

School District No. 40 (New Westminster)

Financial Statements

June 30, 2007

Grant Thornton 

SCHOOL DISTRICT
AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FISCAL YEAR 2006/2007

SCHOOL DISTRICT NUMBER 40	NAME OF SCHOOL DISTRICT New Westminster	YEAR 2006/2007
OFFICE LOCATION 1001 Columbia Street - 2nd Floor		TELEPHONE NUMBER 604-517-6240
CITY/PROVINCE New Westminster, BC		POSTAL CODE V3M 1C4
WEBSITE ADDRESS http://www.sd40.bc.ca		
NAME OF SUPERINTENDENT Dr. John Woudzia	NAME OF SECRETARY - TREASURER Doug Wong	

DECLARATION AND SIGNATURES

SCHOOL DISTRICT MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The consolidated financial statements and supporting schedules of The Board of School Trustees of School District No. 40 (New Westminster) ("the Board") have been prepared by school district management which has responsibility for their preparation, integrity and objectivity. The consolidated 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 consolidated financial statements lies with the Board. The Board has reviewed and approved the consolidated financial statements.

External Auditors

The Board appoints external auditors to audit the consolidated 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 consolidated financial statements and supporting schedules reflect, in all material respects, the financial position, revenue and expense and cash flows for the year in accordance with Canadian generally accepted accounting principles for not-for-profit organizations.

We, the undersigned, certify that the attached is a correct and true copy of the Audited Consolidated Financial Statements of School District No. 40 (New Westminster) for the year ended June 30, 2007.

SIGNATURE OF CHAIRPERSON OF THE BOARD OF SCHOOL TRUSTEES <i>[Signature]</i>	DATE SIGNED Sept. 25/07
SIGNATURE OF SUPERINTENDENT <i>[Signature]</i>	DATE SIGNED Sept. 25/07
SIGNATURE OF SECRETARY - TREASURER <i>[Signature]</i>	DATE SIGNED Sept. 25/07

SCHOOL DISTRICT NO. 40 (New Westminster)
2006/2007 AUDITED CONSOLIDATED FINANCIAL STATEMENTS

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Auditors' Report

To the Board of School Trustees
School District No. 40 (New Westminster)

We have audited the statement of financial position of School District No. 40 (New Westminster) as at June 30, 2007 and the statements of revenue and expense, changes in fund balances and cash flows for the year then ended. These financial statements are the responsibility of the School District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, these financial statements present fairly, in all material respects, the financial position of the School District as at June 30, 2007, and the results of its operations and its cash flows for the year then ended in accordance with the Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of the School District taken as a whole. The current year's supplementary information included in Schedules A through C is presented for purposes of additional analysis. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Vancouver, Canada
August 24, 2007

Grant Thornton LLP

Chartered Accountants

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SCHOOL DISTRICT NO. 40 (New Westminster)
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2007

