

# SCHOOL DISTRICT AUDITED FINANCIAL STATEMENTS FISCAL YEAR 2011/2012

|   |                                  |  |
|---|----------------------------------|--|
| SCHOOL DISTRICT NUMBER<br>62            | NAME OF SCHOOL DISTRICT<br>Sooke | YEAR<br>2011/2012                          |
| OFFICE LOCATION<br>3143 Jacklin Road    |                                  | TELEPHONE NUMBER<br>(250) 474-9800         |
| CITY/PROVINCE<br>Victoria, BC           |                                  | POSTAL CODE<br>V9B 5R1                     |
| WEBSITE ADDRESS<br>www.sd62.bc.ca       |                                  |  |
| NAME OF SUPERINTENDENT<br>Jim Cambridge |                                  | NAME OF SECRETARY-TREASURER<br>Harold Cull |

## 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. 62 (Sooke) ("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.

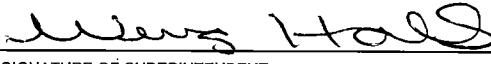
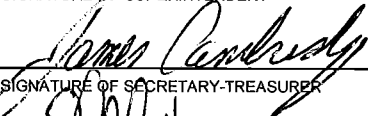

#### ***External Auditors***

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. 62 (Sooke) for the year ended June 30, 2012.

|   |                               |
|---|-------------------------------|
| SIGNATURE OF CHAIRPERSON OF THE BOARD OF EDUCATION<br> | DATE SIGNED<br>Sept 25 2012   |
| SIGNATURE OF SUPERINTENDENT<br>                        | DATE SIGNED<br>Sept 20 / 2012 |
| SIGNATURE OF SECRETARY-TREASURER<br>                   | DATE SIGNED<br>Sept 25/12     |

**SCHOOL DISTRICT No. 62 (SOOKE)  
2011/2012 AUDITED FINANCIAL STATEMENTS**

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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Education and  
To the Minister of Education, Province of British Columbia

We have audited the accompanying financial statements of School District No. 62 (Sooke), which comprise the statement of financial position as at June 30, 2012, 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. 62 (Sooke) as at June 30, 2012, 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 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.

*KPMG LLP*

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Chartered Accountants

September 25, 2012

Victoria, Canada

**SCHOOL DISTRICT No. 62 (SOOKE)**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2012**

**Statement 1**

|  | OPERATING<br>FUND    | SPECIAL<br>PURPOSE<br>FUNDS | CAPITAL<br>FUND       | TOTAL<br>2012         | TOTAL<br>2011         |
|--|----------------------|-----------------------------|-----------------------|-----------------------|-----------------------|
| <b>ASSETS</b>                              |                      |                             |                       |                       |                       |
| Current Assets                             |                      |                             |                       |                       |                       |
| Cash and Cash Equivalents                  | \$ 14,394,428        | \$ 1,073,631                |                       | \$ 15,468,059         | \$ 15,329,122         |
| Short Term Investments                     |                      |                             | 62,736                | 62,736                |                       |
| Accounts Receivable                        |                      |                             |                       |                       |                       |
| Due from Province - Ministry of Education  | -                    | 54,911                      | 368,890               | 423,801               | 55,511                |
| Due from Province - Other                  | 86,607               |                             |                       | 86,607                | 100,508               |
| Due from LEA/Direct Funding                | 54,458               |                             |                       | 54,458                | 67,088                |
| Other Receivables (Note 3)                 | 541,905              |                             |                       | 541,905               | 1,065,634             |
| Interfund Loans                            |                      | 292,526                     | 3,550,810             |                       |                       |
| Prepaid Expenses                           | 146,127              |                             | 65,689                | 211,816               | 166,625               |
|  | <u>15,223,525</u>    | <u>1,421,068</u>            | <u>4,048,125</u>      | <u>16,849,382</u>     | <u>16,784,488</u>     |
| Long Term Prepaid Lease (Note 4)           |                      |                             | 2,587,153             | 2,587,153             | 2,648,630             |
| Investments (Note 5)                       |                      | 609,285                     |                       | 609,285               | 609,285               |
| Capital Assets - Net (Note 6)              |                      |                             | 136,773,171           | 136,773,171           | 135,760,084           |
|  | <u>\$ 15,223,525</u> | <u>\$ 2,030,353</u>         | <u>\$ 143,408,449</u> | <u>\$ 156,818,991</u> | <u>\$ 155,802,487</u> |
| <b>TOTAL ASSETS</b>                        |                      |                             |                       |                       |                       |
| <b>LIABILITIES AND FUND BALANCES</b>       |                      |                             |                       |                       |                       |
| Current Liabilities                        |                      |                             |                       |                       |                       |
| Accounts Payable and Accrued Liabilities   |                      |                             |                       |                       |                       |
| Other                                      | 5,836,270            |                             |                       | 5,836,270             | 6,564,297             |
| Bank Loans - Current Portion (Note 11)     |                      |                             | 3,000,000             | 3,000,000             | 3,000,000             |
| Interfund Loans                            | 3,843,336            |                             |                       | 3,843,336             | 9,564,297             |
|  | <u>9,679,606</u>     |                             | <u>3,000,000</u>      | <u>8,836,270</u>      | <u>9,564,297</u>      |
| Deferred Revenue                           | 1,029,257            |                             |                       | 1,029,257             | 618,497               |
| Deferred Contributions                     |                      |                             |                       |                       |                       |
| Ministry of Education (Note 7)             |                      | 274,770                     | 750,014               | 1,024,784             | 1,676,619             |
| Other (Note 7)                             |                      | 1,146,298                   | 2,746,632             | 3,892,930             | 3,326,983             |
| Accrued Employee Future Benefits (Note 8)  | 3,453,376            |                             |                       | 3,453,376             | 3,363,748             |
| Deferred Capital Contributions (Note 7)    |                      |                             | 100,550,210           | 100,550,210           | 99,397,710            |
|  | <u>14,162,239</u>    | <u>1,421,068</u>            | <u>107,046,856</u>    | <u>118,786,827</u>    | <u>117,947,854</u>    |
| <b>TOTAL LIABILITIES</b>                   |                      |                             |                       |                       |                       |
| Fund Balances                              |                      |                             |                       |                       |                       |
| Invested in Capital Assets                 |                      |                             | 35,908,415            | 35,908,415            | 36,109,305            |
| Endowment (Note 10)                        |                      | 609,285                     |                       | 609,285               | 609,285               |
| Internally Restricted (Note 12)            | 1,061,286            |                             | 453,178               | 1,514,464             | 1,136,043             |
|  | <u>1,061,286</u>     | <u>609,285</u>              | <u>36,361,593</u>     | <u>38,032,164</u>     | <u>37,854,633</u>     |
|  | <u>\$ 15,223,525</u> | <u>\$ 2,030,353</u>         | <u>\$ 143,408,449</u> | <u>\$ 156,818,991</u> | <u>\$ 155,802,487</u> |
| <b>TOTAL LIABILITIES AND FUND BALANCES</b> |                      |                             |                       |                       |                       |

- > Commitments (Note 14)
- > Contingencies (Note 18)

**SCHOOL DISTRICT No. 62 (SOOKE)**  
**STATEMENT OF REVENUE AND EXPENSE**  
**YEAR ENDED JUNE 30, 2012**

**Statement 2**

|  | OPERATING<br>FUND        | SPECIAL<br>PURPOSE<br>FUNDS | CAPITAL<br>FUND            | TOTAL<br>2012           | TOTAL<br>2011           |
|--|--------------------------|-----------------------------|----------------------------|-------------------------|-------------------------|
| <b>REVENUE</b>                                 |                          |                             |                            |                         |                         |
| Provincial Grants - Ministry of Education      | \$ 78,218,465            | \$ 1,787,759                | \$ 519,576                 | \$ 80,525,800           | \$ 79,137,574           |
| Provincial Grants - Other                      |                          | 30,861                      |                            | 30,861                  |                         |
| Other Revenue                                  | 3,212,340                | 2,455,180                   |                            | 5,667,520               | 6,076,322               |
| Rentals and Leases                             | 180,803                  |                             |                            | 180,803                 | 208,308                 |
| Investment Income                              | 93,655                   | 17,611                      | 8,750                      | 120,016                 | 100,991                 |
| Amortization of Deferred Capital Contributions |                          |                             | 3,503,058                  | 3,503,058               | 3,561,765               |
| Amortization of DCC for Prepaid Lease          |                          |                             | 61,477                     | 61,477                  | 61,477                  |
|  | <u>81,705,263</u>        | <u>4,291,411</u>            | <u>4,092,861</u>           | <u>90,089,535</u>       | <u>89,146,437</u>       |
| <b>EXPENSE</b>                                 |                          |                             |                            |                         |                         |
| Salaries                                       |                          |                             |                            |                         |                         |
| Teachers                                       | 34,066,524               | 55,840                      |                            | 34,122,364              | 33,760,570              |
| Principals and Vice Principals                 | 6,068,166                | 31,633                      |                            | 6,099,799               | 5,580,573               |
| Educational Assistants                         | 4,933,650                | 654                         |                            | 4,934,304               | 4,846,522               |
| Support Staff                                  | 8,393,849                | 359,073                     |                            | 8,752,922               | 8,775,073               |
| Other Professionals                            | 2,287,069                | 90,711                      |                            | 2,377,780               | 2,673,202               |
| Substitutes                                    | 2,355,197                | 32,363                      |                            | 2,387,560               | 2,215,852               |
|  | <u>58,104,455</u>        | <u>570,274</u>              | -                          | <u>58,674,729</u>       | <u>57,851,792</u>       |
| Employee Benefits                              | 14,451,064               | 165,392                     |                            | 14,616,456              | 14,267,943              |
| Services and Supplies                          | 8,176,019                | 3,715,726                   | 519,576                    | 12,411,321              | 12,657,207              |
| Amortization of Capital Assets                 |                          |                             | 4,237,759                  | 4,237,759               | 4,226,320               |
| Amortization of Prepaid Lease                  |                          |                             | 61,477                     | 61,477                  | 61,477                  |
|  | <u>80,731,538</u>        | <u>4,451,392</u>            | <u>4,818,812</u>           | <u>90,001,742</u>       | <u>89,064,739</u>       |
| <b>NET REVENUE (EXPENSE)</b>                   | <u><b>\$ 973,725</b></u> | <u><b>\$ (159,981)</b></u>  | <u><b>\$ (725,951)</b></u> | <u><b>\$ 87,793</b></u> | <u><b>\$ 81,698</b></u> |

