

SCHOOL DISTRICT
AUDITED FINANCIAL STATEMENTS
FISCAL YEAR 2006/2007

SCHOOL DISTRICT NUMBER 37	NAME OF SCHOOL DISTRICT Delta	YEAR 2006/2007
OFFICE LOCATION 4585 Harvest Drive		TELEPHONE NUMBER 604-946-4101
CITY / PROVINCE Delta, BC		POSTAL CODE V4K 5B4
WEBSITE ADDRESS http://web.deltasd.bc.ca		
NAME OF SUPERINTENDENT Steve Cardwell		NAME OF SECRETARY - TREASURER Grant McRadu

DECLARATION AND SIGNATURES

SCHOOL DISTRICT MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules of The Board of School Trustees of School District No. 37 (Delta) ("the Board") have been prepared by school district management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with Canadian generally accepted accounting principles for not-for-profit organizations.

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

The Board's Responsibility

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

External Auditors

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

Declaration of Management and Board Chairperson

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

We, the undersigned, certify that the attached is a correct and true copy of the Audited Financial Statements of School District No. 37 (Delta) for the year ended June 30, 2007.

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

SCHOOL DISTRICT NO. 37 (Delta)
2006/2007 AUDITED FINANCIAL STATEMENTS

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September 18, 2007

Auditors' Report

To the Board of School Trustees of School District No. 37 (Delta)

We have audited the statement of financial position of School District No. 37 (Delta) as at June 30, 2007 and the statements of revenue and expense, changes in fund balances and cash flows for the year then ended. These financial statements are the responsibility of the School District No. 37 (Delta) 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 No. 37 (Delta) as at June 30, 2007 and the results of its operations, changes in fund balances and cashflows for the year then ended in accordance with Canadian generally accepted accounting principles.

PricewaterhouseCoopers LLP

Chartered Accountants

SCHOOL DISTRICT NO. 37 (Delta)
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2007

Statement 1

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2007	TOTAL 2006
ASSETS					
Current Assets					
Cash and Cash Equivalents (Note 2.b)	8,710,039	2,343,279	1,943,687	12,997,005	8,111,389
Short Term Investments (Note 2.c)	13,637,058	9,001		13,646,059	16,296,591
Accounts Receivable					
Due from Province - Ministry of Education				0	1,128,504
Due from Province - Other	1,650			1,650	7,056,573
Due from LEA / Direct Funding	242,217			242,217	201,942
Other Receivables (Note 3)	1,123,805	10,119	56,199	1,190,123	1,276,601
Interfund Loans	1,200,315	2,643,940	230,429		
Inventories				0	0
Prepaid Expenses (Note 2.d)	343,285	1,000		344,285	292,004
	25,258,369	5,007,339	2,230,315	28,421,339	34,363,604
Investments				0	0
Equity Investments				0	0
Capital Assets - Net (Note 2.e, 4)			106,874,233	106,874,233	104,912,869
TOTAL ASSETS	25,258,369	5,007,339	109,104,548	135,295,572	139,276,473
LIABILITIES AND FUND BALANCES					
Current Liabilities					
Bank Overdraft				0	0
Accounts Payable and Accrued Liabilities					
Due to Province - Ministry of Education				0	8,706
Due to Province - Other	723			723	4,164
Other	7,326,399	15,269	271,310	7,612,978	15,719,264
Bank Loans				0	0
Interfund Loans	2,643,939	439,335	991,410		
Other Current Liabilities	1,486,189		265,381	1,751,570	1,620,520
	11,457,250	454,604	1,528,101	9,365,271	17,352,654
Deferred Revenue	2,282,002			2,282,002	2,798,189
Deferred Contributions (Note 5)					
Ministry of Education	708,550	2,063,660	231,285	3,003,495	2,677,648
Province - Other	17,919		11,384	29,303	17,000
Other	57,338	2,489,075		2,546,413	2,278,976
Accrued Employee Future Benefits (Note 2.k, 8)	2,339,698			2,339,698	2,151,815
Deferred Capital Contributions (Note 5)			75,346,603	75,346,603	72,928,340
Bank Loans (Note 6)			905,000	905,000	0
Capital Lease Obligations (Note 2.f, 7)			1,061,203	1,061,203	1,206,628
Other Long Term Liabilities				0	0
TOTAL LIABILITIES	16,862,757	5,007,339	79,083,576	96,878,988	101,411,250
Fund Balances					
Invested in Capital Assets			29,064,601	29,064,601	26,690,868
Endowment				0	0
Internally Restricted	7,841,495		956,371	8,797,866	10,620,238
Unrestricted	554,117			554,117	554,117
Unfunded Accrued Employee Future Benefits and Vacation Pay				0	0
TOTAL FUND BALANCES	8,395,612	0	30,020,972	38,416,584	37,865,223
TOTAL LIABILITIES AND FUND BALANCES	25,258,369	5,007,339	109,104,548	135,295,572	139,276,473

SCHOOL DISTRICT NO. 37 (Delta)
STATEMENT OF REVENUE AND EXPENSE
YEAR ENDED JUNE 30, 2007

Statement 2

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2007	TOTAL 2006
REVENUE (Note 2.g)					
Provincial Grants - Ministry of Education	119,267,177	5,202,544		124,469,721	118,668,323
Provincial Grants - Other	1,017,517			1,017,517	8,220,675
Federal Grants	130,414			130,414	192,616
Other Revenue	6,524,546	5,975,372		12,499,918	13,469,124
Rentals and Leases	537,821			537,821	543,571
Investment Income (Note 18)	1,024,066	58,774	89,110	1,171,950	820,431
Gain (Loss) on Equity Investment				0	0
Amortization of Deferred Capital Contributions			2,904,394	2,904,394	2,927,484
Gain (Loss) on Disposal of Capital Assets				0	0
	128,501,541	11,236,690	2,993,504	142,731,735	144,842,224
EXPENSE (Note 2.h)					
Salaries					
Teachers	60,063,513	1,034,506		61,098,019	58,689,232
Principals and Vice Principals	5,551,914	107,896		5,659,810	5,664,826
Educational Assistants	8,712,517	415,615		9,128,132	9,132,186
Support Staff	11,325,644	570,637		11,896,281	13,266,426
Other Professionals	2,389,437			2,389,437	2,458,025
Substitutes	4,333,159	78,046		4,411,205	4,140,612
	92,376,184	2,206,700	0	94,582,884	93,351,307
Employee Benefits	20,162,910	415,870		20,578,780	19,456,206
Services and Supplies	14,327,365	8,503,182		22,830,547	25,710,928
Amortization of Capital Assets			4,123,349	4,123,349	4,159,092
Write-off/down of Buildings and Sites				0	0
Interest on Leases & Cap Loan			64,814	64,814	0
	126,866,459	11,125,752	4,188,163	142,180,374	142,677,533
NET REVENUE (EXPENSE)	1,635,082	110,938	(1,194,659)	551,361	2,164,691

SCHOOL DISTRICT NO. 37 (Delta)
STATEMENT OF CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2007