Statement 1

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2007	TOTAL 2006
ASSETS					
Current Assets					
Cash and Cash Equivalents	10,433,643	713,649	263,464	11,410,756	10,792,893
Short Term Investments				0	0
Accounts Receivable					
Due from Province - Ministry of Education	151,808			151,808	456,964
Due from Province - Other				0	3,346,385
Due from LEA / Direct Funding				0	0
Other Receivables (Note 4)	242,944	3,413	805,035	1,051,392	1,344,333
Interfund Loans	63,910	695,093	3,422,207		
Inventories				0	0
Prepaid Expenses	171,867	7,139		179,006	214,690
	<u>11,064,172</u>	<u>1,419,294</u>	<u>4,490,706</u>	<u>12,792,962</u>	<u>16,155,265</u>
Investments				0	0
Equity Investments				0	0
Capital Assets - Net (Note 5)			44,698,240	44,698,240	44,763,060
TOTAL ASSETS	<u>11,064,172</u>	<u>1,419,294</u>	<u>49,188,946</u>	<u>57,491,202</u>	<u>60,918,325</u>
LIABILITIES AND FUND BALANCES					
Current Liabilities					
Bank Overdraft				0	0
Accounts Payable and Accrued Liabilities					
Due to Province - Ministry of Education				0	0
Due to Province - Other				0	0
Other	534,133	18,537		552,670	787,997
Bank Loans (Note 6)			1,974,000	1,974,000	1,870,000
Interfund Loans	4,117,300	63,910			
Other Current Liabilities	2,300,129			2,300,129	5,877,649
	<u>6,951,562</u>	<u>82,447</u>	<u>1,974,000</u>	<u>4,826,799</u>	<u>8,535,646</u>
Deferred Revenue	1,958,140			1,958,140	1,875,171
Deferred Contributions					
Ministry of Education		695,093	3,164,448	3,859,541	4,821,500
Province - Other				0	0
Other			853,311	853,311	331,433
Accrued Employee Future Benefits (Note 8)	2,047,889			2,047,889	1,948,306
Deferred Capital Contributions			36,383,123	36,383,123	36,851,728
Bank Loans				0	0
Capital Lease Obligations				0	0
Other Long Term Liabilities				0	0
TOTAL LIABILITIES	<u>10,957,591</u>	<u>777,540</u>	<u>42,374,882</u>	<u>49,928,803</u>	<u>54,363,784</u>
Fund Balances					
Invested in Capital Assets			6,759,114	6,759,114	6,295,719
Endowment				0	0
Internally Restricted (Note 11)	826,104	641,754	54,950	1,522,808	1,199,512
Unrestricted				0	40,993
Unfunded Accrued Employee Future Benefits and Vacation Pay (Note 10)	(719,523)			(719,523)	(981,683)
TOTAL FUND BALANCES	<u>106,581</u>	<u>641,754</u>	<u>6,814,064</u>	<u>7,562,399</u>	<u>6,554,541</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>11,064,172</u>	<u>1,419,294</u>	<u>49,188,946</u>	<u>57,491,202</u>	<u>60,918,325</u>

SCHOOL DISTRICT NO. 40 (New Westminster)
CONSOLIDATED STATEMENT OF REVENUE AND EXPENSE
YEAR ENDED JUNE 30, 2007

Statement 2

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2007	TOTAL 2006
REVENUE					
Provincial Grants - Ministry of Education	48,980,443	2,926,308		51,906,751	46,966,671
Provincial Grants - Other				0	3,599,638
Federal Grants				0	176,333
Other Revenue	3,746,824	2,205,716	105,912	6,058,452	5,936,108
Rentals and Leases	9,951			9,951	8,065
Investment Income	311,215	18,787	1,119	331,121	246,775
Gain (Loss) on Equity Investment				0	0
Amortization of Deferred Capital Contributions			1,072,504	1,072,504	1,085,961
Gain (Loss) on Disposal of Capital Assets				0	0
	<u>53,048,433</u>	<u>5,150,811</u>	<u>1,179,535</u>	<u>59,378,779</u>	<u>58,019,551</u>
EXPENSE					
Salaries					
Teachers	23,876,220	328,970		24,205,190	23,502,289
Principals and Vice Principals	2,540,197			2,540,197	2,514,642
Educational Assistants	4,314,496	260,133		4,574,629	3,816,010
Support Staff	4,237,581	509,520		4,747,101	5,026,563
Other Professionals	1,918,477	320,079		2,238,556	2,536,264
Substitutes	1,281,028	3,360		1,284,388	973,630
	<u>38,167,999</u>	<u>1,422,062</u>	<u>0</u>	<u>39,590,061</u>	<u>38,369,398</u>
Employee Benefits	7,850,009	307,305		8,157,314	7,857,227
Services and Supplies	6,403,807	2,896,667	105,912	9,406,386	9,303,939
Amortization of Capital Assets			1,217,160	1,217,160	1,263,973
Write-off/down of Buildings and Sites				0	0
	<u>52,421,815</u>	<u>4,626,034</u>	<u>1,323,072</u>	<u>58,370,921</u>	<u>56,794,537</u>
NET REVENUE (EXPENSE)	<u>626,618</u>	<u>524,777</u>	<u>(143,537)</u>	<u>1,007,858</u>	<u>1,225,014</u>

SCHOOL DISTRICT NO. 40 (New Westminster)
CONSOLIDATED STATEMENT OF CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2007