**SCHOOL DISTRICT No. 62 (SOOKE)**  
**STATEMENT OF CHANGES IN FUND BALANCES**  
**YEAR ENDED JUNE 30, 2012**

**Statement 3**

|   | OPERATING<br>FUND          | SPECIAL<br>PURPOSE<br>FUNDS | CAPITAL<br>FUND             | TOTAL<br>2012               | TOTAL<br>2011               |
|---|----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>FUND BALANCES, BEGINNING OF YEAR</b> | \$ 420,120                 | \$ 609,285                  | \$ 36,825,228               | \$ 37,854,633               | \$ 35,235,638               |
| <b>Changes for the Year</b>             |                            |                             |                             |                             |                             |
| Net Revenue (Expense) for the Year      | 973,725                    | (159,981)                   | (725,951)                   | 87,793                      | 81,698                      |
| Interfund Transfers                     |                            |                             |                             |                             |                             |
| Capital Assets Purchased (Note 13)      | (157,228)                  | (15,350)                    | 172,578                     | -                           |                             |
| Other (Note 13)                         | (175,331)                  | 175,331                     |                             | -                           |                             |
| Direct Increases in Fund Balances       |                            |                             |                             |                             |                             |
| Site Purchases                          |                            |                             | 89,738                      | 89,738                      | 2,537,297                   |
| <b>Net Changes for the Year</b>         | <u>641,166</u>             | <u>-</u>                    | <u>(463,635)</u>            | <u>177,531</u>              | <u>2,618,995</u>            |
| <b>FUND BALANCES, END OF YEAR</b>       | <u><u>\$ 1,061,286</u></u> | <u><u>\$ 609,285</u></u>    | <u><u>\$ 36,361,593</u></u> | <u><u>\$ 38,032,164</u></u> | <u><u>\$ 37,854,633</u></u> |

**SCHOOL DISTRICT No. 62 (SOOKE)**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED JUNE 30, 2012**

**Statement 4.1**

|   | OPERATING<br>FUND | SPECIAL<br>PURPOSE<br>FUNDS | CAPITAL<br>FUND     | TOTAL<br>2012      | TOTAL<br>2011       |
|---|-------------------|-----------------------------|---------------------|--------------------|---------------------|
| <b>CASH PROVIDED BY (USED FOR)</b>                          |                   |                             |                     |                    |                     |
| <b>OPERATIONS</b>   |                   |                             |                     |                    |                     |
| Net Revenue (Expense) for the Year                          | \$ 973,725        | \$ (159,981)                | \$ (725,951)        | \$ 87,793          | \$ 81,698           |
| Changes in Non-Cash Working Capital                         |                   |                             |                     |                    |                     |
| Decrease (Increase)   |                   |                             |                     |                    |                     |
| Accounts Receivable   | 307,632           | 600                         | (126,262)           | 181,970            | (589,610)           |
| Interfund Loans   | (299,850)         | 37,431                      | 262,419             | -                  | -                   |
| Prepaid Expenses  | (40,979)          |                             | (4,212)             | (45,191)           | 43,997              |
| Increase (Decrease)   |                   |                             |                     |                    |                     |
| Accounts Payable/Accrued Liabilities                        | (728,027)         |                             |                     | (728,027)          | 17,217              |
| Deferred Revenue  | 410,760           |                             |                     | 410,760            | 204,361             |
| Deferred Contributions                                      | (138,958)         | 99,282                      |                     | (39,676)           | (1,265,529)         |
| Accrued Employee Future Benefits                            | 89,628            |                             |                     | 89,628             | 106,927             |
| Items Not Involving Cash                                    |                   |                             |                     |                    |                     |
| Amortization of Capital Assets                              |                   |                             | 4,237,759           | 4,237,759          | 4,226,320           |
| Amortization of Deferred Capital Contributions              |                   |                             | (3,503,058)         | (3,503,058)        | (3,561,765)         |
| Deferred Contributions Transferred to Revenue               |                   |                             | (519,576)           | (519,576)          | (53,890)            |
| Amortization of DCC for Prepaid Lease                       |                   |                             | (61,477)            | (61,477)           | (61,477)            |
| Amortization of Prepaid Lease                               |                   |                             | 61,477              | 61,477             | 61,477              |
| Interfund Transfers   | (332,559)         | 159,981                     | 172,578             | -                  | -                   |
|   | <u>241,372</u>    | <u>137,313</u>              | <u>(206,303)</u>    | <u>172,382</u>     | <u>(790,274)</u>    |
| <b>FINANCING</b>  |                   |                             |                     |                    |                     |
| Bank Loan Received  |                   |                             |                     | -                  | 3,000,000           |
| Deferred Contributions Received - Capital                   |                   |                             | 5,345,428           | 5,345,428          | 9,945,148           |
| Playground Reimbursement to PACs                            |                   |                             | (65,291)            | (65,291)           | -                   |
|   | <u>-</u>          | <u>-</u>                    | <u>5,280,137</u>    | <u>5,280,137</u>   | <u>12,945,148</u>   |
| <b>INVESTING</b>  |                   |                             |                     |                    |                     |
| Capital Assets Purchased - Operating                        |                   |                             | (157,228)           | (157,228)          | (233,376)           |
| Capital Assets Purchased - Special Purpose                  |                   |                             | (15,350)            | (15,350)           | (437,808)           |
| Capital Assets Purchased - Local Capital                    |                   |                             | (271,495)           | (271,495)          | -                   |
| Capital Assets Purchased - Deferred Contributions - Capital |                   |                             | (4,806,773)         | (4,806,773)        | (13,465,908)        |
| Increase in Short Term Investments                          |                   |                             | (62,736)            | (62,736)           | -                   |
| Decrease in Investments                                     |                   |                             |                     | -                  | 10,000,000          |
|   | <u>-</u>          | <u>-</u>                    | <u>(5,313,582)</u>  | <u>(5,313,582)</u> | <u>(4,137,092)</u>  |
| <b>NET INCREASE (DECREASE) IN CASH</b>                      | <u>\$ 241,372</u> | <u>\$ 137,313</u>           | <u>\$ (239,748)</u> | <u>\$ 138,937</u>  | <u>\$ 8,017,782</u> |



**SCHOOL DISTRICT No. 62 (SOOKE)**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED JUNE 30, 2012**

**Statement 4.2**

|  | OPERATING<br>FUND    | SPECIAL<br>PURPOSE<br>FUNDS | CAPITAL<br>FUND | TOTAL<br>2012        | TOTAL<br>2011        |
|--|----------------------|-----------------------------|-----------------|----------------------|----------------------|
| <b>NET INCREASE (DECREASE) IN CASH</b> | \$ 241,372           | \$ 137,313                  | \$ (239,748)    | \$ 138,937           | \$ 8,017,782         |
| <b>Net Cash, Beginning of Year</b>     | 14,153,056           | 936,318                     | 239,748         | 15,329,122           | 7,311,340            |
| <b>NET CASH, END OF YEAR</b>           | <u>\$ 14,394,428</u> | <u>\$ 1,073,631</u>         | <u>\$ -</u>     | <u>\$ 15,468,059</u> | <u>\$ 15,329,122</u> |
| Cash                                   | \$ 14,394,428        | \$ 1,073,631                |                 | \$ 15,468,059        | \$ 15,329,122        |
| <b>NET CASH, END OF YEAR</b>           | <u>\$ 14,394,428</u> | <u>\$ 1,073,631</u>         | <u>\$ -</u>     | <u>\$ 15,468,059</u> | <u>\$ 15,329,122</u> |

**School District No. 62 (Sooke)**  
**2011/12 NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 AUTHORITY AND PURPOSE**

The School District operates under authority of the *School Act* of British Columbia as a corporation under the name of "The Board of Education of School District No. 62 (Sooke)", and operates as "School District No. 62 (Sooke)." A board of education (Board) elected for a three-year term governs the School District. The School District provides educational programs to students enrolled in schools in the district, and is principally funded by the Province of British Columbia through the Ministry of Education.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES**

These financial statements were prepared in accordance with Canadian generally accepted accounting principles (GAAP) for not-for-profit organizations. These principles are consistent with those used in the prior year.

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 30. Interfund transfers and loans are recognized in each fund and eliminated in the consolidated totals.

**a) Fund Accounting**

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

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

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

**d) Accounts Receivable**

Accounts receivable are recorded net of allowance for doubtful accounts.

**School District No. 62 (Sooke)**  
**2011/12 NOTES TO FINANCIAL STATEMENTS**

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

**e) Prepaid Expenses**

Payments for insurance, subscriptions, and maintenance contracts for use within the School District in a future period are recorded as a prepaid expense at cost. Textbooks and other teaching supplies are expensed as 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 the asset is available for use.
- 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 as follows:

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

**g) Revenue Recognition**

Unrestricted operating government grants are recognized as revenue when received or receivable. 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 expended.
  - If the capital asset is a site, the amount invested is recorded as a direct increase to fund balances 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.
- Endowment contributions are reported as direct increases to fund balances held as endowment principal.

**School District No. 62 (Sooke)**  
**2011/12 NOTES TO FINANCIAL STATEMENTS**

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

**g) Revenue Recognition (Continued)**

- Investment income earned on endowment principal is recognized as a direct increase to fund balances (endowment) to the extent required or agreed by donors. The remaining investment income earned on endowment principal is recorded as a deferred contribution and recognized as revenue in the year related expenses are incurred.
- Investment income, which is recorded on the accrual basis, includes interest income, net gain on sale of securities and unrealized gains (losses).

**h) Expenses**

- Categories of Salaries
  - Principals, Vice Principals, and Directors of Instruction employed under an administrative officer contract are categorized as Principals and Vice Principals.
  - Superintendent, Assistant Superintendent, Secretary-Treasurer, 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, 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 and cash equivalents, accounts receivable, investments, accounts payable and accrued liabilities and bank loans. 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 value of those instruments not carried at fair value approximate their carrying value.

The School District has designated all of its cash and cash equivalents and investments 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 and bank loans 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.

**School District No. 62 (Sooke)**  
**2011/12 NOTES TO FINANCIAL STATEMENTS**

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

**j) 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. At this time, the District has determined that there are no significant asset retirement obligations.

**k) 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.

**l) Employee Future Benefits**

The School District provides certain post-employment benefits including accumulated sick 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 9 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 has been adopted.

**m) Future Change in Accounting Framework**

Under the revised Public Sector Accounting Board (PSAB) framework, beginning with the 2012/13 fiscal year, school districts will be required to follow Public Sector Accounting (PSA) standards with or without the not-for-profit organization standards (i.e., PS 4200 series). In September 2010, the Province of British Columbia Treasury Board directed through Government Organization Accounting Standards Regulation 257/2010 that all school districts adopt PSA standards without the PS 4200 series from their fiscal year commencing after January 1, 2012.

