
<b>Net Changes for the Year</b>	<u>14,990,969</u>	-	-	-	<u>14,990,969</u>
<b>WORK IN PROGRESS, END OF YEAR</b>	<u>\$ 35,672,818</u>	\$ -	<u>\$ 449,254</u>	\$ -	<u>\$ 36,122,072</u>

**SCHOOL DISTRICT No. 44 (NORTH VANCOUVER)**  
**CAPITAL FUND**  
**DEFERRED CAPITAL CONTRIBUTIONS**  
**YEAR ENDED JUNE 30, 2011**

Schedule C3

	BYLAW CAPITAL	OTHER PROVINCIAL	OTHER CAPITAL	TOTAL CAPITAL
<b>DEFERRED CAPITAL CONTRIBUTIONS, BEGINNING OF YEAR</b>	\$ 110,638,582	\$ 701,203	\$ 999,652	\$ 112,339,437
<b>Changes for the Year</b>				
Increase				
Transferred from Deferred Contributions - Capital Additions	8,964,342		730,728	9,695,070
Transferred from Work in Progress	8,393,771		21,837	8,415,608
	<u>17,358,113</u>	<u>-</u>	<u>752,565</u>	<u>18,110,678</u>
Decrease				
Amortization of Deferred Capital Contributions	3,852,571	18,037	61,838	3,932,446
	<u>3,852,571</u>	<u>18,037</u>	<u>61,838</u>	<u>3,932,446</u>
<b>Net Changes for the Year</b>	<u>13,505,542</u>	<u>(18,037)</u>	<u>690,727</u>	<u>14,178,232</u>
<b>DEFERRED CAPITAL CONTRIBUTIONS, END OF YEAR</b>	<u>\$ 124,144,124</u>	<u>\$ 683,166</u>	<u>\$ 1,690,379</u>	<u>\$ 126,517,669</u>
<b>WORK IN PROGRESS, BEGINNING OF YEAR</b>	\$ 15,139,822		\$ 321,837	\$ 15,461,659
<b>Changes for the Year</b>				
Increase				
Transferred from Deferred Contributions - Work in Progress	10,416,137		250,000	10,666,137
	<u>10,416,137</u>	<u>-</u>	<u>250,000</u>	<u>10,666,137</u>
Decrease				
Transferred to Deferred Capital Contributions	8,393,771		21,837	8,415,608
	<u>8,393,771</u>	<u>-</u>	<u>21,837</u>	<u>8,415,608</u>
<b>Net Changes for the Year</b>	<u>2,022,366</u>	<u>-</u>	<u>228,163</u>	<u>2,250,529</u>
<b>WORK IN PROGRESS, END OF YEAR</b>	<u>\$ 17,162,188</u>	<u>\$ -</u>	<u>\$ 550,000</u>	<u>\$ 17,712,188</u>
<b>TOTAL DEFERRED CAPITAL CONTRIBUTIONS, END OF YEAR</b>	<u>\$ 141,306,312</u>	<u>\$ 683,166</u>	<u>\$ 2,240,379</u>	<u>\$ 144,229,857</u>

**SCHOOL DISTRICT No. 44 (NORTH VANCOUVER)**  
**CAPITAL FUND**  
**CHANGES IN DEFERRED CONTRIBUTIONS**  
**YEAR ENDED JUNE 30, 2011**