Statement 3

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2007	TOTAL 2006
FUND BALANCES, BEGINNING OF YEAR	7,368,584	0	30,496,639	37,865,223	35,700,532
Changes in Accounting Policies/ Prior Period Adjustments					
FUND BALANCES, BEGINNING OF YEAR, AS RESTATED	7,368,584	0	30,496,639	37,865,223	35,700,532
Changes for the Year					
Net Revenue (Expense) for the Year	1,635,082	110,938	(1,194,659)	551,361	2,164,691
Interfund Transfers (Note 11)					
Capital Assets Purchased	(278,592)	(107,930)	386,522	0	0
Local Capital	(12,440)		12,440	0	0
Other	(317,022)	(3,008)	320,030	0	0
Direct Increases in Fund Balances					
Endowment Contributions				0	0
Site Purchases				0	0
Comprehensive Income (Loss)				0	0
Net Changes for the Year	1,027,028	0	(475,667)	551,361	2,164,691
FUND BALANCES, END OF YEAR	8,395,612	0	30,020,972	38,416,584	37,865,223

SCHOOL DISTRICT NO. 37 (Delta)
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2007

Statement 4.1

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2007	TOTAL 2006
CASH PROVIDED BY (USED FOR)					
OPERATIONS					
Net Revenue (Expense) for the Year	1,635,082	110,938	(1,194,659)	551,361	2,164,691
Changes In Non-Cash Working Capital					
Decrease (Increase)					
Accounts Receivable	7,348,442	892,154	(10,964)	8,229,632	(8,418,160)
Interfund Loans	1,343,359	(1,930,610)	587,251	0	0
Inventories				0	0
Prepaid Expenses	(78,378)	26,097		(52,281)	55,559
Increase (Decrease)					
Accounts Payable/Accrued Liabilities	(7,676,201)	(135,303)	(315,929)	(8,127,433)	9,806,466
Other Current Liabilities	121,784			121,784	44,392
Deferred Revenue	(516,188)			(516,188)	367,725
Deferred Contributions	361,280	1,348,385		1,709,665	(30,722)
Accrued Employee Future Benefits	187,883			187,883	169,430
Other Long Term Liabilities				0	0
Loss (Gain) on Disposal of Capital Assets				0	0
Items Not Involving Cash					
Amortization of Capital Assets			4,123,349	4,123,349	4,159,092
Amortization of Deferred Capital Contributions			(2,904,394)	(2,904,394)	(2,927,484)
Write-off/down of Buildings and Sites				0	0
Comprehensive Income (Loss)				0	0
Interfund Transfers	(608,054)	(110,938)	718,992	0	0
	<u>2,119,009</u>	<u>200,723</u>	<u>1,003,646</u>	<u>3,323,378</u>	<u>5,390,989</u>
FINANCING					
Bank Loan Received			905,000	905,000	0
Bank Loan Paid				0	0
Endowment Contributions				0	0
Increase (Decrease) Deferred Contributions - Capital (Note 18)			(1,118,241)	(1,118,241)	825,257
Proceeds from Disposal of Capital Assets				0	0
MEd Restricted Portion of Proceeds on Disposal				0	0
Increase (Decrease) Unrestricted Reserve				0	(319,599)
Principal Repayment - Capital Lease			(255,215)	(255,215)	(229,574)
Increase in Local Capital Reserves				0	85,249
MOE Restr Reserve increase - re: PPA fr 05/06			18,676	18,676	319,599
	<u>0</u>	<u>0</u>	<u>(449,780)</u>	<u>(449,780)</u>	<u>680,932</u>
INVESTING					
Capital Assets Purchased - Operating			(278,592)	(278,592)	(265,434)
Capital Assets Purchased - Special Purpose			(107,930)	(107,930)	0
Capital Assets Purchased - Local Capital			(10,026)	(10,026)	(87,248)
Work in Progress			(241,965)	(241,965)	(2,333,865)
Decrease (Increase) in Investments				0	0
Decrease (Increase) in Equity Investments				0	0
	<u>0</u>	<u>0</u>	<u>(638,513)</u>	<u>(638,513)</u>	<u>(2,686,547)</u>
NET INCREASE (DECREASE) IN CASH	<u>2,119,009</u>	<u>200,723</u>	<u>(84,647)</u>	<u>2,235,085</u>	<u>3,385,374</u>

SCHOOL DISTRICT NO. 37 (Delta)
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2007

Statement 4.2

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2007	TOTAL 2006
NET INCREASE (DECREASE) IN CASH	2,119,009	200,723	(84,647)	2,235,085	3,385,374
Net Cash, Beginning of Year	20,228,088	2,151,557	2,028,334	24,407,979	21,022,606
Changes in Accounting Policies/ Prior Period Adjustments					
Net Cash, Beginning of Year, as Restated	20,228,088	2,151,557	2,028,334	24,407,979	21,022,606
NET CASH, END OF YEAR	22,347,097	2,352,280	1,943,687	26,643,064	24,407,980
Cash	8,710,039	2,340,079	165,712	11,215,830	8,111,389
Cash Equivalents		3,200	1,777,975	1,781,175	0
Short Term Investments	13,637,058	9,001		13,646,059	16,296,591
Bank Overdraft				0	0
NET CASH, END OF YEAR	22,347,097	2,352,280	1,943,687	26,643,064	24,407,980

SCHOOL DISTRICT NO. 37 (Delta)
OPERATING FUND
SURPLUS (DEFICIT)
YEAR ENDED JUNE 30, 2007

Schedule A1

	2007	2007 AMENDED ANNUAL BUDGET	2006
	<u>ACTUAL</u>		<u>ACTUAL</u>
REVENUE			
Provincial Grants - Ministry of Education	119,267,177	118,959,226	112,638,111
Provincial Grants - Other	1,017,517	932,172	8,213,075
Federal Grants	130,414	161,191	192,616
Other Revenue	6,524,546	6,186,454	5,967,760
Rentals and Leases	537,821	540,000	543,571
Investment Income	1,024,066	650,000	712,138
	<u>128,501,541</u>	<u>127,429,043</u>	<u>128,267,271</u>
EXPENSE			
Salaries			
Teachers	60,063,513	60,038,086	57,678,540
Principals and Vice Principals	5,551,914	5,418,773	5,596,312
Educational Assistants	8,712,517	8,274,566	8,693,428
Support Staff	11,325,644	11,330,118	11,701,281
Other Professionals	2,389,437	2,374,679	2,458,025
Substitutes	4,333,159	4,208,165	4,089,083
	<u>92,376,184</u>	<u>91,644,387</u>	<u>90,216,669</u>
Employee Benefits	20,162,910	20,258,313	18,711,527
Services and Supplies	14,327,365	16,168,388	16,011,211
	<u>126,866,459</u>	<u>128,071,088</u>	<u>124,939,407</u>
NET REVENUE (EXPENSE), FOR THE YEAR	1,635,082	(642,045)	3,327,864
INTERFUND TRANSFERS (Note 11)			
Capital Assets Purchased	(278,592)	(375,000)	(265,434)
Local Capital	(12,440)	0	(921,616)
Other	(317,022)	0	0
OTHER ADJUSTMENTS TO OPERATING FUND BALANCE			
Reduce Unfunded Employee Future Benefits and Vacation Pay	0	0	(319,599)
Comprehensive Income (Loss)	0	0	0
BUDGETED ALLOCATION OF SURPLUS (DEFICIT)		3,679,045	
SURPLUS (DEFICIT), FOR THE YEAR	<u>1,027,028</u>	<u>2,662,000</u>	<u>1,821,215</u>
SURPLUS (DEFICIT), BEGINNING OF YEAR	7,368,584		5,547,369
Changes in Accounting Policies/ Prior Period Adjustments			
SURPLUS (DEFICIT), BEGINNING OF YEAR, AS RESTATED	<u>7,368,584</u>		<u>5,547,369</u>
SURPLUS (DEFICIT), END OF YEAR (Section 156 (12) of School Act)	<u>8,395,612</u>		<u>7,368,584</u>
SURPLUS (DEFICIT), END OF YEAR (Note 10)			
Internally Restricted	7,841,495		
Unrestricted	554,117		
	<u>8,395,612</u>		