The first fiscal year of full implementation without the PS 4200 series will be the year ended June 30, 2013. The adoption of PSA standards is to be accounted for by retroactive application with restatement of prior periods unless an exemption is permitted. Comparative information at June 30, 2012 and July 1, 2011 will be restated. The financial statements will also include the presentation of budget figures prepared in accordance with PSA standards for the year ended June 30, 2013.

**School District No. 62 (Sooke)**  
**2011/12 NOTES TO FINANCIAL STATEMENTS**

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

**m) Future Change in Accounting Framework (Continued)**

While the School District, in consultation with the Office of the Comptroller General and the Ministry of Education, has begun assessing the impact of the change in accounting framework on its financial statements, the financial impact cannot be reasonably estimated at this time. Implementing PSA standards will also have an impact on accounting, financial reporting and supporting information technology systems and processes.

**NOTE 3 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES**

|                                      | <b>2012</b>      | <b>2011</b>         |
|--------------------------------------|------------------|---------------------|
| Due from Federal Government          | \$144,427        | \$ 476,633          |
| Due from Other School Districts      | 36,452           | 24,711              |
| Due from Parent Advisory Committees  | 67,713           | 17,417              |
| Due from City of Langford            |                  | 125,622             |
| Due from District of Sooke           |                  | 40,462              |
| Due from CUPE                        | 20,620           | 20,860              |
| Due from Sooke Teacher Association   | 44,133           | 18,611              |
| Due from EMCS Society                | 36,567           | 38,195              |
| Due from Westshore Recreation Centre | 33,300           | 21,433              |
| Other                                | 158,693          | 281,690             |
|                                      | <b>\$541,905</b> | <b>\$ 1,065,634</b> |

**NOTE 4 LONG TERM PREPAID LEASE**

The School District prepaid a long term lease to the Federal Government for the use of the John Stubbs Memorial School site for fifty years. This lease started on July 1, 2005 and ends on June 30, 2055.

**NOTE 5 INVESTMENTS**

Investments consist of a term deposit maturing in April 2016 that bears interest at 2.80%.

**School District No. 62 (Sooke)**  
**2011/12 NOTES TO FINANCIAL STATEMENTS**

**NOTE 6 CAPITAL ASSETS**

|                       | 2012          |                          |                | 2011           |
|-----------------------|---------------|--------------------------|----------------|----------------|
|                       | Cost          | Accumulated Amortization | Net Book Value | Net Book Value |
| Sites                 | \$ 21,978,914 | \$ 0                     | \$ 21,978,914  | \$ 21,889,176  |
| Buildings             | 169,766,074   | 59,108,707               | 110,657,367    | 101,556,275    |
| Furniture & Equipment | 3,135,739     | 1,133,635                | 2,002,104      | 1,882,436      |
| Vehicles              | 2,469,729     | 1,117,278                | 1,352,451      | 1,553,094      |
| Computer Software     | 184,399       | 10,980                   | 173,419        | 25,698         |
| Computer Hardware     | 428,278       | 116,695                  | 311,583        | 156,125        |
| Work in Progress      | 297,333       |                          | 297,333        | 8,697,280      |
|                       | \$198,260,466 | \$61,487,295             | \$136,773,171  | \$135,760,084  |

**School District No. 62 (Sooke)**  
**2011/12 NOTES TO FINANCIAL STATEMENTS**

**NOTE 7 DEFERRED CONTRIBUTIONS**

**Deferred Contributions – Ministry of Education**

Deferred Contributions (DC's) - Ministry of Education recorded in the operating fund represent government grants for various programs administered by the School District; recorded in the special purpose funds represent government grants for repairs and maintenance and minor renovations to existing buildings, special education equipment and provincial resource programs; recorded in the capital fund represent government grants for the seismic upgrades and major renovations of buildings and equipment and asset disposal proceeds restricted in use by the Ministry of Education (MEd).

|                                      | <b>2012</b>    |                       |              |              | <b>2011</b>  |
|--------------------------------------|----------------|-----------------------|--------------|--------------|--------------|
|                                      | Operating Fund | Special Purpose Funds | Capital Fund | Total        |              |
| Balance, beginning of year           | \$ 68,889      | \$ 356,568            | \$ 1,251,162 | \$ 1,676,619 | \$ 3,350,296 |
| Increases:                           |                |                       |              |              |              |
| Provincial grants – MEd              |                | 1,655,274             | 4,491,220    | 6,146,494    | 11,776,827   |
| Investment income                    |                | 2,955                 | 4,931        | 7,886        | 10,906       |
| Other                                |                | 60,417                | 368,890      | 429,307      | 34,623       |
| Transfers from operating             |                | 49,458                |              | 49,458       |              |
|                                      | 0              | 1,768,104             | 4,865,041    | 6,633,145    | 11,822,356   |
| Decreases:                           |                |                       |              |              |              |
| Transfers to revenue                 |                | 1,849,902             |              | 1,849,902    | 3,710,879    |
| Transfers to DCC - capital additions |                |                       | 715,906      | 715,906      | 213,335      |
| Transfers to DCC – WIP               |                |                       | 3,982,690    | 3,982,690    | 8,641,658    |
| Other                                | 68,889         |                       | 667,593      | 736,482      | 930,161      |
|                                      | 68,889         | 1,849,902             | 5,366,189    | 7,284,980    | 13,496,033   |
| Balance, end of the year             | \$ 0           | \$ 274,770            | \$ 750,014   | \$ 1,024,784 | \$ 1,676,619 |



**School District No. 62 (Sooke)**  
**2011/12 NOTES TO FINANCIAL STATEMENTS**

**NOTE 7 DEFERRED CONTRIBUTIONS (Continued)**

**Deferred Contributions – Other**

Deferred Contributions – Other recorded in the operating fund represent grants, donations and other contributions for various programs administered by the School District; recorded in the special purpose funds represent donations, funds generated by individual schools for extra-curricular activities and other miscellaneous sources; recorded in the capital fund represent contributions received from local government and other donations and grants for capital projects.

|   | <u>2012</u>       |                             |                     |                     | <u>2011</u>         |
|---|-------------------|-----------------------------|---------------------|---------------------|---------------------|
|   | Operating<br>Fund | Special<br>Purpose<br>Funds | Capital Fund        | Total               |                     |
| Balance, beginning of year              | \$ 70,069         | \$ 965,218                  | \$ 2,291,696        | \$ 3,326,983        | \$ 4,455,197        |
| Increases:                              |                   |                             |                     |                     |                     |
| School Generated Funds                  |                   | 2,442,245                   |                     | 2,442,245           | 2,529,189           |
| Provincial grants - other               |                   | 98,667                      |                     | 98,667              |                     |
| Local government grants                 |                   |                             | 427,003             | 427,003             | 513,794             |
| Investment income                       |                   | 15,885                      | 38,430              | 54,315              | 69,254              |
| Other                                   |                   | 65,792                      | 14,954              | 80,746              | 217,077             |
|   | <u>0</u>          | <u>2,622,589</u>            | <u>480,387</u>      | <u>3,102,976</u>    | <u>3,329,314</u>    |
| Decreases:                              |                   |                             |                     |                     |                     |
| Transfers to revenue                    |                   | 2,441,509                   |                     | 2,441,509           | 2,815,062           |
| Transfers to DCC - capital<br>additions |                   |                             | 18,439              | 18,439              | 35,330              |
| Site purchases                          |                   |                             | 7,012               | 7,012               | 1,607,136           |
| Other                                   | 70,069            |                             |                     | 70,069              |                     |
|   | <u>70,069</u>     | <u>2,441,509</u>            | <u>25,451</u>       | <u>2,537,029</u>    | <u>4,457,528</u>    |
| Balance, end of the year                | <u>\$ 0</u>       | <u>\$ 1,146,298</u>         | <u>\$ 2,746,632</u> | <u>\$ 3,892,930</u> | <u>\$ 3,326,983</u> |

**School District No. 62 (Sooke)**  
**2011/12 NOTES TO FINANCIAL STATEMENTS**

**NOTE 7 DEFERRED CONTRIBUTIONS (Continued)**

**Deferred Capital Contributions**

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

|                                       | <u>2012</u>                  | <u>2011</u>                 |
|---------------------------------------|------------------------------|-----------------------------|
| Balance, beginning of year            | <u>\$ 99,397,710</u>         | <u>\$ 94,130,629</u>        |
| Increases:                            |                              |                             |
| Transfers from DC - capital additions | 734,345                      | 248,665                     |
| Transfers from DC - WIP               | <u>3,982,690</u>             | <u>8,641,658</u>            |
|                                       | <u>4,717,035</u>             | <u>8,890,323</u>            |
| Decreases:                            |                              |                             |
| Amortization                          | <u>3,564,535</u>             | <u>3,623,242</u>            |
| Balance, end of the year              | <u><u>\$ 100,550,210</u></u> | <u><u>\$ 99,397,710</u></u> |

**School District No. 62 (Sooke)**  
**2011/12 NOTES TO FINANCIAL STATEMENTS**

**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 portion of these benefits that have not been provided for is identified as Accrued Employee Future Benefits on Statement 1 (Statement of Financial Position).

The period of amortization is equal to the expected average remaining service lifetime (EARSL) of active employees.

|  | <b>2012</b>       | <b>2011</b>       |
|--|-------------------|-------------------|
| <b>Reconciliation of Accrued Benefit Obligation</b>          |                   |                   |
| Accrued Benefit Obligation – April 1                         | \$3,343,568       | \$3,230,339       |
| Service Cost   | 251,498           | 240,053           |
| Interest Cost  | 162,540           | 165,024           |
| Benefit Payments   | (320,333)         | (340,146)         |
| Actuarial Loss   | 73,252            | 48,298            |
| Accrued Benefit Obligation – March 31                        | \$3,510,525       | \$3,343,568       |
| <b>Reconciliation of Funded Status at End of Fiscal Year</b> |                   |                   |
| Accrued Benefit Obligation - March 31                        | \$3,510,525       | \$3,343,568       |
| Market Value of Plan Assets - March 31                       | 0                 | 0                 |
| Funded Status - Deficit                                      | (3,510,525)       | (3,343,568)       |
| Employer Contributions After Measurement Date                | 30,285            | 26,208            |
| Unamortized Net Actuarial (Gain) Loss                        | 26,864            | (46,388)          |
| Accrued Benefit Liability - June 30                          | \$(3,453,376)     | \$(3,363,748)     |
| <b>Components of Net Benefit Expense</b>                     |                   |                   |
| Service Cost   | \$251,498         | \$240,053         |
| Interest Cost  | 162,540           | 165,024           |
| Net Benefit Expense  | \$414,038         | \$405,077         |
| <b>Assumptions</b>   |                   |                   |
| Discount Rate - April 1                                      | 4.75%             | 5.00%             |
| Discount Rate - March 31                                     | 4.25%             | 4.75%             |
| Long Term Salary Growth - April 1                            | 2.50% + seniority | 2.50% + seniority |
| Long Term Salary Growth - March 31                           | 2.50% + seniority | 2.50% + seniority |
| EARSL - March 31   | 9 years           | 9 years           |

**School District No. 62 (Sooke)**  
**2011/12 NOTES TO FINANCIAL STATEMENTS**

**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 46,000 active members from school districts, and approximately 30,000 retired members from school districts. The Municipal Plan has about 173,000 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' Pension 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 fall 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 \$7,176,775 for employer contributions to these plans in the year ended June 30, 2012 (\$6,933,204 in 2011).