Schedule C4

	BYLAW CAPITAL	MINISTRY OF EDUCATION RESTRICTED CAPITAL	OTHER PROVINCIAL CAPITAL	LAND CAPITAL	OTHER CAPITAL	TOTAL
<b>BALANCE, BEGINNING OF YEAR</b>	\$ 3,584,146	\$ 224,969	\$ -		\$ 2,207,309	\$ 6,016,424
<b>Changes for the Year</b>						
Increase:						
Provincial Grants - Ministry of Education	19,453,008					19,453,008
Other					580,333	580,333
Investment Income					24,992	24,992
COA Projects - balances closed to MOE Restricted	(1,619,384)	1,619,384				-
Other Sources - School District Projects					241,336	241,336
	<u>17,833,624</u>	<u>1,619,384</u>	<u>-</u>	<u>-</u>	<u>846,661</u>	<u>20,299,669</u>
Decrease:						
Transferred to DCC - Capital Additions	8,964,342				730,728	9,695,070
Transferred to DCC - Work in Progress	10,416,137				250,000	10,666,137
	<u>19,380,479</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>980,728</u>	<u>20,361,207</u>
<b>Net Changes for the Year</b>	<u>(1,546,855)</u>	<u>1,619,384</u>	<u>-</u>	<u>-</u>	<u>(134,067)</u>	<u>(61,538)</u>
<b>BALANCE, END OF YEAR</b>	<u>\$ 2,037,291</u>	<u>\$ 1,844,353</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,073,242</u>	<u>\$ 5,954,886</u>

**SCHOOL DISTRICT No. 44 (NORTH VANCOUVER)**  
**CAPITAL FUND**  
**CHANGES IN FUND BALANCES**  
**YEAR ENDED JUNE 30, 2011**

	INVESTED IN CAPITAL ASSETS	LOCAL CAPITAL	FUND BALANCE
<b>BALANCE, BEGINNING OF YEAR</b>	\$ 58,184,737	\$ 23,537,082	\$ 81,721,819
<b>Changes for the Year</b>			
Investment Income		82,806	82,806
Amortization of Deferred Capital Contributions	3,932,446		3,932,446
Capital Assets Purchased from Local Capital	14,760,480	(14,760,480)	-
Interfund Transfers - Capital Assets Purchased	4,150,196		4,150,196
Interfund Transfers - Local Capital		1,950,000	1,950,000
Amortization of Capital Assets	(6,815,232)		(6,815,232)
Capital Leases Principal Paid - Operating	195,573		195,573
Capital Leases Principal Paid - Special Purpose	14,159		14,159
SPF WIP (AFG)	215,112		215,112
<b>Net Changes for the Year</b>	<u>16,452,734</u>	<u>(12,727,674)</u>	<u>3,725,060</u>
<b>BALANCE, END OF YEAR</b>	<u>\$ 74,637,471</u>	<u>\$ 10,809,408</u>	<u>\$ 85,446,879</u>

**2010–2011 AUDITED FINANCIAL STATEMENTS  
KEY YEAR-END HIGHLIGHTS**

**STATEMENT OF FINANCIAL POSITION**  
*STATEMENT 1*

**ASSETS**

Cash and Cash Equivalents

This classification includes cash and term deposits with maturity dates of three months or less. Year over year, the total cash and cash equivalents held by the School District has increased by \$17,112,310. Much of the increase is due to the capital projects underway.

The cash held by the School District has increased by \$7 Million since June, 2007, including the \$2 Million Audain gift received in the 2009/10 fiscal year. Analysis of the expenditures for the 2011 year indicate that the cash on hand (float) should be in the range of \$12.2M - \$14M, using the Auditor General's rule of thumb for a 7% to 8% float. Actual cash flow utilization for the School District ranges from \$14.5M to \$17.5M per month, dependent upon the time of year. Short-term available cash generates the highest rate of interest available on the market through term deposits or bank interest earnings.

Accounts Receivable

The significant decrease of \$15,710,202 in Accounts Receivable (Current & Long-term) is largely attributed to the payments received from the sale of the Lonsdale school property. Sale proceeds are being received over the life of the construction project, expected to be completed in Spring, 2012.

Capital Assets

Capital acquisitions, particularly construction and seismic upgrade projects, account for the \$32,680,767 net increase in capital assets, year over year. (Canyon Heights, Carisbrooke, Highlands, Ridgeway, Carson Graham, Educational Services Centre, Environmental Learning Centre)

**LIABILITIES AND FUND BALANCES**

Current Liabilities

A \$7,106,151 increase in Accounts Payable and Accrued Liabilities occurred due to the timing differences for Payroll Statutory deductions, Health & Welfare liabilities, Pension liabilities, as well as increased construction lien holdbacks and Capital construction liabilities.