Statement 3

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2007	TOTAL 2006
FUND BALANCES, BEGINNING OF YEAR	(371,082)	576,073	6,349,550	6,554,541	5,329,527
Changes in Accounting Policies/ Prior Period Adjustments					
FUND BALANCES, BEGINNING OF YEAR, AS RESTATED	(371,082)	576,073	6,349,550	6,554,541	5,329,527
Changes for the Year					
Net Revenue (Expense) for the Year	626,618	524,777	(143,537)	1,007,858	1,225,014
Interfund Transfers					
Capital Assets Purchased	(118,739)	(489,312)	608,051	0	0
Local Capital				0	0
Other	(30,216)	30,216		0	0
Direct Increases in Fund Balances					
Endowment Contributions				0	0
Site Purchases				0	0
Comprehensive Income (Loss)				0	0
Net Changes for the Year	477,663	65,681	464,514	1,007,858	1,225,014
FUND BALANCES, END OF YEAR	106,581	641,754	6,814,064	7,562,399	6,554,541

SCHOOL DISTRICT NO. 40 (New Westminster)
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2007

Statement 4.1

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2007	TOTAL 2006
CASH PROVIDED BY (USED FOR)					
OPERATIONS					
Net Revenue (Expense) for the Year	626,618	524,777	(143,537)	1,007,858	1,225,014
Changes In Non-Cash Working Capital					
Decrease (Increase)					
Accounts Receivable	4,021,221	479,983	(556,722)	3,944,482	(4,360,633)
Interfund Loans	(426,451)	253,897	172,554	0	0
Inventories				0	0
Prepaid Expenses	42,823	(7,139)		35,684	22,117
Increase (Decrease)					
Accounts Payable/Accrued Liabilities	(230,989)	(4,338)		(235,327)	137,144
Other Current Liabilities	(3,577,520)			(3,577,520)	3,899,416
Deferred Revenue	82,969			82,969	(53,648)
Deferred Contributions		(665,790)		(665,790)	200,381
Accrued Employee Future Benefits	99,583			99,583	(220,766)
Other Long Term Liabilities				0	0
Loss (Gain) on Disposal of Capital Assets				0	0
Items Not Involving Cash					
Amortization of Capital Assets			1,217,160	1,217,160	1,263,973
Amortization of Deferred Capital Contributions			(1,072,504)	(1,072,504)	(1,085,961)
Write-off/down of Buildings and Sites				0	0
Comprehensive Income (Loss)				0	0
Capital Stock - Related Entity				0	1
Misc Proceeds			155,820	155,820	1,050,000
Interfund Transfers	(148,955)	(459,096)	608,051	0	0
	489,299	122,294	380,822	992,415	2,077,038
FINANCING					
Bank Loan Received			104,000	104,000	0
Bank Loan Paid				0	(980,000)
Endowment Contributions				0	0
Increase (Decrease) Deferred Contributions - Capital			225,709	225,709	2,958,859
Proceeds from Disposal of Capital Assets				0	0
MEd Restricted Portion of Proceeds on Disposal				0	0
	0	0	329,709	329,709	1,978,859
INVESTING					
Capital Assets Purchased - Operating			(118,739)	(118,739)	0
Capital Assets Purchased - Special Purpose			(489,312)	(489,312)	(240,745)
Capital Assets Purchased - Local Capital				0	0
Decrease (Increase) in Investments				0	0
Decrease (Increase) in Equity Investments				0	0
	0	0	(608,051)	(608,051)	(240,745)
NET INCREASE (DECREASE) IN CASH	489,299	122,294	102,480	714,073	3,815,152

SCHOOL DISTRICT NO. 40 (New Westminster)
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2007