**NOTE 10 ENDOWMENT FUNDS**

| Name of<br>Endowment | Balance<br>Beginning of Year | Contributions<br>During Year | Earnings for<br>the Year | Disbursements | Balance<br>End of Year |
|----------------------|------------------------------|------------------------------|--------------------------|---------------|------------------------|
| Meyer Fund           | \$ 609,285                   | \$ 0                         | \$ 15,885                | \$ 15,885     | \$ 609,285             |

The Lavern Calvin Meyer Fund was established to provide scholarships and bursaries for one or more deserving graduate or undergraduate students in full time attendance at Edward Milne Community School.

**NOTE 11 BANK LOAN**

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

| Approval Date | Year<br>Borrowed | Interest<br>Rate | Maturity              | Amount<br>Borrowed | Amount<br>Paid | Balance<br>End of Year |
|---------------|------------------|------------------|-----------------------|--------------------|----------------|------------------------|
| July 6, 2010  | 2011             | Prime -.25       | September 30,<br>2013 | \$3,000,000        | \$ 0           | \$3,000,000            |

The non-revolving bank loan is payable to the Royal Bank of Canada, is unsecured and is due on demand. The principal will be repaid through proceeds from future land sales.

**School District No. 62 (Sooke)**  
**2011/12 NOTES TO FINANCIAL STATEMENTS**

**NOTE 12 INTERNALLY RESTRICTED FUND BALANCES**

|  |              |              |
|--|--------------|--------------|
| Operating Internally Restricted (appropriated) by Board for: |              |              |
| Future Years' Budgets  | \$ 1,061,286 |              |
| Unrestricted Operating Surplus (Deficit)                     | 0            |              |
| Total Available for Future Operations                        |              | \$ 1,061,286 |
| Internally Restricted for Capital Purposes                   |              | \$ 453,178   |

**NOTE 13 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, 2012 transfers were as follows:

- Capital assets (equipment) were purchased with special purpose funds (\$15,350)
- Capital assets (equipment, vehicles, computer hardware, computer software) were purchased with operating funds (\$157,228)
- Operating funds were used to fund three special purpose funds (\$175,331)

**NOTE 14 COMMITMENTS**

- (a) The School District has an unutilized line of credit in the amount of \$1,000,000.
- (b) The School District has entered into contracts related to facilities projects with a remaining cost of approximately \$280,000.
- (c) The School District has entered into various operating leases for premises, equipment, and cell phones. Estimated commitments under these leases in each of the next five years are as follows:

|                      | 2013             | 2014             | 2015             | 2016             | 2017             |
|----------------------|------------------|------------------|------------------|------------------|------------------|
| Rent Leases          | \$393,346        | \$380,799        | \$380,799        | \$200,927        | \$200,927        |
| Vehicle Lease        | 12,712           | 12,712           | 12,712           | 12,712           | 5,297            |
| Cell Phone Contracts | 25,968           | 25,968           | 21,356           |                  |                  |
| Copier Leases        | 67,074           | 44,631           | 27,901           | 18,863           |                  |
| <b>Total</b>         | <b>\$499,100</b> | <b>\$464,110</b> | <b>\$442,768</b> | <b>\$232,502</b> | <b>\$206,224</b> |

**NOTE 15 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 28, 2012.

**NOTE 16 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,

**School District No. 62 (Sooke)**  
**2011/12 NOTES TO FINANCIAL STATEMENTS**

unless disclosed separately, are generally considered to be in the normal course of operations and are recorded at the exchange amount.

**NOTE 17 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 18 CONTINGENCIES**

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, 2012, management believes the School District has valid defenses and appropriate insurance coverage in place. In the event any claims are successful, management believes that such claims are not expected to have a material effect on the School District’s financial position.

Certain schools in the School District contain asbestos. No amount has been recorded in these financial statements with regard to this potential liability since the fair value of future removal costs cannot be reasonably estimated due to unknown timelines.

**NOTE 19 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.

**NOTE 20 COMPARATIVE FIGURES**

Certain of the comparative figures have been reclassified to conform to the presentation adopted in the current year.

**SCHOOL DISTRICT No. 62 (SOOKE)  
OPERATING FUND  
SURPLUS (DEFICIT)  
YEAR ENDED JUNE 30, 2012**

**Schedule A1**

|  | 2012                | 2012                     | 2011              |
|--|---------------------|--------------------------|-------------------|
|  | ACTUAL              | AMENDED<br>ANNUAL BUDGET | ACTUAL            |
| <b>REVENUE</b>   |                     |                          |                   |
| Provincial Grants - Ministry of Education                          | \$ 78,218,465       | \$ 77,743,467            | \$ 75,453,666     |
| Provincial Grants - Other  |                     | 21,375                   |                   |
| Other Revenue  | 3,212,340           | 3,066,488                | 3,469,911         |
| Rentals and Leases   | 180,803             | 145,080                  | 208,308           |
| Investment Income  | 93,655              | 103,200                  | 72,054            |
|  | <u>81,705,263</u>   | <u>81,079,610</u>        | <u>79,203,939</u> |
| <b>EXPENSE</b>   |                     |                          |                   |
| Salaries   |                     |                          |                   |
| Teachers   | 34,066,524          | 34,720,123               | 33,690,954        |
| Principals and Vice Principals                                     | 6,068,166           | 5,950,565                | 5,551,113         |
| Educational Assistants   | 4,933,650           | 4,942,582                | 4,846,522         |
| Support Staff  | 8,393,849           | 8,496,968                | 8,237,213         |
| Other Professionals  | 2,287,069           | 2,549,889                | 2,515,895         |
| Substitutes  | 2,355,197           | 2,332,910                | 2,176,221         |
|  | <u>58,104,455</u>   | <u>58,993,037</u>        | <u>57,017,918</u> |
| Employee Benefits  | 14,451,064          | 14,082,370               | 14,083,887        |
| Services and Supplies  | 8,176,019           | 8,417,562                | 7,866,238         |
|  | <u>80,731,538</u>   | <u>81,492,969</u>        | <u>78,968,043</u> |
| <b>NET REVENUE (EXPENSE), FOR THE YEAR</b>                         | 973,725             | (413,359)                | 235,896           |
| <b>INTERFUND TRANSFERS</b>   |                     |                          |                   |
| Capital Assets Purchased   | (157,228)           |                          | (233,376)         |
| Other  | (175,331)           |                          | (162,405)         |
| <b>OTHER ADJUSTMENTS TO OPERATING FUND BALANCE</b>                 |                     |                          |                   |
| <b>BUDGETED ALLOCATION (RETIREMENT) OF SURPLUS (DEFICIT)</b>       |                     |                          |                   |
| <b>SURPLUS (DEFICIT), FOR THE YEAR</b>                             | 641,166             | <u>\$ (413,359)</u>      | (159,885)         |
| <b>SURPLUS (DEFICIT), BEGINNING OF YEAR</b>                        | 420,120             |                          | 346,947           |
| <b>Changes in Accounting Policies/Prior Period Adjustments</b>     |                     |                          |                   |
| Programs moved to special purpose (Strong Start & Ready Set Learn) |                     |                          | 233,058           |
| <b>SURPLUS (DEFICIT), BEGINNING OF YEAR, AS RESTATED</b>           | 420,120             |                          | 580,005           |
| <b>SURPLUS (DEFICIT), END OF YEAR</b>                              |                     |                          |                   |
| (Section 156 (12) of School Act)                                   | <u>\$ 1,061,286</u> |                          | <u>\$ 420,120</u> |
| <b>SURPLUS (DEFICIT), END OF YEAR</b>                              |                     |                          |                   |
| Internally Restricted  | 1,061,286           |                          |                   |
|  | <u>\$ 1,061,286</u> |                          |                   |

**SCHOOL DISTRICT No. 62 (SOOKE)**  
**OPERATING FUND**  
**COMPARATIVE SCHEDULE OF REVENUE BY SOURCE**  
**YEAR ENDED JUNE 30, 2012**

Schedule A2

|  | 2012<br>ACTUAL       | 2012<br>AMENDED<br>ANNUAL BUDGET | 2011<br>ACTUAL       |
|--|----------------------|----------------------------------|----------------------|
| <b>PROVINCIAL GRANTS - MINISTRY OF EDUCATION</b> |                      |                                  |                      |
| Operating Grant, Ministry of Education           | \$ 76,899,862        | \$ 76,808,182                    | \$ 74,403,226        |
| AANDC/LEA Recovery                               | (181,527)            | (381,669)                        | (381,669)            |
| Other Ministry of Education Grants               |                      |                                  |                      |
| Education Guarantee                              | 453,797              | 350,523                          | 427,495              |
| Pay Equity Maintenance Grant                     | 931,052              | 931,052                          | 931,052              |
| FSA Scoring Grant                                | 13,769               | 13,769                           | 13,769               |
| AVID   | 19,431               |                                  |                      |
| French Monitor                                   | 21,297               | 21,610                           |                      |
| Carbon Tax Rebate                                | 60,784               |                                  | 43,728               |
| Literacy Innovation Grant                        |                      |                                  | 16,065               |
|  | <u>78,218,465</u>    | <u>77,743,467</u>                | <u>75,453,666</u>    |
| <b>PROVINCIAL GRANTS - OTHER</b>                 |                      | <u>21,375</u>                    |                      |
| <b>FEDERAL GRANTS</b>                            |                      |                                  |                      |
| <b>OTHER REVENUE</b>                             |                      |                                  |                      |
| Continuing Education                             | 219,962              | 150,000                          | 175,069              |
| Offshore Tuition Fees                            | 1,924,727            | 1,811,506                        | 1,984,779            |
| LEA/Direct Funding from First Nations            | 181,527              | 381,669                          | 381,669              |
| Miscellaneous                                    |                      |                                  |                      |
| Bus Pass Fees                                    | 217,599              | 210,000                          | 209,266              |
| Grants for Crossing Guards                       | 79,041               | 85,800                           | 85,102               |
| BC Hydro Grant                                   | 89,600               | 75,400                           | 64,000               |
| BCPSEA LMA                                       | 117,034              | 90,398                           | 84,709               |
| UBCM Grants                                      |                      | 12,500                           |                      |
| Misc.  | 382,850              | 249,215                          | 339,669              |
| Industry Training Grant/Skills Canada Grants     |                      |                                  | 145,648              |
|  | <u>3,212,340</u>     | <u>3,066,488</u>                 | <u>3,469,911</u>     |
| <b>RENTALS AND LEASES</b>                        | <u>180,803</u>       | <u>145,080</u>                   | <u>208,308</u>       |
| <b>INVESTMENT INCOME</b>                         | <u>93,655</u>        | <u>103,200</u>                   | <u>72,054</u>        |
| <b>TOTAL OPERATING REVENUE</b>                   | <u>\$ 81,705,263</u> | <u>\$ 81,079,610</u>             | <u>\$ 79,203,939</u> |