SCHOOL DISTRICT NO. 37 (Delta)
OPERATING FUND
COMPARATIVE SCHEDULE OF REVENUE BY SOURCE
YEAR ENDED JUNE 30, 2007

Schedule A2

	2007	2007	2006
	ACTUAL	AMENDED ANNUAL BUDGET	ACTUAL
PROVINCIAL GRANTS - MINISTRY OF EDUCATION			
Operating Grant, Ministry of Education	115,427,583	114,980,906	109,877,873
Other Ministry of Education Grants			
GAAP Implementation Funding	1,033,324	1,033,324	1,033,324
LEA Agreement Rollback	(320,780)	(269,249)	(250,914)
Grant Reduction - Teachers' Strike	0	0	(3,958,975)
Pay Equity Funds	2,171,544	2,171,000	2,171,544
CommunityLINK RSL Literacy	647,129	491,000	491,000
Other Grants	308,377	552,245	904,950
\$50 per Student Grants (District & Schools)	0	0	1,638,966
Class Size & Comp. / Lost Instructional Time	0	0	730,343
	<u>119,267,177</u>	<u>118,959,226</u>	<u>112,638,111</u>
PROVINCIAL GRANTS - OTHER			
	1,017,517	932,172	8,213,075
FEDERAL GRANTS			
	130,414	161,191	192,616
OTHER REVENUE			
School Referendum Taxes	0	0	0
Other School District/Education Authorities	9,660	0	29,930
Summer School Fees	341,101	300,000	255,970
Continuing Education	928,523	1,002,819	909,971
Offshore Tuition Fees	3,407,807	3,347,000	3,151,713
LEA/Direct Funding from First Nations	320,780	269,249	269,256
Miscellaneous			
Instructional Cafeterias	360,145	340,000	365,322
Municipal Grant - Crossing Guards	89,000	80,000	80,000
Administration Fees	25,000	24,000	25,000
POP Teacher Training	223,372	425,894	198,654
Academy Fees	250,530	270,390	197,275
Trades Adjustment	67,486	66,000	0
Miscellaneous	501,142	61,102	484,669
	<u>6,524,546</u>	<u>6,186,454</u>	<u>5,967,760</u>
RENTALS AND LEASES			
	537,821	540,000	543,571
INVESTMENT INCOME			
	1,024,066	650,000	712,138
TOTAL OPERATING REVENUE			
	<u>128,501,541</u>	<u>127,429,043</u>	<u>128,267,271</u>

SCHOOL DISTRICT NO. 37 (Delta)
OPERATING FUND
COMPARATIVE SCHEDULE OF EXPENSE BY OBJECT
YEAR ENDED JUNE 30, 2007

Schedule A3

	2007	2007 AMENDED ANNUAL BUDGET	2006
	ACTUAL		ACTUAL
SALARIES			
Teachers	60,063,513	60,038,086	57,678,540
Principals and Vice Principals	5,551,914	5,418,773	5,596,312
Educational Assistants	8,712,517	8,274,566	8,693,428
Support Staff	11,325,644	11,330,118	11,701,281
Other Professionals	2,389,437	2,374,679	2,458,025
Substitutes	4,333,159	4,208,165	4,089,083
	<u>92,376,184</u>	<u>91,644,387</u>	<u>90,216,669</u>
EMPLOYEE BENEFITS	20,162,910	20,258,313	18,711,527
Total Salaries and Benefits	<u>112,539,094</u>	<u>111,902,700</u>	<u>108,928,196</u>
SERVICES AND SUPPLIES			
Services	3,432,444	3,360,031	3,078,431
Student Transportation	1,896,449	1,926,193	1,606,802
Professional Development and Travel	682,841	782,191	670,045
Rentals and Leases	107,369	236,047	122,921
Dues and Fees	158,057	134,203	136,105
Insurance	297,010	343,338	289,628
Interest	0	0	0
Supplies	5,378,324	6,712,142	7,730,518
Bad Debts	0	0	0
Utilities	2,374,871	2,674,243	2,376,761
Total Services and Supplies	<u>14,327,365</u>	<u>16,168,388</u>	<u>16,011,211</u>
TOTAL OPERATING EXPENSE	<u>126,866,459</u>	<u>128,071,088</u>	<u>124,939,407</u>

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. 37 (Delta)", and operates as "School District No. 37 (Delta)." A board of trustees (Board) elected for a three-year term governs the School District. The School District provides educational programs to students enrolled in schools in the district, and is principally funded by the Province of British Columbia through the Ministry of Education.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

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

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

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

a) Fund Accounting

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

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

b) 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.

c) Short Term Investments

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

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

d) Prepaid Expenses

Prepaid expenses include:

- Materials and supplies for Facilities use are included as a prepaid expense and stated at acquisition cost
- Insurance for fleet vehicles
- Annual software support agreements
- Prepaid memberships, subscriptions and registration fees
- Prepaid utility costs.

e) Capital Assets

The following criteria apply:

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

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

f) Capital Leases

Leases that, from the point of view of the lessee, transfer substantially all the benefits and risks incident to ownership of property to the Board are considered capital leases. These are accounted for as an asset and an obligation in the capital fund, although future funding will be from operating funds.

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.

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

h) Expenditures

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

i) Financial Instruments

Financial instruments consist of cash, cash equivalents, investments, accounts receivable, prepaid expenses, accounts payable, bank loans and capital lease obligations, accrued liabilities 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. The fair values of these financial instruments approximate their carrying values.

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

j) Use of Estimates

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

k) Employee Future Benefits

The School District provides certain post-employment benefits including a portion of accumulated sick banks for certain employees pursuant to union collective 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 8.8 years.

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

NOTE 3 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	2007	2006
Due from Federal Government	\$292,694	\$310,097
Other	897,429	966,504
	\$1,190,123	\$1,276,601

NOTE 4 CAPITAL ASSETS

	2007			2006
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Sites	\$ 10,718,525	\$	\$ 10,718,525	\$ 10,718,525
Buildings	157,271,181	65,796,647	91,474,534	89,162,240
Furniture & Equipment	6,148,323	2,629,158	3,519,165	3,757,948
Vehicles	1,446,023	882,609	563,414	535,579
Computer Software	75,430	6,481	68,949	32,404
Computer Hardware	1,261,619	731,973	529,646	706,173
	<u>\$176,921,101</u>	<u>\$70,046,868</u>	<u>\$106,874,233</u>	<u>\$104,912,869</u>

Accumulated amortization related to assets under Capital Lease is \$295,645

NOTE 5 DEFERRED CONTRIBUTIONS

Deferred Contributions - Ministry of Education:

	2007				2006
	Operating Fund	Special Purpose Fund	Capital Fund	Total	Total
Balance, beginning of year	\$ 405,527	\$ 925,374	\$ 1,360,910	\$2,691,811	\$ 2,026,719
Increases:					
Provincial grants - MOE	748,362	6,544,155	4,002,000	11,294,517	7,416,294
MEd Restricted Portion of Proceeds					
Investment income		48,922		48,922	36,325
Other (Purch. Card Comm.)		127		127	257,600
	<u>748,362</u>	<u>6,593,204</u>	<u>4,002,000</u>	<u>11,343,566</u>	<u>7,710,219</u>
Decreases:					
Transfers to Revenue	445,339	5,251,593		5,696,932	6,561,224
Transfers to DCC - capital additions			5,131,625	5,131,625	248,067
Transfer to invested in capital assets - sites					
Other		203,325		203,325	250,000
	<u>445,339</u>	<u>5,454,918</u>	<u>5,131,625</u>	<u>11,031,882</u>	<u>7,059,291</u>
Net Changes for the year	<u>303,023</u>	<u>1,138,286</u>	<u>(1,129,625)</u>	<u>311,684</u>	<u>650,928</u>
Balance, end of the year	<u>\$ 708,550</u>	<u>\$ 2,063,660</u>	<u>\$ 231,285</u>	<u>\$ 3,003,495</u>	<u>\$ 2,677,648</u>

NOTE 5 DEFERRED CONTRIBUTIONS (Continued)

Deferred Contributions - Province - Other:

	2007				2006
	Operating Fund	Special Purpose Fund	Capital Fund	Total	Total
Balance, beginning of year	\$ 17,000			\$ 17,000	\$ 2,000
Increases:					
Provincial grants - other	46,000			46,000	17,000
Investment income					
Other (Non-Provincial)			197,903	197,903	169,120
	46,000		197,903	243,903	17,000
Decreases:					
Transfers to Revenue	45,081			45,081	2,000
Transfers to DCC - capital additions			177,903	177,903	169,120
Transfer to invested in capital assets - sites					
Other (Transfer to DC - WIP)			8,616	8,616	
	45,081		186,519	231,600	2,000
Net Changes for the year	919		11,384	12,303	15,000
Balance, end of the year	\$ 17,919	\$	\$ 11,384	\$ 29,303	\$ 17,000

Deferred Contributions - Other:

	2007				2006
	Operating Fund	Special Purpose Fund	Capital Fund	Total	Total
Balance, beginning of year	\$ 0	\$ 2,278,976	\$ 0	\$ 2,278,976	\$ 2,150,370
Increases:					
Federal Grants					
Tuition					
Grants from municipalities					
Investment income		12,112		12,112	3,602
Other (Non-Provincial)	57,600	6,183,083		6,240,683	7,398,646
	57,600	6,195,195		6,252,795	7,402,248
Decreases:					
Transfers to Revenue	262	5,985,096		5,985,358	7,273,642
Transfers to DCC - capital additions					
Transfer to invested in capital assets - sites					
Other (Transfer to DCC - WIP)					
	262	5,985,096		5,985,358	7,273,642
Net Changes for the year	57,338	210,099		267,437	128,606
Balance, end of the year	\$ 57,338	\$ 2,489,075	\$	\$ 2,546,413	\$ 2,278,976

NOTE 5 DEFERRED CONTRIBUTIONS (Continued)

Deferred Capital Contributions:

	2007			2006
	Special Purpose Fund	Capital Fund	Total	Total
Balance, beginning of year	\$	\$72,932,853	\$	\$75,438,637
Increases:				
Transfers from DC - capital additions		177,903		129,145
Other (Transfer from DC - WIP)		5,140,241		288,042
		<u>5,318,143</u>		<u>417,187</u>
Decreases:				
Amortization		2,904,394		2,927,484
Disposals/write-off/down				
Other (specify)				
		<u>2,904,394</u>		<u>2,927,484</u>
Net Changes for the year		<u>2,413,750</u>		<u>(2,510,297)</u>
Balance, end of the year	\$	<u>\$ 75,346,603</u>	\$	<u>\$ 72,928,340</u>

NOTE 6 CAPITAL BANK LOANS PAYABLE

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

Approval Date	Year Borrowed	Interest Rate	Term of Years	Amount Borrowed	Amount Paid	Balance O/S
July 14, 2006	2007	RBP minus 0.5%	42 months	\$905,000	\$0	\$905,000

The \$1,200,000 facility has blended payments of principal and interest and will commence December 1, 2007 with the principal portion of the loan to be repaid in full by May 2011.

The following are the minimum principal payments required:

2007/08 - \$184,358
 2008/09 - \$330,217
 2009/10 - \$348,991
 2010/11 - \$367,130

NOTE 7 CAPITAL LEASES

The District has five (5) leases (with terms ranging from 7 months - 6 years) for maintenance fleet vehicles and equipment. These leases bear interest rates averaging 6.60% with monthly principal and interest payments of \$24,083. The leases are secured with the vehicles and equipment and have a \$1 purchase option at the termination of the lease.

	2005/06	2006/07
Remaining obligation as of June 30	\$1,206,628	\$1,061,203
Current Portion	\$256,114	\$265,381
Total principal of obligation	<u>\$1,462,742</u>	<u>\$1,326,584</u>

Lease commitments for the next five years and thereafter are as follows:

2007/08	\$322,505
2008/09	\$297,427
2009/10	\$297,427
2010/2011	\$290,872
2011/2012	\$258,100
Thereafter	\$24,389

Less interest implicit in lease payment:	<u>\$(164,136)</u>
Balance of lease obligations:	\$1,326,584

NOTE 8 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>2007</u>	<u>2006</u>
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	\$ 2,126,950	\$ 1,947,839
Service Cost	203,930	193,222
Interest Cost	117,941	113,380
Benefit Payments	(141,969)	(138,654)
Actuarial (Gain)/Loss	677,472	11,163
Accrued Benefit Obligation – March 31	<u>\$ 2,984,324</u>	<u>\$ 2,126,950</u>

Reconciliation of Funded Status at End of Fiscal Year

Accrued Benefit Obligation – March 31	\$ 2,984,324	\$ 2,126,950
Market Value of Plan Assets – March 31	0	0
Funded Status - Deficit	(2,984,324)	(2,126,950)
Employer Contributions After Measurement Date	29,764	37,745
Unamortized Net Actuarial (Gain)/Loss	614,862	(62,610)
Accrued Benefit Liability – June 30	\$ (2,339,698)	\$ (2,151,815)

Components of Net Benefit Expense

Service Cost	\$ 203,930	\$ 193,222
Interest Cost	117,941	113,380
Amortization of Net Actuarial (Gain)/Loss	0	0
Net Benefit Expense (Income)	\$ 321,871	\$ 306,602

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

Discount Rate – April 1	5.25%	5.50%
Discount Rate – March 31	5.00%	5.25%
Long Term Salary Growth – April 1	3.25% + seniority	3.25% + seniority
Long Term Salary Growth – March 31	3.25% + seniority	3.25% + seniority
EARSL – March 31	8.8	10.3

NOTE 9 EMPLOYEE PENSION PLANS

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

Every three years, an actuarial valuation is performed to assess the financial position of the plans and the adequacy of plan funding. The most recent valuation of the Teachers' Plan as at December 31, 2005 indicated a \$904 million unfunded liability for basic pension benefits. The next valuation will be as at December 31, 2008 with results available in late 2009. The most recent valuation for the Municipal Pension Plan as at December 31, 2003 indicated an unfunded liability of \$789 million for basic pension benefits. The next valuation will be as at December 31, 2006 with results available in 2007. The actuary does not attribute portions of the unfunded liability to individual employers. The School District No. 37 (Delta) paid \$9,571,731 for employer contributions to these plans in the year ended June 30, 2007.