Statement 4.2

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2007	TOTAL 2006
NET INCREASE (DECREASE) IN CASH	489,299	122,294	102,480	714,073	3,815,152
Net Cash, Beginning of Year	9,944,344	591,355	257,194	10,792,893	6,977,741
Changes in Accounting Policies/ Prior Period Adjustments					
QMS Legal Fees			(96,210)	(96,210)	0
Net Cash, Beginning of Year, as Restated	9,944,344	591,355	160,984	10,696,683	6,977,741
NET CASH, END OF YEAR	10,433,643	713,649	263,464	11,410,756	10,792,893
Cash	10,433,643	713,649	263,464	11,410,756	10,792,893
Cash Equivalents				0	0
Short Term Investments				0	0
Bank Overdraft				0	0
NET CASH, END OF YEAR	10,433,643	713,649	263,464	11,410,756	10,792,893

School District No. 40 (New Westminster)

Notes to the Financial Statements

June 30, 2007

1. Authority and purpose

The School District operates under authority of the *School Act* of British Columbia as a corporation under the name of "The Board of School Trustees of School District No. 40 (New Westminster)". A board of school trustees (the "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.

2. Summary of significant accounting policies and reporting practices

General

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 fund and capital fund. Revenues and expenses are recorded on a gross and accrual basis.

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

Basis of presentation

The School Act and directives issued by the Ministry of Education prescribe, in detail, the form of these financial statements.

a) Fund accounting

Fund accounting procedures recognize external restrictions on the use of contributions by governments or other granting agencies, and appropriations or other internal restrictions by the Board. While separate accounts are maintained for each fund, for financial reporting purposes, funds with similar characteristics are grouped together:

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

School District No. 40 (New Westminster)

Notes to the Financial Statements

June 30, 2007

2. Summary of significant accounting policies and reporting practices (Continued)

b) Fund balances

Fund balances are classified as invested in capital assets, internally restricted (by the Board) and unrestricted – operating (available for use at the discretion of the Board).

c) Financial instruments

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

d) Cash and cash equivalents

Cash and cash equivalents include cash and GIC's with original terms to maturity of three months or less when purchased.

e) Prepaid expenses

Prepaid expenses consist mainly of annual school supplies received and paid for near the end of the current fiscal year which are used during the following fiscal year.

f) Capital assets

The following criteria apply:

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

Buildings	40 years
Furniture and equipment	10 years
Vehicles	10 years
Computer software	5 years
Computer hardware	5 years

School District No. 40 (New Westminster)

Notes to the Financial Statements

June 30, 2007

2. Summary of significant accounting policies and reporting practices (Continued)

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

h) Expenditures

Categories of salaries

- Principals, vice-principals, and directors of instruction employed under an administrative officer contract are categorized as principals and vice-principals.
- Superintendents, assistant superintendents, secretary-treasurers, trustees and other employees excluded from union contracts are categorized as other professionals.

Allocation of costs

- Operating expenses are reported by function, program, and object. Whenever possible, expenditures are determined by actual identification. Additional costs pertaining to specific instructional programs, such as special and aboriginal education, are allocated to these programs. All other costs are allocated to regular programs.

School District No. 40 (New Westminster)

Notes to the Financial Statements

June 30, 2007

2. Summary of significant accounting policies and reporting practices (Continued)

h) Expenditures (Continued)

Allocation of costs (Continued)

- 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) Use of estimates

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

j) Controlled and related entities

School District No.40 Business Company ("NWBC") is 100% owned by the School District. The investment in NWBC is reported in the Special Purpose Fund and accounted for using the consolidation method (see Note 3).

k) Employee future benefits

The School District provides certain post-employment benefits including retirement allowance, early retirement plan, vacation pay, and death benefits 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 (EARSL) of active employees covered under the plan.

The most recent valuation of the obligation was performed at March 31, 2007 for use at June 30, 2007 and projected to June 30, 2010.

For the purposes of determining the financial position of the plans and the employee future benefit costs, a measurement date of March 31 has been adopted.

School District No. 40 (New Westminster)

Notes to the Financial Statements

June 30, 2007

2. Summary of significant accounting policies and reporting practices (Continued)

l) Comparative figures

Certain of the prior year's figures have been reclassified to conform with the current year's presentation.

3. Controlled entities

Investment in School District No. 40 Business Company (NWBC) is included in these financial statements. The current year activity is reported on the consolidated method. The current year activities representing a loss of \$30,216 are reported in Schedule B1.