**SCHOOL DISTRICT No. 62 (SOOKE)**  
**OPERATING FUND**  
**COMPARATIVE SCHEDULE OF EXPENSE BY OBJECT**  
**YEAR ENDED JUNE 30, 2012**

Schedule A3

|                                     | 2012                 |                          |                      |
|-------------------------------------|----------------------|--------------------------|----------------------|
|                                     | 2012<br>ACTUAL       | AMENDED<br>ANNUAL BUDGET | 2011<br>ACTUAL       |
| <b>SALARIES</b>                     |                      |                          |                      |
| Teachers                            | \$ 34,066,524        | \$ 34,720,123            | \$ 33,690,954        |
| Principals and Vice Principals      | 6,068,166            | 5,950,565                | 5,551,113            |
| Educational Assistants              | 4,933,650            | 4,942,582                | 4,846,522            |
| Support Staff                       | 8,393,849            | 8,496,968                | 8,237,213            |
| Other Professionals                 | 2,287,069            | 2,549,889                | 2,515,895            |
| Substitutes                         | 2,355,197            | 2,332,910                | 2,176,221            |
|                                     | <u>58,104,455</u>    | <u>58,993,037</u>        | <u>57,017,918</u>    |
| <b>EMPLOYEE BENEFITS</b>            | 14,451,064           | 14,082,370               | 14,083,887           |
| <b>TOTAL SALARIES AND BENEFITS</b>  | <u>72,555,519</u>    | <u>73,075,407</u>        | <u>71,101,805</u>    |
| <b>SERVICES AND SUPPLIES</b>        |                      |                          |                      |
| Services                            | 2,552,209            | 2,299,268                | 2,489,273            |
| Student Transportation              | 1,991                | 7,000                    | 3,873                |
| Professional Development and Travel | 717,414              | 983,075                  | 590,425              |
| Rentals and Leases                  | 384,031              | 389,032                  | 366,422              |
| Dues and Fees                       | 165,897              | 169,831                  | 129,472              |
| Insurance                           | 167,755              | 173,075                  | 202,630              |
| Supplies                            | 2,674,838            | 2,836,281                | 2,563,306            |
| Bad Debts                           | 8,609                |                          |                      |
| Utilities                           | 1,503,275            | 1,560,000                | 1,520,837            |
| <b>TOTAL SERVICES AND SUPPLIES</b>  | <u>8,176,019</u>     | <u>8,417,562</u>         | <u>7,866,238</u>     |
| <b>TOTAL OPERATING EXPENSE</b>      | <u>\$ 80,731,538</u> | <u>\$ 81,492,969</u>     | <u>\$ 78,968,043</u> |

**SCHOOL DISTRICT No. 62 (Sooke)  
OPERATING FUND  
EXPENSE BY FUNCTION, PROGRAM AND OBJECT  
YEAR ENDED JUNE 30, 2012**

|  | 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                       | \$ 28,913,103        | \$ 1,910,101                          | \$ 65,078                       | \$ 1,019,397           | \$ 262,263                   | \$ 1,660,349         | \$ 33,830,291        |
| 1.03 Career Programs                           | 32,934               |                                       |                                 | 109,439                |                              | 1,529                | 143,902              |
| 1.07 Library Services                          | 623,025              |                                       |                                 | 202,396                |                              | 4,258                | 829,679              |
| 1.08 Counselling                               | 1,162,625            |                                       |                                 |                        |                              | 1,789                | 1,164,414            |
| 1.10 Special Education                         | 2,518,299            | 231,963                               | 4,537,820                       | 52,166                 | 683,157                      | 321,080              | 8,344,485            |
| 1.30 English as a Second Language              | 366,205              | 33,151                                |                                 |                        |                              | 692                  | 400,048              |
| 1.31 Aboriginal Education                      | 239,808              | 120,394                               | 331,163                         | 32,057                 | 13,855                       |                      | 737,277              |
| 1.41 School Administration                     |                      | 3,304,239                             |                                 | 1,777,850              | 83,068                       |                      | 5,165,157            |
| 1.61 Continuing Education                      | 70,761               | 219,941                               | (411)                           | 12,585                 | 19,494                       | 6,537                | 328,907              |
| 1.62 Off Shore Students                        | 139,784              | 195,105                               |                                 | 105,829                | 6,134                        |                      | 446,832              |
| 1.64 Other                                     |                      |                                       |                                 | 2,342                  | 50,323                       | 2,811                | 55,476               |
| <b>Total Function 1</b>                        | <b>34,066,524</b>    | <b>6,014,894</b>                      | <b>4,933,650</b>                | <b>3,314,061</b>       | <b>1,015,237</b>             | <b>2,102,102</b>     | <b>51,446,468</b>    |
| <b>4 DISTRICT ADMINISTRATION</b>               |                      |                                       |                                 |                        |                              |                      |                      |
| 4.11 Educational Administration                |                      |                                       |                                 |                        | 206,341                      | 2,068                | 208,409              |
| 4.40 School District Governance                |                      |                                       |                                 |                        | 73,000                       | 246                  | 73,246               |
| 4.41 Business Administration                   |                      | 53,272                                |                                 | 302,626                | 798,734                      | 35,647               | 1,130,279            |
| <b>Total Function 4</b>                        | <b>-</b>             | <b>53,272</b>                         | <b>-</b>                        | <b>302,626</b>         | <b>1,018,075</b>             | <b>37,961</b>        | <b>1,411,934</b>     |
| <b>5 OPERATIONS AND MAINTENANCE</b>            |                      |                                       |                                 |                        |                              |                      |                      |
| 5.41 Operations and Maintenance Administration |                      |                                       |                                 | 48,225                 | 253,757                      | 280                  | 302,262              |
| 5.50 Maintenance Operations                    |                      |                                       |                                 | 3,309,744              |                              | 153,849              | 3,463,593            |
| 5.52 Maintenance of Grounds                    |                      |                                       |                                 | 350,598                |                              |                      | 350,598              |
| <b>Total Function 5</b>                        | <b>-</b>             | <b>-</b>                              | <b>-</b>                        | <b>3,708,567</b>       | <b>253,757</b>               | <b>154,129</b>       | <b>4,116,453</b>     |
| <b>7 TRANSPORTATION AND HOUSING</b>            |                      |                                       |                                 |                        |                              |                      |                      |
| 7.41 Transportation and Housing Administration |                      |                                       |                                 | 52,128                 |                              | 2,159                | 54,287               |
| 7.70 Student Transportation                    |                      |                                       |                                 | 1,016,467              |                              | 58,846               | 1,075,313            |
| <b>Total Function 7</b>                        | <b>-</b>             | <b>-</b>                              | <b>-</b>                        | <b>1,068,595</b>       | <b>-</b>                     | <b>61,005</b>        | <b>1,129,600</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>\$ 34,066,524</b> | <b>\$ 6,068,166</b>                   | <b>\$ 4,933,650</b>             | <b>\$ 8,393,849</b>    | <b>\$ 2,287,059</b>          | <b>\$ 2,355,197</b>  | <b>\$ 58,104,455</b> |