NOTE 10 OPERATING FUND BALANCE, END OF YEAR

Internally Restricted (appropriated) by Board for:

Restricted for 2007/08 Operations	\$ 3,463,716
Restricted for specific 2007/08 initiatives	1,581,442
Restricted for other initiatives	2,796,336
Subtotal Internally Restricted	<u>\$ 7,841,494</u>

Unrestricted Operating Surplus	<u>554,117</u>
Total Available for Future Operations	<u><u>\$8,395,611</u></u>

NOTE 11 INTERFUND TRANSFERS

Interfund transfers between the Operating, Special Purpose and Capital Funds are reported on Statement 3 (Statement of Changes in Fund Balances). For the year ended June 30, 2007, transfers were as follows:

- A transfer to the Capital Fund of \$255,215 consisting of \$252,207 from the Operating Fund and \$3,008 from Special Purpose Funds covered the 06/07 short-term portion of capital lease principal.
- A transfer in the amount of \$278,592 was made from the Operating Fund to the Capital Fund for the purchase of capital items, including telephone and library software, firewall hardware, a facilities vehicle, a web server, softball, basketball, facilities, Genesis Theatre and automotive shop equipment.
- Transfers in the amount of \$4,002 and \$60,813 were made from the Operating Fund to the Capital Fund for the payment of Capital Loan and Capital Lease interest.
- Transfers totaling \$107,930 were made from various Special Purpose Funds to the Capital Fund for the purchase of equipment, including a photocopier, theatre equipment and some facilities equipment.
- Of the transfers made from the Operating Fund to the Capital Fund for planned purchases, \$12,440 remain unspent.

NOTE 12 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 13 CONTRACTUAL OBLIGATIONS

The District enters into contracts through the normal course of business. In addition, the District has entered into \$3.1M worth of contracts for Annual Facilities Grant and capital projects including: roofing, flooring, seismic work, rejuvenation/reconfiguration to Grade 12 Schools (Burnsview/Delview), seismic work to Devon Gardens.

NOTE 14 BUDGET FIGURES

Budget figures included in the financial statements are not audited and were approved by the Board through the adoption of an amended annual budget on February 20, 2007.

NOTE 15 ASSET RETIREMENT OBLIGATION

As at June 30, 2007, there is a liability of \$248,000 related to asset retirement obligations. The associated asset retirement costs relate to the betterment of schools and are capitalized as part of the carrying value of the long-lived asset and subsequently amortized over the asset's useful life. This amount is considered to approximate fair value of the liability as the District is expected to complete the upgrades to the related schools within the next fiscal year. There may be additional asset retirement costs that cannot be estimated at this point in time.

NOTE 16 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 17 COMMITMENTS

The District maintains a number of bank accounts in trust for teacher salaries. At June 30, 2007 the balance of these accounts is \$1,317,312 and is not included in the financial statements.

NOTE 18 SUPPLEMENTAL CASHFLOW

	Operating Funds	Special Purpose Funds	Capital Funds
Interest received	\$1,024,066	\$58,772	\$89,110

The District purchased capital assets totaling \$5,131,624 with funds received from the Ministry of Education and \$186,519 with funds received from other sources. Due to the Ministry reporting format, these amounts are not disclosed on Statement 4.1 as capital asset purchases but instead as a component of the change in Deferred Capital Contributions.

SCHOOL DISTRICT NO. 37 (Delta)
OPERATING FUND
EXPENSE BY FUNCTION AND PROGRAM
YEAR ENDED JUNE 30, 2007

Schedule A4.1

	TEACHERS SALARIES	PRINCIPALS AND VICE PRINCIPALS SALARIES	EDUCATIONAL ASSISTANTS SALARIES	SUPPORT STAFF SALARIES	OTHER PROFESSIONALS SALARIES	SUBSTITUTES SALARIES	TOTAL SALARIES
1 INSTRUCTION							
1.02 Regular Instruction	43,939,449	856,874	679,365		95,219	2,731,164	48,302,071
1.03 Career Programs	709,359	49,934	187,942			14,986	962,221
1.07 Library Services	1,703,644	30,224		247,096		72,351	2,053,315
1.08 Counselling	2,106,837					7,995	2,114,832
1.10 Special Education	8,310,175	124,968	7,282,855	103,410		521,389	16,342,797
1.30 English as a Second Language	1,651,971	40,820	158,443			58,116	1,909,350
1.31 Aboriginal Education	45,003		212,854			73,820	331,677
1.41 School Administration		4,345,832		2,500,474	8,761	209,760	7,064,827
1.60 Summer School	216,569					3,204	219,773
1.61 Continuing Education	656,188	92,434	39,816	171,818	187,237	19,079	1,166,572
1.62 Off Shore Students	422,884	10,828	118,831	173,157	108,785	12,749	847,234
1.64 Other	301,434		32,411	227,477	2,530	22,966	586,818
1.65 Conseil Scolaire Francophone							0
Total Function 1	60,063,513	5,551,914	8,712,517	3,423,432	402,532	3,747,579	81,901,487
4 DISTRICT ADMINISTRATION							
4.11 Educational Administration				75,808	551,383	1,595	628,786
4.40 School District Governance					124,158		124,158
4.41 Business Administration				786,653	806,873	24,938	1,618,464
4.65 Conseil Scolaire Francophone							0
Total Function 4	0	0	0	862,461	1,482,414	26,533	2,371,408
5 OPERATIONS AND MAINTENANCE							
5.41 Operations and Maintenance Administration				388,169	460,287	18,360	866,816
5.50 Maintenance Operations				6,024,316		329,961	6,354,277
5.52 Maintenance of Grounds				611,459		141,442	752,901
5.56 Utilities							0
5.65 Conseil Scolaire Francophone							0
Total Function 5	0	0	0	7,023,944	460,287	489,763	7,973,994
7 TRANSPORTATION AND HOUSING							
7.41 Transportation and Housing Administration				15,807	44,204		60,011
7.65 Conseil Scolaire Francophone							0
7.70 Student Transportation						69,284	69,284
7.73 Housing							0
Total Function 7	0	0	0	15,807	44,204	69,284	129,295
9 DEBT SERVICES (OPERATING)							
9.92 Interest on Bank Loans							0
9.94 Interest on Temporary Borrowing							0
Total Function 9	0	0	0	0	0	0	0
TOTAL FUNCTIONS 1 - 9	60,063,513	5,551,914	8,712,517	11,325,644	2,389,437	4,333,159	92,376,184