4. Accounts receivable	2007	2006
a) Due from Province - Ministry of Education		
Pay equity	\$ 130,463	\$ 130,463
Fourth quarter annual facility grant	-	326,501
OLEP (French language)	<u>21,345</u>	<u>-</u>
	<u>\$ 151,808</u>	<u>\$ 456,964</u>
b) Due from Province - Other		
CUPE signing bonus	\$ -	\$ 933,107
Teacher On Call salary increase	-	95,796
Teachers' signing bonus	-	1,588,500
Teachers' salary grid harmonization	<u>-</u>	<u>728,982</u>
	<u>\$ -</u>	<u>\$ 3,346,385</u>
c) Accounts receivable - Other		
Due from Government of Canada	\$ 106,376	\$ 184,814
Due from other school districts	26,771	9,684
QMS Bank loan interest	446,026	340,113
QMS legal fees	-	96,210
Deposits in July for June	-	216,856
School site acquisition fees	354,896	248,313
Miscellaneous	<u>117,323</u>	<u>248,343</u>
	<u>\$ 1,051,392</u>	<u>\$ 1,344,333</u>

School District No. 40 (New Westminster) Notes to the Financial Statements

June 30, 2007

				2007	2006
	Cost	Work in Progress	Accumulated Amortization	Net Book Value	Net Book Value
Sites	\$ 5,235,588	\$ -	\$ -	\$ 5,235,588	\$ 5,235,588
Buildings	53,219,458	7,077,874	21,133,537	39,163,795	39,307,665
Furniture and equipment	325,314	-	245,298	80,016	123,417
Vehicles	94,979	-	26,649	68,330	79,496
Computer hardware	70,502	-	31,185	39,317	16,894
Computer software	111,194	-	-	111,194	-
	<u>\$ 59,057,035</u>	<u>\$ 7,077,874</u>	<u>\$ 21,436,669</u>	<u>\$ 44,698,240</u>	<u>\$ 44,763,060</u>

6. Capital bank loans payable

The following loans approved under Section 144 of the *School Act* are outstanding:

Approval Date	Year Borrowed	Interest Rate	Term of Years	Amount Borrowed/ Outstanding
November 8, 2001	2003 to 2007	Floating	N/A	\$ 1,974,000

The capital bank loan listed above pertains to the additional borrowing costs incurred to correct foundation design and construction deficiencies at Queensborough Middle School.

7. Asset retirement obligation

Legal liabilities may exist for the removal or disposal of asbestos in schools that will undergo major renovations or demolition. The fair value of the liability for asbestos removal or disposal will be recognized in the period in which it is incurred if a reasonable estimate of fair value can be made. As at June 30, 2007, the liability is not reasonably determinable.

School District No. 40 (New Westminster)

Notes to the Financial Statements

June 30, 2007

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 Unfunded Accrued Employee Future Benefits and Vacation Pay on Statement 1 (Statement of Financial Position).

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

	2007	2006
Reconciliation of accrued benefit obligation		
Accrued benefit obligation - April 1	\$ 1,963,963	\$ 1,882,365
Service cost	142,970	134,340
Interest cost	102,401	105,612
Benefit payments	(173,303)	(115,749)
Actuarial losses	<u>(124,003)</u>	<u>(42,605)</u>
Accrued benefit obligation – March 31	<u>\$ 1,912,028</u>	<u>\$ 1,963,963</u>
Reconciliation of funded status at end of fiscal year		
Accrued benefit obligation - March 31	\$ (1,912,028)	\$ (1,963,963)
Employer contributions after measurement date	96,218	123,733
Unamortized net actuarial gains	<u>(232,079)</u>	<u>(108,078)</u>
Accrued benefit liabilities - June 30	<u>\$ (2,047,889)</u>	<u>\$ (1,948,308)</u>
Components of net benefit expense		
Service cost	\$ 142,970	\$ 134,340
Interest cost	<u>102,401</u>	<u>105,612</u>
Net benefit expense	<u>\$ 245,371</u>	<u>\$ 239,952</u>

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

	2007	2006
Discount rate - March 31	5.00%	5.25%
Long term salary growth - March 31	3.25% + seniority	3.25% + seniority
EARSL - March 31	12.5 years	13.7 years