SCHOOL DISTRICT No. 62 (SOOKE)  
 OPERATING FUND  
 EXPENSE BY FUNCTION, PROGRAM AND OBJECT  
 YEAR ENDED JUNE 30, 2012

|  | TOTAL SALARIES       | EMPLOYEE BENEFITS    | TOTAL SALARIES AND BENEFITS | SERVICES AND SUPPLIES | 2012 ACTUAL          | 2012 AMENDED ANNUAL BUDGET | 2011 ACTUAL          |
|--|----------------------|----------------------|-----------------------------|-----------------------|----------------------|----------------------------|----------------------|
| <b>1 INSTRUCTION</b>                           |                      |                      |                             |                       |                      |                            |                      |
| 1.02 Regular Instruction                       | \$ 33,830,291        | \$ 8,428,064         | \$ 42,258,355               | \$ 1,804,715          | \$ 44,063,070        | \$ 44,659,925              | \$ 41,784,265        |
| 1.03 Career Programs                           | 143,902              | 38,558               | 182,460                     | 40,287                | 222,747              | 246,433                    | 218,900              |
| 1.07 Library Services                          | 829,679              | 206,443              | 1,036,122                   | 63,277                | 1,099,399            | 1,103,817                  | 1,191,368            |
| 1.08 Counselling                               | 1,164,414            | 263,702              | 1,428,116                   | 5,558                 | 1,433,674            | 1,438,220                  | 1,450,167            |
| 1.10 Special Education                         | 8,344,485            | 2,220,859            | 10,565,344                  | 342,632               | 10,907,976           | 10,843,000                 | 10,277,221           |
| 1.30 English as a Second Language              | 400,048              | 91,912               | 491,960                     | 8,748                 | 500,708              | 375,916                    | 311,572              |
| 1.31 Aboriginal Education                      | 737,277              | 175,092              | 912,369                     | 188,122               | 1,100,491            | 1,117,267                  | 1,021,959            |
| 1.41 School Administration                     | 5,165,157            | 1,223,254            | 6,388,411                   | 327,955               | 6,716,366            | 6,497,234                  | 6,047,975            |
| 1.61 Continuing Education                      | 328,907              | 68,812               | 397,719                     | 381,280               | 778,989              | 771,454                    | 2,898,971            |
| 1.62 Off Shore Students                        | 446,632              | 104,007              | 550,639                     | 814,848               | 1,365,687            | 1,504,514                  | 1,549,569            |
| 1.64 Other                                     | 55,476               | 13,929               | 69,405                      | 26,210                | 95,615               | 369,534                    | 284,041              |
| <b>Total Function 1</b>                        | <b>51,446,468</b>    | <b>12,834,632</b>    | <b>64,281,100</b>           | <b>4,003,632</b>      | <b>68,284,732</b>    | <b>68,927,314</b>          | <b>67,036,028</b>    |
| <b>4 DISTRICT ADMINISTRATION</b>               |                      |                      |                             |                       |                      |                            |                      |
| 4.11 Educational Administration                | 208,409              | 43,444               | 251,853                     | 25,232                | 277,085              | 277,484                    | 271,117              |
| 4.40 School District Governance                | 73,246               | 1,045                | 74,291                      | 116,756               | 191,047              | 192,279                    | 138,084              |
| 4.41 Business Administration                   | 1,130,279            | 214,998              | 1,345,277                   | 525,932               | 1,871,209            | 1,849,757                  | 1,815,968            |
| <b>Total Function 4</b>                        | <b>1,411,934</b>     | <b>259,487</b>       | <b>1,671,421</b>            | <b>667,920</b>        | <b>2,339,341</b>     | <b>2,319,520</b>           | <b>2,225,169</b>     |
| <b>5 OPERATIONS AND MAINTENANCE</b>            |                      |                      |                             |                       |                      |                            |                      |
| 5.41 Operations and Maintenance Administration | 302,262              | 63,207               | 365,469                     | 146,507               | 511,976              | 512,897                    | 526,871              |
| 5.50 Maintenance Operations                    | 3,463,593            | 917,596              | 4,381,189                   | 1,315,102             | 5,696,291            | 5,762,128                  | 5,288,805            |
| 5.52 Maintenance of Grounds                    | 350,598              | 80,208               | 430,806                     | 157,550               | 588,356              | 608,934                    | 594,094              |
| 5.56 Utilities                                 | -                    | -                    | -                           | 1,502,506             | 1,502,506            | 1,559,800                  | 1,507,727            |
| <b>Total Function 5</b>                        | <b>4,116,453</b>     | <b>1,061,011</b>     | <b>5,177,464</b>            | <b>3,121,665</b>      | <b>8,299,129</b>     | <b>8,443,559</b>           | <b>7,917,497</b>     |
| <b>7 TRANSPORTATION AND HOUSING</b>            |                      |                      |                             |                       |                      |                            |                      |
| 7.41 Transportation and Housing Administration | 54,287               | 13,393               | 67,680                      | 7,036                 | 74,716               | 72,868                     | 95,729               |
| 7.70 Student Transportation                    | 1,075,313            | 282,541              | 1,357,854                   | 375,766               | 1,733,620            | 1,729,708                  | 1,693,620            |
| <b>Total Function 7</b>                        | <b>1,129,600</b>     | <b>295,934</b>       | <b>1,425,534</b>            | <b>382,802</b>        | <b>1,808,336</b>     | <b>1,802,576</b>           | <b>1,789,349</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>\$ 58,104,455</b> | <b>\$ 14,451,064</b> | <b>\$ 72,555,519</b>        | <b>\$ 8,176,019</b>   | <b>\$ 80,731,538</b> | <b>\$ 81,492,969</b>       | <b>\$ 78,968,043</b> |

**SCHOOL DISTRICT No. 62 (SOOKE)**  
**OPERATING FUND**  
**CHANGES IN DEFERRED CONTRIBUTIONS**  
**YEAR ENDED JUNE 30, 2012**

**Schedule A5**

|   |                              |
|---|------------------------------|
| <b>BALANCE, BEGINNING OF YEAR</b>         | <b>\$ 138,958</b>            |
| <b>Changes for the Year</b>               |                              |
| Increase:                                 | <u>                    -</u> |
| Decrease:                                 |                              |
| Allocated to Revenue                      |                              |
| Provincial Grants - Ministry of Education | 19,431                       |
| Provincial Grants - Other                 | 47,777                       |
| Transfer to Special Purpose Funds         | <u>71,750</u>                |
|   | <u>138,958</u>               |
| <b>Net Changes for the Year</b>           | <u>(138,958)</u>             |
| <b>BALANCE, END OF YEAR</b>               | <u><u>\$ -</u></u>           |

**SCHOOL DISTRICT No. 62 (SOOKE)  
SPECIAL PURPOSE FUNDS  
SUMMARY OF CHANGES  
YEAR ENDED JUNE 30, 2012**

Schedule B1

|   | MINISTRY OF EDUCATION DESIGNATED | OTHER        | SCHOOL GENERATED FUNDS | RELATED ENTITIES | TOTAL        |
|---|----------------------------------|--------------|------------------------|------------------|--------------|
| <b>DEFERRED CONTRIBUTIONS</b>                           |                                  |              |                        |                  |              |
| <b>DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR</b>        | \$ 327,637                       | \$ 146,388   | \$ 847,761             |                  | \$ 1,321,786 |
| <b>Add:</b> Contributions Received                      |                                  |              |                        |                  |              |
| Provincial Grants - Ministry of Education               | 491,406                          | 1,163,868    |                        |                  | 1,655,274    |
| Provincial Grants - Other                               |                                  | 96,667       |                        |                  | 96,667       |
| Other   | 11,648                           | 92,269       | 2,442,245              |                  | 2,546,162    |
| Investment Income                                       | 466                              | 18,374       |                        |                  | 18,840       |
| Transferred from Operating Deferred Contributions       |                                  | 71,750       |                        |                  | 71,750       |
|   | 503,520                          | 1,444,928    | 2,442,245              |                  | 4,390,693    |
|   |                                  |              |                        |                  |              |
| Less: Allocated to Revenue                              | 712,800                          | 1,340,986    | 2,237,625              |                  | 4,291,411    |
|   | \$ 118,357                       | \$ 250,330   | \$ 1,052,381           | \$ -             | \$ 1,421,068 |
| <b>DEFERRED CONTRIBUTIONS, END OF YEAR</b>              |                                  |              |                        |                  |              |
| <b>REVENUE AND EXPENSE</b>                              |                                  |              |                        |                  |              |
| <b>REVENUE</b>  |                                  |              |                        |                  |              |
| Provincial Grants - Ministry of Education               | \$ 700,686                       | \$ 1,087,073 |                        |                  | \$ 1,787,759 |
| Provincial Grants - Other                               |                                  | 30,861       |                        |                  | 30,861       |
| Other Revenue   | 11,648                           | 205,907      | 2,237,625              |                  | 2,455,180    |
| Investment Income                                       | 466                              | 17,145       |                        |                  | 17,611       |
|   | 712,800                          | 1,340,986    | 2,237,625              |                  | 4,291,411    |
| <b>EXPENSE</b>  |                                  |              |                        |                  |              |
| Salaries  |                                  |              |                        |                  |              |
| Teachers  |                                  | 55,840       |                        |                  | 55,840       |
| Principals and Vice Principals                          |                                  | 31,633       |                        |                  | 31,633       |
| Educational Assistants                                  |                                  | 654          |                        |                  | 654          |
| Support Staff   | 122,619                          | 236,454      |                        |                  | 359,073      |
| Other Professionals                                     | 24,203                           | 66,508       |                        |                  | 90,711       |
| Substitutes   | 1,320                            | 31,043       |                        |                  | 32,363       |
|   | 148,142                          | 422,132      |                        |                  | 570,274      |
| Employee Benefits                                       | 59,671                           | 105,721      |                        |                  | 165,392      |
| Services and Supplies                                   | 489,637                          | 835,783      | 2,390,306              |                  | 3,715,726    |
|   | 697,450                          | 1,363,636    | 2,390,306              |                  | 4,451,392    |
|   | 15,350                           | (22,650)     | (152,681)              |                  | (159,981)    |
| <b>NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS</b> |                                  |              |                        |                  |              |
| <b>INTERFUND TRANSFERS</b>                              |                                  |              |                        |                  |              |
| Capital Assets Purchased                                | (15,350)                         |              |                        |                  | (15,350)     |
| Other   |                                  | 22,650       | 152,681                |                  | 175,331      |
|   | (15,350)                         | 22,650       | 152,681                |                  | 159,981      |
| <b>NET REVENUE (EXPENSE)</b>                            | \$ -                             | \$ -         | \$ -                   | \$ -             | \$ -         |

**SCHOOL DISTRICT No. 62 (Sooke)  
SPECIAL PURPOSE FUNDS  
CHANGES IN MINISTRY OF EDUCATION DESIGNATED SPECIAL PURPOSE FUNDS  
YEAR ENDED JUNE 30, 2012**

|   | 207<br>Annual<br>Facility<br>Grant | 250<br>Special<br>Education<br>Equipment | TOTAL             |
|---|------------------------------------|--|-------------------|
| <b>DEFERRED CONTRIBUTIONS</b>                           |                                    |  |                   |
| <b>DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR</b>        | \$ 301,863                         | \$ 25,774                                | \$ 327,637        |
| <b>Add:</b> Contributions Received                      |                                    |  |                   |
| Provincial Grants - Ministry of Education               | 468,244                            | 22,162                                   | 491,406           |
| Other   | 11,648                             |  | 11,648            |
| Investment Income                                       |                                    | 466                                      | 466               |
|   | 480,892                            | 22,628                                   | 503,520           |
| <b>Less:</b> Allocated to Revenue                       | 683,415                            | 29,385                                   | 712,800           |
| <b>DEFERRED CONTRIBUTIONS, END OF YEAR</b>              | <b>\$ 99,340</b>                   | <b>\$ 19,017</b>                         | <b>\$ 118,357</b> |
| <b>REVENUE AND EXPENSE</b>                              |                                    |  |                   |
| <b>REVENUE</b>  |                                    |  |                   |
| Provincial Grants - Ministry of Education               | 671,767                            | 28,919                                   | 700,686           |
| Other Revenue   | 11,648                             |  | 11,648            |
| Investment Income                                       |                                    | 466                                      | 466               |
|   | 683,415                            | 29,385                                   | 712,800           |
| <b>EXPENSE</b>  |                                    |  |                   |
| Salaries  |                                    |  |                   |
| Support Staff   | 122,619                            |  | 122,619           |
| Other Professionals                                     | 24,203                             |  | 24,203            |
| Substitutes   | 1,320                              |  | 1,320             |
|   | 148,142                            |  | 148,142           |
| Employee Benefits                                       | 59,671                             |  | 59,671            |
| Services and Supplies                                   | 475,602                            | 14,035                                   | 489,637           |
|   | 683,415                            | 14,035                                   | 697,450           |
| <b>NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS</b> | <b>-</b>                           | <b>15,360</b>                            | <b>15,360</b>     |
| <b>INTERFUND TRANSFERS</b>                              |                                    |  |                   |
| Capital Assets Purchased                                |                                    | (15,360)                                 | (15,360)          |
|   |                                    | (15,360)                                 | (15,360)          |
| <b>NET REVENUE (EXPENSE)</b>                            | <b>\$ -</b>                        | <b>\$ -</b>                              | <b>\$ -</b>       |