SCHOOL DISTRICT NO. 37 (Delta)
OPERATING FUND
EXPENSE BY FUNCTION AND PROGRAM
YEAR ENDED JUNE 30, 2007

Schedule A4.2

	TOTAL SALARIES	EMPLOYEE BENEFITS	TOTAL SALARIES AND BENEFITS	SERVICES AND SUPPLIES	2007 ACTUAL	2007 AMENDED ANNUAL BUDGET	2006 ACTUAL
1 INSTRUCTION							
1.02 Regular Instruction	48,302,071	10,409,306	58,711,377	2,970,007	61,681,384	62,526,399	60,134,522
1.03 Career Programs	962,221	199,094	1,161,315	106,315	1,267,630	1,248,213	1,015,390
1.07 Library Services	2,053,315	441,157	2,494,472	136,369	2,630,841	2,648,790	2,617,113
1.08 Counselling	2,114,832	419,941	2,534,773	10,193	2,544,966	2,603,262	2,437,363
1.10 Special Education	16,342,797	3,756,237	20,099,034	506,017	20,605,051	20,308,974	19,885,102
1.30 English as a Second Language	1,909,350	414,778	2,324,128	66,854	2,390,982	2,318,179	2,248,313
1.31 Aboriginal Education	331,677	69,161	400,838	119,272	520,110	523,790	444,785
1.41 School Administration	7,064,827	1,550,874	8,615,701	138,902	8,754,603	8,603,764	8,922,397
1.60 Summer School	219,773	27,577	247,350	58,843	306,193	195,146	194,031
1.61 Continuing Education	1,166,572	226,043	1,392,615	265,253	1,657,868	1,679,547	1,863,428
1.62 Off Shore Students	847,234	189,794	1,037,028	569,754	1,606,782	2,176,894	1,583,653
1.64 Other	586,818	94,019	680,837	958,996	1,639,833	1,673,244	1,639,263
1.65 Conseil Scolaire Francophone	0		0		0	0	0
Total Function 1	81,901,487	17,797,981	99,699,468	5,906,775	105,606,243	106,506,202	102,985,360
4 DISTRICT ADMINISTRATION							
4.11 Educational Administration	628,786	117,895	746,681	98,385	845,066	878,958	907,330
4.40 School District Governance	124,158	3,993	128,151	164,377	292,528	258,463	301,540
4.41 Business Administration	1,618,464	346,678	1,965,142	382,680	2,347,822	2,407,630	2,611,261
4.65 Conseil Scolaire Francophone	0		0		0	0	0
Total Function 4	2,371,408	468,566	2,839,974	645,442	3,485,416	3,545,051	3,820,131
5 OPERATIONS AND MAINTENANCE							
5.41 Operations and Maintenance Administration	866,816	184,852	1,051,668	641,498	1,693,166	1,795,405	1,543,467
5.50 Maintenance Operations	6,354,277	1,548,210	7,902,487	2,338,938	10,241,425	10,433,445	10,703,246
5.52 Maintenance of Grounds	752,901	148,090	900,991	488,409	1,389,400	1,019,205	1,549,199
5.56 Utilities	0		0	2,516,095	2,516,095	2,811,694	2,667,545
5.65 Conseil Scolaire Francophone	0		0		0	0	0
Total Function 5	7,973,994	1,881,152	9,855,146	5,984,940	15,840,086	16,059,749	16,463,457
7 TRANSPORTATION AND HOUSING							
7.41 Transportation and Housing Administration	60,011	11,522	71,533	28,469	100,002	72,738	75,461
7.65 Conseil Scolaire Francophone	0		0		0	0	0
7.70 Student Transportation	69,284	3,689	72,973	1,761,739	1,834,712	1,887,348	1,594,998
7.73 Housing	0		0		0	0	0
Total Function 7	129,295	15,211	144,506	1,790,208	1,934,714	1,960,086	1,670,459
9 DEBT SERVICES (OPERATING)							
9.92 Interest on Bank Loans					0	0	0
9.94 Interest on Temporary Borrowing					0	0	0
Total Function 9	0	0	0	0	0	0	0
TOTAL FUNCTIONS 1 - 9	92,376,184	20,162,910	112,539,094	14,327,365	126,866,459	128,071,088	124,939,407

SCHOOL DISTRICT NO. 37 (Delta)
OPERATING FUND
CHANGES IN DEFERRED CONTRIBUTIONS
YEAR ENDED JUNE 30, 2007

Schedule A5

BALANCE, BEGINNING OF YEAR	3,220,717
Changes in Accounting Policies/ Prior Period Adjustments	
Trsf out Deferred Revenue	(2,798,190)
BALANCE, BEGINNING OF YEAR, AS RESTATED	422,527
Changes for the Year	
Increase:	
Provincial Grants - Ministry of Education	748,362
Provincial Grants - Other	46,000
Other Revenue	57,600
	851,962
Decrease:	
Allocated to Revenue	
Provincial Grants - Ministry of Education	445,339
Provincial Grants - Other	45,081
Federal Grants	0
Other Revenue	262
Investment Income	0
	490,682
Net Changes for the Year	361,280
BALANCE, END OF YEAR	783,807

SCHOOL DISTRICT NO. 37 (Delta)
SPECIAL PURPOSE FUNDS
SUMMARY OF CHANGES
YEAR ENDED JUNE 30, 2007

Schedule B1

	MINISTRY OF EDUCATION DESIGNATED	OTHER	SCHOOL GENERATED FUNDS	RELATED ENTITIES	TOTAL
DEFERRED CONTRIBUTIONS					
DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR	925,374	275,526	2,003,450	0	3,204,350
Add: Contributions Received					
Provincial Grants - Ministry of Education	6,544,155				6,544,155
Provincial Grants - Other					0
Federal Grants					0
Other Revenue	127	87,912	6,095,171		6,183,210
Investment Income	48,923	12,112			61,035
	6,593,205	100,024	6,095,171	0	12,788,400
Less: Allocated to Revenue	5,251,594	90,911	5,894,185		11,236,690
Recovered	184,649				184,649
PPA - Build. Env. Adj.	18,676				18,676
DEFERRED CONTRIBUTIONS, END OF YEAR	2,063,660	284,639	2,204,436	0	4,552,735
REVENUE AND EXPENSE					
REVENUE					
Provincial Grants - Ministry of Education	5,202,544				5,202,544
Provincial Grants - Other					0
Federal Grants					0
Other Revenue	127	81,060	5,894,185		5,975,372
Rentals and Leases					0
Investment Income	48,923	9,851			58,774
Gain (Loss) on Equity Investment					0
	5,251,594	90,911	5,894,185	0	11,236,690
EXPENSE					
Salaries					
Teachers	1,034,506				1,034,506
Principals and Vice Principals	107,896				107,896
Educational Assistants	415,615				415,615
Support Staff	570,637				570,637
Other Professionals					0
Substitutes	54,200	23,846			78,046
	2,182,854	23,846	0	0	2,206,700
Employee Benefits	415,870				415,870
Services and Supplies	2,584,154	62,509	5,856,519		8,503,182
	5,182,878	86,355	5,856,519	0	11,125,752
NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS	68,716	4,556	37,666	0	110,938
INTERFUND TRANSFERS (Note 11)					
Capital Assets Purchased	(65,708)	(4,556)	(37,666)		(107,930)
Other	(3,008)				(3,008)
	(68,716)	(4,556)	(37,666)	0	(110,938)
NET REVENUE (EXPENSE)	0	0	0	0	0

SCHOOL DISTRICT NO. 37 (Delta)
SPECIAL PURPOSE FUNDS
CHANGES IN MINISTRY OF EDUCATION DESIGNATED SPECIAL PURPOSE FUNDS
YEAR ENDED JUNE 30, 2007