School District No. 40 (New Westminster) Notes to the Financial Statements

June 30, 2007

9. Employee pension plans

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

Every three years, an actuarial valuation is performed to assess the financial position of the plans and the adequacy of plan funding. The most recent valuation of the Teachers' Plan as at December 31, 2005 indicated a \$904 million unfunded liability for basic pension benefits. The next valuation will be as at December 31, 2008 with results available in late 2009. The most recent valuation for the Municipal Pension Plan as at December 31, 2003 indicated an unfunded liability of \$789 million for basic pension benefits. The next valuation will be as at December 31, 2006 with results available in 2007. The actuary does not attribute portions of the unfunded liability to individual employers.

The Joint Trust Agreements specify how surplus assets can be used and how unfunded liabilities are to be funded. The actuary does not attribute portions of the surplus unfunded liability to individual employers. School District No.40 (New Westminster) paid \$3,420,000 (2006: \$3,435,000) for employer contributions to these plans in the year ended June 30, 2007.

10. Unfunded accrued employee future benefits and vacation pay

The Ministry of Education provided funding to be used to reduce this unfunded liability for accrued employee future benefits and vacation pay. Once this unfunded liability is eliminated, Ministry funding can be used at the discretion of the Board.

It is planned that the unfunded liability will be eliminated in three years.

Unfunded liability, as at July 1, 2006	\$ 981,683
Reductions during the year	<u>(262,160)</u>
Unfunded liability, as at June 30, 2007	<u>\$ 719,523</u>

School District No. 40 (New Westminster)

Notes to the Financial Statements

June 30, 2007

11. Operating fund balance, end of year	2007	2006
Internally restricted / appropriated by the Board for:		
Schools surplus	\$ 317,188	\$ 283,539
Smart Learning	66,129	53,700
Technological enhancements	-	209,000
Aboriginal education	5,533	-
BCSTA Early Learning grant	168,252	-
Strong Start Centre	50,000	-
Unique Geographic Grant reduction 2008/09	219,002	-
Other operations	-	23,369
	<hr/>	<hr/>
Internally restricted surplus	826,104	569,608
Unrestricted operating surplus	-	40,993
	<hr/>	<hr/>
Total available for future operations	\$ 826,104	\$ 610,601

12. Interfund transfers

Interfund transfers between the operating, special purpose and capital funds are reported on Statement 3 (Statement of Changes in Fund Balances). For the year ended June 30, 2007, transfers were as follows:

- \$489,312 from Special Purpose to Capital funds for purchase of capital assets
 - \$118,739 from Operating to Capital funds for purchase of capital assets
 - \$30,216 from Operating fund to Special Purpose for 2006/07 loss on equity investment in related entities
-

13. Related party transactions

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

School District No. 40 (New Westminster)

Notes to the Financial Statements

June 30, 2007

14. Commitments

a) Rental and leases

The School District rents premises and equipment under several long-term operating leases expires at various dates up to January 2008. The scheduled payments including taxes in the next five years are approximately as follows:

2007/08	\$	884,000
2008/09		126,000
2009/10		-
2010/11		-
2011/12		-
	\$	<u>1,010,000</u>

b) Capital projects

In April 2005, the School District signed a Project Agreement with the Ministry of Education to replace New Westminster Secondary School, the Board Office and District Operations and Maintenance facilities.

As of June 30, 2007, the School District had not yet awarded the tender to any general contractor due to the project being reviewed by the Ministry of Education.

Subsequent to June 30, 2007, the School District and Ministry of Education have conducted on going discussion and will be issuing a revised Project Agreement for the New Westminster Secondary School replacement. It is anticipated a revised Project Agreement will be agreed to in autumn 2007.

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 13, 2007.