**SCHOOL DISTRICT No. 62 (Sooke)  
SPECIAL PURPOSE FUNDS  
CHANGES IN OTHER SPECIAL PURPOSE FUNDS  
YEAR ENDED JUNE 30, 2012**

Schedule B3

|   | NatureK          | ACE-IT           | Community Link   | French           | Meyer Scholarship | ReadySetLearn    | StrongStart      |
|---|------------------|------------------|------------------|------------------|-------------------|------------------|------------------|
| <b>DEFERRED CONTRIBUTIONS</b>                           |                  |                  |                  |                  |                   |                  |                  |
| <b>DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR</b>        |                  |                  |                  |                  |                   |                  |                  |
| Add: Contributions Received                             |                  |                  | \$               | 28,931           |                   |                  |                  |
| Provincial Grants - Ministry of Education               |                  | 98,667           | 744,731          | 183,037          |                   | 44,100           | 192,000          |
| Provincial Grants - Other                               | 28,500           | 15,000           | 48,769           |                  | 15,885            | 473              | 1,229            |
| Other   |                  |                  | 787              |                  |                   | 12,790           | 36,668           |
| Investment Income                                       |                  | 22,292           |                  |                  |                   | 57,363           | 229,897          |
| Transferred from Operating Deferred Contributions       | 28,500           | 135,959          | 794,287          | 183,037          | 15,885            |                  |                  |
| Less: Allocated to Revenue                              | 2,389            | 68,153           | 769,984          | 196,668          | 15,885            | 25,854           | 144,596          |
| <b>DEFERRED CONTRIBUTIONS, END OF YEAR</b>              | <b>\$ 26,111</b> | <b>\$ 67,806</b> | <b>\$ 24,303</b> | <b>\$ 15,300</b> | <b>\$ -</b>       | <b>\$ 31,509</b> | <b>\$ 85,301</b> |
| <b>REVENUE AND EXPENSE</b>                              |                  |                  |                  |                  |                   |                  |                  |
| <b>REVENUE</b>  |                  |                  |                  |                  |                   |                  |                  |
| Provincial Grants - Ministry of Education               |                  | 30,861           | 720,428          | 196,668          |                   | 25,381           | 144,596          |
| Provincial Grants - Other                               | 2,389            | 37,292           | 48,769           |                  |                   | 473              |                  |
| Other Revenue   |                  |                  | 787              |                  |                   |                  |                  |
| Investment Income                                       | 2,389            | 68,153           | 769,984          | 196,668          | 15,885            | 25,854           | 144,596          |
| <b>EXPENSE</b>  |                  |                  |                  |                  |                   |                  |                  |
| Salaries  |                  |                  |                  |                  |                   |                  |                  |
| Teachers  |                  |                  |                  | 55,840           |                   |                  |                  |
| Principals and Vice Principals                          |                  |                  | 31,633           |                  |                   |                  |                  |
| Educational Assistants                                  | 654              |                  | 124,609          |                  |                   | 781              | 111,064          |
| Support Staff   |                  |                  | 66,508           |                  |                   |                  |                  |
| Other Professionals                                     |                  |                  | 1,145            | 22,293           |                   | 4,678            | 2,987            |
| Substitutes   | 654              | -                | 223,895          | 78,073           | -                 | 5,459            | 114,051          |
| Employee Benefits                                       | 37               |                  | 49,296           | 17,920           |                   | 1,140            | 37,368           |
| Services and Supplies                                   | 1,698            | 90,445           | 496,833          | 100,675          | 15,885            | 32,045           | 29,845           |
|   | 2,389            | 90,445           | 769,984          | 196,668          | 15,885            | 38,644           | 181,264          |
| <b>NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS</b> | <b>-</b>         | <b>(22,292)</b>  | <b>-</b>         | <b>-</b>         | <b>-</b>          | <b>(12,790)</b>  | <b>(36,668)</b>  |
| <b>INTERFUND TRANSFERS</b>                              |                  |                  |                  |                  |                   |                  |                  |
| Other   |                  | 22,292           |                  |                  |                   | 12,790           | 36,668           |
|   | -                | 22,292           | -                | -                | -                 | 12,790           | 36,668           |
| <b>NET REVENUE (EXPENSE)</b>                            | <b>\$ -</b>      | <b>\$ -</b>      | <b>\$ -</b>      | <b>\$ -</b>      | <b>\$ -</b>       | <b>\$ -</b>      | <b>\$ -</b>      |

SCHOOL DISTRICT No. 62 (SOOKE)  
 SPECIAL PURPOSE FUNDS  
 CHANGES IN OTHER SPECIAL PURPOSE FUNDS  
 YEAR ENDED JUNE 30, 2012

|   | PVP<br>Pro-D | Teacher<br>Pro-D | TOTAL        |
|---|--------------|------------------|--------------|
| <b>DEFERRED CONTRIBUTIONS</b>                           |              |                  |              |
| <b>DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR</b>        | \$ 49,100    | \$ 68,357        | \$ 146,388   |
| <b>Add:</b> Contributions Received                      |              |                  |              |
| Provincial Grants - Ministry of Education               |              |                  | 1,163,868    |
| Provincial Grants - Other                               |              |                  | 98,667       |
| Other   |              |                  | 92,269       |
| Investment Income                                       |              |                  | 18,374       |
| Transferred from Operating Deferred Contributions       |              |                  | 71,750       |
|   |              |                  | 1,444,928    |
| <b>Less:</b> Allocated to Revenue                       | 49,100       | 68,357           | 1,340,986    |
| <b>DEFERRED CONTRIBUTIONS, END OF YEAR</b>              | \$ -         | \$ -             | \$ 250,330   |
| <b>REVENUE AND EXPENSE</b>                              |              |                  |              |
| <b>REVENUE</b>  |              |                  |              |
| Provincial Grants - Ministry of Education               |              |                  | \$ 1,087,073 |
| Provincial Grants - Other                               |              |                  | 30,861       |
| Other Revenue   | 49,100       | 68,357           | 205,907      |
| Investment Income                                       |              |                  | 17,145       |
|   | 49,100       | 68,357           | 1,340,986    |
| <b>EXPENSE</b>  |              |                  |              |
| Salaries  |              |                  |              |
| Teachers  |              |                  | 55,840       |
| Principals and Vice Principals                          |              |                  | 31,633       |
| Educational Assistants                                  |              |                  | 654          |
| Support Staff   |              |                  | 236,454      |
| Other Professionals                                     |              |                  | 66,508       |
| Substitutes   |              |                  | 31,043       |
|   |              |                  | 422,132      |
| Employee Benefits                                       |              |                  | 105,721      |
| Services and Supplies                                   |              | 68,357           | 835,783      |
|   |              | 68,357           | 1,363,636    |
| <b>NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS</b> | 49,100       | -                | (22,650)     |
| <b>INTERFUND TRANSFERS</b>                              |              |                  |              |
| Other   | (49,100)     |                  | 22,650       |
|   | (49,100)     |                  | 22,650       |
| <b>NET REVENUE (EXPENSE)</b>                            | \$ -         | \$ -             | \$ -         |



SCHOOL DISTRICT No. 62 (Sooke)  
 CAPITAL FUND  
 CAPITAL ASSETS  
 YEAR ENDED JUNE 30, 2012

|  | SITES         | BUILDINGS      | FURNITURE AND EQUIPMENT | VEHICLES     | COMPUTER SOFTWARE | COMPUTER HARDWARE | TOTAL          |
|--|---------------|----------------|-------------------------|--------------|-------------------|-------------------|----------------|
| <b>COST, BEGINNING OF YEAR</b>                     | \$ 21,889,176 | \$ 157,027,092 | \$ 2,802,996            | \$ 2,521,084 | \$ 45,516         | \$ 291,735        | \$ 184,577,599 |
| <b>Changes for the Year</b>                        |               |                |                         |              |                   |                   |                |
| Increase:  |               |                |                         |              |                   |                   |                |
| Purchases from:                                    |               |                |                         |              |                   |                   |                |
| Deferred Contributions - Bylaw                     | 82,726        | 573,724        | 105,245                 | 36,937       |                   |                   | 798,632        |
| Deferred Contributions - Other                     | 7,012         |                | 18,439                  |              |                   |                   | 25,451         |
| Operating Fund                                     |               |                | 43,555                  | 14,539       | 68,545            | 30,589            | 157,228        |
| Special Purpose Funds                              |               |                | 15,350                  |              |                   |                   | 15,350         |
| Local Capital                                      |               |                |                         |              | 88,279            | 183,216           | 271,495        |
| Transferred from Work in Progress                  |               | 12,165,258     | 217,379                 |              |                   |                   | 12,382,637     |
|  | 89,738        | 12,738,982     | 399,968                 | 51,476       | 156,824           | 213,805           | 13,650,793     |
| Decrease:  |               |                |                         |              |                   |                   |                |
| Deemed Disposals                                   |               |                | 67,225                  | 102,831      | 17,941            | 77,262            | 265,259        |
|  |               |                | 67,225                  | 102,831      | 17,941            | 77,262            | 265,259        |
| <b>COST, END OF YEAR</b>                           | 21,978,914    | 169,766,074    | 3,135,739               | 2,469,729    | 184,399           | 428,278           | 197,963,133    |
| <b>WORK IN PROGRESS, END OF YEAR</b>               |               | 297,333        |                         |              |                   |                   | 297,333        |
| <b>COST AND WORK IN PROGRESS, END OF YEAR</b>      | \$ 21,978,914 | \$ 170,063,407 | \$ 3,135,739            | \$ 2,469,729 | \$ 184,399        | \$ 428,278        | \$ 198,260,466 |
| <b>ACCUMULATED AMORTIZATION, BEGINNING OF YEAR</b> |               |                |                         |              |                   |                   |                |
| <b>Changes for the Year</b>                        |               |                |                         |              |                   |                   |                |
| Increase: Amortization for the Year                | \$            | 55,470,817     | \$ 920,560              | \$ 967,990   | \$ 19,818         | \$ 135,610        | \$ 57,514,795  |
| Decrease:  |               |                |                         |              |                   |                   |                |
| Deemed Disposals                                   |               | 3,637,890      | 280,300                 | 252,119      | 9,103             | 58,347            | 4,237,759      |
|  |               |                | 67,225                  | 102,831      | 17,941            | 77,262            | 265,259        |
|  |               |                | 67,225                  | 102,831      | 17,941            | 77,262            | 265,259        |
| <b>ACCUMULATED AMORTIZATION, END OF YEAR</b>       | \$            | 59,108,707     | \$ 1,133,635            | \$ 1,117,278 | \$ 10,980         | \$ 116,695        | \$ 61,487,295  |
| <b>CAPITAL ASSETS - NET</b>                        | \$ 21,978,914 | \$ 110,954,700 | \$ 2,002,104            | \$ 1,352,451 | \$ 173,419        | \$ 311,583        | \$ 136,773,171 |