Fund Balances

The Operating Fund generated \$4,448,462 surplus, of which \$4,435,000 is appropriated for use in the 2011/12 fiscal year and for the three year staffing plan. (See Note 14 of the Financial Statements)

The Capital Fund balance increased by \$3,725,060, and reflects the changes in Capital Assets purchased and additions to Local Capital.

**2010–2011 AUDITED FINANCIAL STATEMENTS  
KEY YEAR-END HIGHLIGHTS**

**OPERATING FUND  
SURPLUS (DEFICIT)  
STATEMENT A1**

**REVENUE**

Total Revenue was \$2,446,066, or 1.76%, higher than budgeted.

Provincial Operating Grant revenue is budgeted, in both the Preliminary and Amended budgets, to match the respective Operating Grant announcements. The February and May student enrolment recount information, and the resultant funding impacts, are confirmed by the Ministry of Education subsequent to the Amended budget submission deadline, therefore changes to the Provincial funding are only forecast and not budgeted. An additional \$1,285,221 in funding was announced after the February 28, 2011 submission of the Amended budget.

<b>Changes to 2010/11 Operating Grant</b>	<b>Date Announced</b>	<b>Amount</b>	
Original Grant Estimate	Mar. 15, 2010	\$ 120,375,807	
September Grant Calculation (Dec.15/10)	Dec. 15, 2010	123,306,084	
<b>Change in Grant</b>		<b>\$ 2,930,277</b>	<i>Incr</i>
<b>Additional Funding Announcements</b>			
February Recount (DL, CE, Spec. Needs)	May 18, 2011	\$ 707,993	<i>Incr</i>
May Recount (DL, CE)	June 23, 2011	(4,366)	<i>Decr</i>
Holdback Release	May 18, 2011	231,389	<i>Incr</i>
Holdback Release	June 23, 2011	350,204	<i>Incr</i>
<b>Total Change in Grant since December 15, 2010</b>		<b>\$ 1,285,221</b>	<i>Incr</i>
<b>Total Funding Changes</b>		<b>\$ 4,215,498</b>	

Total Provincial funding, including the Ministry of Education Grant, was approximately \$1,147,171, or 0.9%, greater than budgeted due to higher enrolment in Adult Education, Distributed Learning, and Special Needs. The Special Needs Audit penalty of \$508,000 was paid to the Ministry of Education through a reduction of the Grant received.

The Other Revenue category was \$479,829, or 4.71% higher than budgeted due to higher Elementary Band & Strings enrolment, higher International Student enrolment, and Sundry revenue.

Rentals and Leases are showing an 86.04%, or \$637,568 revenue increase over budget, the majority of which is due to a reclassification of long term leases from Capital to Operating.

Investment Income significantly exceeded budget by \$181,498, or 181.50%, largely due to an increase in interest rates and larger cash balances due to multiple capital projects.

## **EXPENSES**

Total Expenses, excluding Capital Assets, were \$4,908,615, or 3.52%, lower than budgeted.

Salaries were \$978,687, or 0.97%, under budget. Hiring restrictions and changes to operational practices remained in place during the year. Long-term absences were a significant contributing factor in generating this variance.

Benefits were \$32,207, or 0.14%, over budget.

Supplies and Services were \$3,962,135, or 25.88%, under budget. In order to present a balanced budget, it was necessary to budget \$2.38M in District Contingency as an expense with the intent of applying it to future staffing needs through a three year staffing plan. The School Block Budget balance carry-forward claims an additional \$710,000 of the variance. Expenditure constraints in all expense categories were in place throughout the year, and utility costs were under budget as a result of a mild winter.

Capital Assets Purchased were \$2,906,219, or 411% over budget. Expenses in this category were incurred to meet the operational demands for equipment, mostly technology. A transfer of \$1,950,000 from Operating into Local Capital to support Capital Projects is included in the variance.