Schedule B2

	207 Annual Facility Grant	231 Aboriginal Education Technology	250 Special Education Equipment	301 Transport for Deaf & Hard of Hearing
DEFERRED CONTRIBUTIONS				
DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR	644,049	2,590	70,499	2,213
Add: Contributions Received				
Provincial Grants - Ministry of Education	3,975,489		31,372	
Provincial Grants - Other				
Federal Grants				
Other Revenue				
Investment Income	45,336	63	3,524	
	4,020,825	63	34,896	0
Less: Allocated to Revenue	2,658,181	2,258	31,576	
Recovered				2,213
PPA - Build. Env. Adj.	18,676			
DEFERRED CONTRIBUTIONS, END OF YEAR	1,988,017	395	73,819	0
REVENUE AND EXPENSE				
REVENUE				
Provincial Grants - Ministry of Education	2,612,845	2,195	28,052	
Provincial Grants - Other				
Federal Grants				
Other Revenue				
Investment Income	45,336	63	3,524	
	2,658,181	2,258	31,576	0
EXPENSE				
Salaries				
Teachers				
Principals and Vice Principals				
Educational Assistants				
Support Staff	414,010			
Other Professionals				
Substitutes	28,857			
	442,867	0	0	0
Employee Benefits	71,138			
Services and Supplies	2,090,901	2,258	31,576	
	2,604,906	2,258	31,576	0
NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS	53,275	0	0	0
INTERFUND TRANSFERS				
Capital Assets Purchased	(53,275)			
Other				
	(53,275)	0	0	0
NET REVENUE (EXPENSE)	0	0	0	0

SCHOOL DISTRICT NO. 37 (Delta)
SPECIAL PURPOSE FUNDS
CHANGES IN MINISTRY OF EDUCATION DESIGNATED SPECIAL PURPOSE FUNDS
YEAR ENDED JUNE 30, 2007

Schedule B2

	302 - PRP Residential School	303 - PRP Assessment Unit
DEFERRED CONTRIBUTIONS		
DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR	194,436	11,587
Add: Contributions Received		
Provincial Grants - Ministry of Education	807,306	1,729,988
Provincial Grants - Other		
Federal Grants		
Other Revenue		127
Investment Income		
	807,306	1,730,115
Less: Allocated to Revenue	818,762	1,740,817
Recovered	182,436	
DEFERRED CONTRIBUTIONS, END OF YEAR	544	885
REVENUE AND EXPENSE		
REVENUE		
Provincial Grants - Ministry of Education	818,762	1,740,690
Provincial Grants - Other		
Federal Grants		
Other Revenue		127
Investment Income		
	818,762	1,740,817
EXPENSE		
Salaries		
Teachers	126,565	907,941
Principals and Vice Principals	26,974	80,922
Educational Assistants	415,615	
Support Staff	21,615	135,012
Other Professionals		
Substitutes	24,324	1,019
	615,093	1,124,894
Employee Benefits	143,205	201,527
Services and Supplies	60,464	398,955
	818,762	1,725,376
NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS	0	15,441
INTERFUND TRANSFERS		
Capital Assets Purchased		(12,433)
Other		(3,008)
	0	(15,441)
NET REVENUE (EXPENSE)	0	0

**SCHOOL DISTRICT NO. 37 (Delta)
SPECIAL PURPOSE FUNDS
CHANGES IN OTHER SPECIAL PURPOSE FUNDS
YEAR ENDED JUNE 30, 2007**

Schedule B3

	600- Scholarship/Burse ries	602 - Genesis Theatre
DEFERRED CONTRIBUTIONS		
DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR	147,939	127,587
Add: Contributions Received		
Provincial Grants - Ministry of Education		
Provincial Grants - Other		
Federal Grants		
Other Revenue	20,649	67,263
Investment Income	6,620	5,492
	27,269	72,755
Less: Allocated to Revenue	30,784	60,127
Recovered		
DEFERRED CONTRIBUTIONS, END OF YEAR	144,424	140,215
REVENUE AND EXPENSE		
REVENUE		
Provincial Grants - Ministry of Education		
Provincial Grants - Other		
Federal Grants		
Other Revenue	26,425	54,635
Investment Income	4,359	5,492
	30,784	60,127
EXPENSE		
Salaries		
Teachers		
Principals and Vice Principals		
Educational Assistants		
Support Staff		
Other Professionals		
Substitutes		23,846
	0	23,846
Employee Benefits		
Services and Supplies	30,784	31,725
	30,784	55,571
NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS	0	4,556
INTERFUND TRANSFERS		
Capital Assets Purchased		(4,556)
Other		
	0	(4,556)
NET REVENUE (EXPENSE)	0	0

SCHOOL DISTRICT NO. 37 (Delta)
CAPITAL FUND
CAPITAL ASSETS
YEAR ENDED JUNE 30, 2007

Schedule C1

	SITES	BUILDINGS	FURNITURE AND EQUIPMENT	VEHICLES	COMPUTER SOFTWARE	COMPUTER HARDWARE	TOTAL
COST, BEGINNING OF YEAR	10,718,525	147,800,991	6,418,330	1,330,015	32,404	1,315,603	167,615,868
Changes in Accounting Policy/ Prior Period Adjustments							
Lease GST fr. 7% to 6%			(899)				(899)
COST, BEGINNING OF YEAR, AS RESTATED	10,718,525	147,800,991	6,417,431	1,330,015	32,404	1,315,603	167,614,969
Changes for the Year							
Increase:							
Purchases from:							
Deferred Contributions - Bylaw							0
Deferred Contributions - Other			177,903				177,903
Operating Fund			124,053	36,973	30,972	86,594	278,592
Special Purpose Funds			102,557		5,373		107,930
Local Capital			3,345		6,681		10,026
Capital Leases			(3,909)	123,864			119,955
Transferred from Work in Progress		190,000					190,000
	0	190,000	403,949	160,837	43,026	86,594	884,406
Decrease:							
Disposed of							0
Deemed Disposals			673,057	44,829		140,578	858,464
Written-off/down During Year							0
	0	0	673,057	44,829	0	140,578	858,464
COST, END OF YEAR	10,718,525	147,990,991	6,148,323	1,446,023	75,430	1,261,619	167,640,911
WORK IN PROGRESS, END OF YEAR		9,280,190					9,280,190
COST AND WORK IN PROGRESS, END OF YEAR	10,718,525	157,271,181	6,148,323	1,446,023	75,430	1,261,619	176,921,101
ACCUMULATED AMORTIZATION, BEGINNING OF YEAR	0	62,717,735	2,660,382	794,436	0	609,430	66,781,983
Changes in Accounting Policies/ Prior Period Adjustments							
BALANCE, BEGINNING OF YEAR, AS RESTATED	0	62,717,735	2,660,382	794,436	0	609,430	66,781,983
Changes for the Year							
Increase: Amortization for the Year		3,078,912	641,833	133,002	6,481	263,121	4,123,349
Decrease:							
Disposed of							0
Deemed Disposals			673,057	44,829		140,578	858,464
Written-off During Year							0
	0	0	673,057	44,829	0	140,578	858,464
ACCUMULATED AMORTIZATION, END OF YEAR	0	65,796,647	2,629,158	882,609	6,481	731,973	70,046,868
CAPITAL ASSETS - NET	10,718,525	91,474,534	3,519,165	563,414	68,949	529,646	106,874,233