SCHOOL DISTRICT No. 62 (Sooke)  
 CAPITAL FUND  
 CAPITAL ASSETS - WORK IN PROGRESS  
 YEAR ENDED JUNE 30, 2012

|  | BUILDINGS    | FURNITURE<br>AND<br>EQUIPMENT | COMPUTER<br>SOFTWARE | COMPUTER<br>HARDWARE | TOTAL        |
|--|--------------|-------------------------------|----------------------|----------------------|--------------|
| <b>WORK IN PROGRESS, BEGINNING OF YEAR</b> | \$ 8,539,732 | \$ 157,548                    |                      |                      | \$ 8,697,280 |
| <b>Changes for the Year</b>                |              |                               |                      |                      |              |
| Increase                                   |              |                               |                      |                      |              |
| Deferred Contributions - Bylaw             | 3,922,859    | 59,831                        |                      |                      | 3,982,690    |
|  | 3,922,859    | 59,831                        | -                    | -                    | 3,982,690    |
| Decrease                                   |              |                               |                      |                      |              |
| Transferred to Capital Assets              | 12,165,258   | 217,379                       |                      |                      | 12,382,637   |
|  | 12,165,258   | 217,379                       | -                    | -                    | 12,382,637   |
| <b>Net Changes for the Year</b>            | (8,242,399)  | (157,548)                     | -                    | -                    | (8,399,947)  |
| <b>WORK IN PROGRESS, END OF YEAR</b>       | \$ 297,333   | \$ -                          | \$ -                 | \$ -                 | \$ 297,333   |

**SCHOOL DISTRICT No. 62 (SOOKE)  
CAPITAL FUND  
DEFERRED CAPITAL CONTRIBUTIONS  
YEAR ENDED JUNE 30, 2012**

**Schedule C3**

|   | BYLAW<br>CAPITAL     | OTHER<br>PROVINCIAL | OTHER<br>CAPITAL    | TOTAL<br>CAPITAL      |
|---|----------------------|---------------------|---------------------|-----------------------|
| <b>DEFERRED CAPITAL CONTRIBUTIONS, BEGINNING OF YEAR</b>    | \$ 89,043,183        | \$ 462,822          | \$ 1,194,425        | \$ 90,700,430         |
| <b>Changes for the Year</b>                                 |                      |                     |                     |                       |
| Increase  |                      |                     |                     |                       |
| Transferred from Deferred Contributions - Capital Additions | 715,906              |                     | 18,439              | 734,345               |
| Transferred from Work in Progress                           | 12,382,637           |                     |                     | 12,382,637            |
|   | <u>13,098,543</u>    | <u>-</u>            | <u>18,439</u>       | <u>13,116,982</u>     |
| Decrease  |                      |                     |                     |                       |
| Amortization of Deferred Capital Contributions              | 3,392,067            | 12,100              | 98,891              | 3,503,058             |
| Amortization of Long Term Lease                             | 61,477               |                     |                     | 61,477                |
|   | <u>3,453,544</u>     | <u>12,100</u>       | <u>98,891</u>       | <u>3,564,535</u>      |
| <b>Net Changes for the Year</b>                             | <u>9,644,999</u>     | <u>(12,100)</u>     | <u>(80,452)</u>     | <u>9,552,447</u>      |
| <b>DEFERRED CAPITAL CONTRIBUTIONS, END OF YEAR</b>          | <u>\$ 98,688,182</u> | <u>\$ 450,722</u>   | <u>\$ 1,113,973</u> | <u>\$ 100,252,877</u> |
| <b>WORK IN PROGRESS, BEGINNING OF YEAR</b>                  | \$ 8,697,280         |                     |                     | \$ 8,697,280          |
| <b>Changes for the Year</b>                                 |                      |                     |                     |                       |
| Increase  |                      |                     |                     |                       |
| Transferred from Deferred Contributions - Work in Progress  | 3,982,690            |                     |                     | 3,982,690             |
|   | <u>3,982,690</u>     | <u>-</u>            | <u>-</u>            | <u>3,982,690</u>      |
| Decrease  |                      |                     |                     |                       |
| Transferred to Deferred Capital Contributions               | 12,382,637           |                     |                     | 12,382,637            |
|   | <u>12,382,637</u>    | <u>-</u>            | <u>-</u>            | <u>12,382,637</u>     |
| <b>Net Changes for the Year</b>                             | <u>(8,399,947)</u>   | <u>-</u>            | <u>-</u>            | <u>(8,399,947)</u>    |
| <b>WORK IN PROGRESS, END OF YEAR</b>                        | <u>\$ 297,333</u>    | <u>\$ -</u>         | <u>\$ -</u>         | <u>\$ 297,333</u>     |
| <b>TOTAL DEFERRED CAPITAL CONTRIBUTIONS, END OF YEAR</b>    | <u>\$ 98,985,515</u> | <u>\$ 450,722</u>   | <u>\$ 1,113,973</u> | <u>\$ 100,550,210</u> |

SCHOOL DISTRICT No. 62 (SOOKE)  
 CAPITAL FUND  
 CHANGES IN DEFERRED CONTRIBUTIONS  
 YEAR ENDED JUNE 30, 2012

|  | BYLAW<br>CAPITAL | MINISTRY OF<br>EDUCATION<br>RESTRICTED<br>CAPITAL | OTHER<br>PROVINCIAL<br>CAPITAL | LAND<br>CAPITAL | OTHER<br>CAPITAL | TOTAL        |
|--|------------------|---|--------------------------------|-----------------|------------------|--------------|
| <b>BALANCE, BEGINNING OF YEAR</b>                          | \$ 1,251,162     |   |                                | \$ 2,287,274    | \$ 4,422         | \$ 3,542,858 |
| <b>Changes for the Year</b>                                |                  |   |                                |                 |                  |              |
| Increase:  |                  |   |                                |                 |                  |              |
| Provincial Grants - Ministry of Education                  | 4,491,220        |   |                                |                 |                  | 4,491,220    |
| Investment Income  | 836              | 4,095   |                                | 38,430          |                  | 43,361       |
| Transfer to Capital Reserve                                | (545,994)        | 545,994   |                                |                 |                  | -            |
| Municipal Funds Received                                   |                  |   |                                | 427,003         | 14,954           | 427,003      |
| PAC Donation   | 368,890          |   |                                |                 |                  | 14,954       |
| Receivable for New Belmont & Royal Bay                     |                  |   |                                |                 |                  | 368,890      |
|  | 4,314,952        | 550,089   | -                              | 465,433         | 14,954           | 5,345,428    |
| Decrease:  |                  |   |                                |                 |                  |              |
| Transferred to DCC - Capital Additions                     | 715,906          |   |                                |                 | 18,439           | 734,345      |
| Transferred to DCC - Work in Progress                      | 3,982,690        |   |                                |                 |                  | 3,982,690    |
| Transferred to Invested in Capital Assets - Site Purchases | 82,726           |   |                                | 7,012           |                  | 89,738       |
| Expensed Costs   | 519,576          |   |                                |                 |                  | 519,576      |
| Playground Reimbursement to PACs                           | 65,291           |   |                                |                 |                  | 65,291       |
|  | 5,366,189        | -   | -                              | 7,012           | 18,439           | 5,391,640    |
|  | (1,051,237)      | 550,089   | -                              | 458,421         | (3,485)          | (46,212)     |
| <b>Net Changes for the Year</b>                            |                  |   |                                |                 |                  |              |
| <b>BALANCE, END OF YEAR</b>                                | \$ 199,925       | \$ 550,089  | \$ -                           | \$ 2,745,695    | \$ 937           | \$ 3,496,646 |

**BALANCE, BEGINNING OF YEAR**

**Changes for the Year**

- Increase:
- Provincial Grants - Ministry of Education
- Investment Income
- Transfer to Capital Reserve
- Municipal Funds Received
- PAC Donation
- Receivable for New Belmont & Royal Bay
- Decrease:
- Transferred to DCC - Capital Additions
- Transferred to DCC - Work in Progress
- Transferred to Invested in Capital Assets - Site Purchases
- Expensed Costs
- Playground Reimbursement to PACs

**Net Changes for the Year**

**BALANCE, END OF YEAR**

**SCHOOL DISTRICT No. 62 (SOOKE)**  
**CAPITAL FUND**  
**CHANGES IN FUND BALANCES**  
**YEAR ENDED JUNE 30, 2012**

Schedule C5

|  | INVESTED IN<br>CAPITAL<br>ASSETS | LOCAL<br>CAPITAL  | FUND<br>BALANCE      |
|--|----------------------------------|-------------------|----------------------|
| <b>BALANCE, BEGINNING OF YEAR</b>                          | \$ 36,109,305                    | \$ 715,923        | \$ 36,825,228        |
| <b>Changes for the Year</b>                                |                                  |                   |                      |
| Investment Income  |                                  | 8,750             | 8,750                |
| Amortization of Deferred Capital Contributions             | 3,503,058                        |                   | 3,503,058            |
| Capital Assets Purchased from Local Capital                | 271,495                          | (271,495)         | -                    |
| Interfund Transfers - Capital Assets Purchased             | 172,578                          |                   | 172,578              |
| Amortization of Capital Assets                             | (4,237,759)                      |                   | (4,237,759)          |
| Transferred to Invested in Capital Assets - Site Purchases | 89,738                           |                   | 89,738               |
| Prepaid Lease  | (61,477)                         |                   | (61,477)             |
| Amortization of DCC on Prepaid Lease                       | 61,477                           |                   | 61,477               |
| <b>Net Changes for the Year</b>                            | <u>(200,890)</u>                 | <u>(262,745)</u>  | <u>(463,635)</u>     |
| <b>BALANCE, END OF YEAR</b>                                | <u>\$ 35,908,415</u>             | <u>\$ 453,178</u> | <u>\$ 36,361,593</u> |