SCHOOL DISTRICT NO. 37 (Delta)
CAPITAL FUND
CAPITAL ASSETS - WORK IN PROGRESS
YEAR ENDED JUNE 30, 2007

Schedule C2

	BUILDINGS	FURNITURE AND EQUIPMENT	COMPUTER SOFTWARE	COMPUTER HARDWARE	TOTAL
WORK IN PROGRESS, BEGINNING OF YEAR	4,078,984	0	0	0	4,078,984
Changes in Accounting Policy/ Prior Period Adjustments					
WORK IN PROGRESS, BEGINNING OF YEAR, AS RESTATED	4,078,984	0	0	0	4,078,984
Changes for the Year					
Increase:					
Deferred Contributions - Bylaw	4,946,138				4,946,138
Deferred Contributions - Other	194,103				194,103
Operating Fund					0
Special Purpose Funds					0
Local Capital	70,456				70,456
Asbestos: 9k; Loan: 171509	180,509				180,509
	5,391,206	0	0	0	5,391,206
Decrease:					
Transferred to Capital Assets	190,000				190,000
	190,000	0	0	0	190,000
Net Changes for the Year	5,201,206	0	0	0	5,201,206
WORK IN PROGRESS, END OF YEAR	9,280,190	0	0	0	9,280,190

SCHOOL DISTRICT NO. 37 (Delta)
CAPITAL FUND
DEFERRED CAPITAL CONTRIBUTIONS
YEAR ENDED JUNE 30, 2007

Schedule C3

	BYLAW CAPITAL (NET)	OTHER PROVINCIAL (NET)	OTHER CAPITAL (NET)	TOTAL CAPITAL
DEFERRED CAPITAL CONTRIBUTIONS, BEGINNING OF YEAR	72,194,578	0	485,695	72,680,273
Changes in Accounting Policies/ Prior Period Adjustments				
DEFERRED CAPITAL CONTRIBUTIONS, BEGINNING OF YEAR, AS RESTATED	72,194,578	0	485,695	72,680,273
Changes for the Year				
Increase:				
Transferred from Deferred Contributions - Capital Additions			177,903	177,903
Transferred from Work in Progress		190,000		190,000
	0	190,000	177,903	367,903
Decrease:				
Amortization of Deferred Capital Contributions	2,837,361		67,033	2,904,394
Revenue Recognized on Disposal of Buildings				0
Revenue Recognized on Write-off/down of Buildings				0
	2,837,361	0	67,033	2,904,394
Net Changes for the Year	(2,837,361)	190,000	110,870	(2,536,491)
DEFERRED CAPITAL CONTRIBUTIONS, END OF YEAR	69,357,217	190,000	596,565	70,143,782
WORK IN PROGRESS, BEGINNING OF YEAR	248,067	0	0	248,067
Changes in Accounting Policies/ Prior Period Adjustments				
Trsf re: 05/06 WIP		4,513		4,513
WORK IN PROGRESS, BEGINNING OF YEAR, AS RESTATED	248,067	4,513	0	252,580
Changes for the Year				
Increase:				
Transferred from Deferred Contributions - Work in Progress	4,946,138	185,487	8,616	5,140,241
	4,946,138	185,487	8,616	5,140,241
Decrease:				
Transferred to Deferred Capital Contributions		190,000		190,000
	0	190,000	0	190,000
Net Changes for the Year	4,946,138	(4,513)	8,616	4,950,241
WORK IN PROGRESS, END OF YEAR	5,194,205	0	8,616	5,202,821
TOTAL DEFERRED CAPITAL CONTRIBUTIONS, END OF YEAR	74,551,422	190,000	605,181	75,346,603

SCHOOL DISTRICT NO. 37 (Delta)
CAPITAL FUND
CHANGES IN DEFERRED CONTRIBUTIONS
YEAR ENDED JUNE 30, 2007

Schedule C4

	BYLAW CAPITAL	MINISTRY OF EDUCATION RESTRICTED CAPITAL	OTHER PROVINCIAL CAPITAL	LAND CAPITAL	OTHER CAPITAL	TOTAL
BALANCE, BEGINNING OF YEAR	1,093,933	252,814	0	0	0	1,346,747
Changes in Accounting Policies/ Prior Period Adjustments						
Trsf re: 05/06 WIP		(4,513)				(4,513)
Build. Env. Corr. re: 05/06		18,676				18,676
BALANCE, BEGINNING OF YEAR, AS RESTATED	<u>1,093,933</u>	<u>266,977</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,360,910</u>
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	4,002,000					4,002,000
Provincial Grants - Other						0
Other						0
Investment Income						0
MEd Restricted Portion of Proceeds on Disposal						0
CA Donated by PACs & UBC					177,903	177,903
N.Prov.WIP-Mr.Johal;DG Easement; 06/07 cost: \$861					20,000	20,000
	<u>4,002,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>197,903</u>	<u>4,199,903</u>
Decrease: (Note 18)						
Transferred to DCC - Capital Additions					177,903	177,903
Transferred to DCC - Work in Progress	4,946,138	185,487			8,616	5,140,241
Transferred to Invested in Capital Assets - Site Purchases						0
	<u>4,946,138</u>	<u>185,487</u>	<u>0</u>	<u>0</u>	<u>186,519</u>	<u>5,318,144</u>
Net Changes for the Year	<u>(944,138)</u>	<u>(185,487)</u>	<u>0</u>	<u>0</u>	<u>11,384</u>	<u>(1,118,241)</u>
BALANCE, END OF YEAR	<u>149,795</u>	<u>81,490</u>	<u>0</u>	<u>0</u>	<u>11,384</u>	<u>242,669</u>

SCHOOL DISTRICT NO. 37 (Delta)
CAPITAL FUND
CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2007

Schedule C5

	INVESTED IN CAPITAL ASSETS	LOCAL CAPITAL	FUND BALANCE
BALANCE, BEGINNING OF YEAR	26,690,868	3,805,771	30,496,639
Changes in Accounting Policies/ Prior Period Adjustments			
Trsf re: Prior Year WIP	2,870,468	(2,870,468)	
BALANCE, BEGINNING OF YEAR, AS RESTATED	<u>29,561,336</u>	<u>935,303</u>	<u>30,496,639</u>
Changes for the Year			
Investment Income		89,110	89,110
Comprehensive Income (Loss)			0
Gain (Loss) on Disposal of Capital Assets			0
District Portion of Proceeds on Disposal			0
Write-off/down of Buildings and Sites			0
Amortization of Deferred Capital Contributions	2,904,394		2,904,394
Capital Assets Purchased from Local Capital	10,027	(10,027)	0
Interfund Transfers - Capital Assets Purchased	386,522		386,522
Interfund Transfers - Capital Assets WIP			0
Interfund Transfers - Local Capital		12,440	12,440
Amortization of Capital Assets	(4,123,349)		(4,123,349)
Transferred to Invested in Capital Assets			
- Site Purchases			0
Interf. Trsf: Lease Payments		320,030	320,030
Interest Exp on Lease		(60,812)	(60,812)
Lease Principal Pmt	255,215	(255,215)	
Interest on Cap Loan		(4,002)	(4,002)
WIP Purch'd fr Local Cap	70,456	(70,456)	
Net Changes for the Year	<u>(496,735)</u>	<u>21,068</u>	<u>(475,667)</u>
BALANCE, END OF YEAR	<u><u>29,064,601</u></u>	<u><u>956,371</u></u>	<u><u>30,020,972</u></u>