SCHOOL DISTRICT NO. 40 (New Westminster)
OPERATING FUND
CONSOLIDATED SURPLUS (DEFICIT)
YEAR ENDED JUNE 30, 2007

Schedule A1

	2007	2007 AMENDED ANNUAL BUDGET	2006
	ACTUAL		ACTUAL
REVENUE			
Provincial Grants - Ministry of Education	48,980,443	48,640,034	44,893,384
Provincial Grants - Other	0	229,155	3,599,638
Federal Grants	0	0	176,333
Other Revenue	3,746,824	3,624,584	3,932,970
Rentals and Leases	9,951	5,032	8,065
Investment Income	311,215	275,000	211,744
	<u>53,048,433</u>	<u>52,773,805</u>	<u>52,822,134</u>
EXPENSE			
Salaries			
Teachers	23,876,220	23,171,733	23,182,400
Principals and Vice Principals	2,540,197	2,567,598	2,514,642
Educational Assistants	4,314,496	4,094,394	3,547,468
Support Staff	4,237,581	4,306,735	4,837,881
Other Professionals	1,918,477	1,971,194	2,151,427
Substitutes	1,281,028	1,376,722	967,878
	<u>38,167,999</u>	<u>37,488,376</u>	<u>37,201,696</u>
Employee Benefits	7,850,009	8,173,604	7,610,585
Services and Supplies	6,403,807	7,318,516	6,882,052
	<u>52,421,815</u>	<u>52,980,496</u>	<u>51,694,333</u>
NET REVENUE (EXPENSE), FOR THE YEAR	626,618	(206,691)	1,127,801
INTERFUND TRANSFERS			
Capital Assets Purchased	(118,739)	0	0
Local Capital	0	0	0
Other	(30,216)	0	(148,814)
OTHER ADJUSTMENTS TO OPERATING FUND BALANCE			
Reduce Unfunded Employee Future Benefits and Vacation Pay	(262,160)	(361,743)	(361,273)
Comprehensive Income (Loss)	0	0	0
BUDGETED ALLOCATION OF SURPLUS (DEFICIT)		610,601	
SURPLUS (DEFICIT), FOR THE YEAR	<u>215,503</u>	<u>42,167</u>	<u>617,714</u>
SURPLUS (DEFICIT), BEGINNING OF YEAR	610,601		111,017
Changes in Accounting Policies/ Prior Period Adjustments			
Adj for 04/05 Reduce Unfunded EFB			(118,130)
SURPLUS (DEFICIT), BEGINNING OF YEAR, AS RESTATED	<u>610,601</u>		<u>(7,113)</u>
SURPLUS (DEFICIT), END OF YEAR (Section 156 (12) of School Act)	<u>826,104</u>		<u>610,601</u>
SURPLUS (DEFICIT), END OF YEAR			
Internally Restricted	826,104		
Unrestricted	0		
	<u>826,104</u>		

SCHOOL DISTRICT NO. 40 (New Westminster)
OPERATING FUND
CONSOLIDATED COMPARATIVE SCHEDULE OF REVENUE BY SOURCE
YEAR ENDED JUNE 30, 2007

Schedule A2

	2007	2007 AMENDED ANNUAL BUDGET	2006
	ACTUAL		ACTUAL
PROVINCIAL GRANTS - MINISTRY OF EDUCATION			
Operating Grant, Ministry of Education	47,652,998	47,554,415	43,915,697
Other Ministry of Education Grants			
GAAP Implementation Funding	361,743	361,743	361,742
Pay Equity	521,853	521,853	533,960
SSEAC Trades Adjustment	16,206	16,012	44,135
Ready Set Learn	22,500	22,500	22,500
OLEP (French)	135,804	163,511	0
Early Learning	170,412	0	0
Strong Start	50,000	0	0
Misc Other	48,927	0	15,350
	<u>48,980,443</u>	<u>48,640,034</u>	<u>44,893,384</u>
PROVINCIAL GRANTS - OTHER			
	0	229,155	3,599,638
FEDERAL GRANTS			
	0	0	176,333
OTHER REVENUE			
School Referendum Taxes	0	0	0
Other School District/Education Authorities	0	0	0
Summer School Fees	151,714	147,567	189,867
Continuing Education	269,135	300,000	232,719
Offshore Tuition Fees	2,646,779	2,570,100	2,882,060
LEA/Direct Funding from First Nations	0	0	0
Miscellaneous			
Instructional Cafeteria Revenue	198,736	200,000	181,458
Various	98,608	121,175	157,212
Misc Cost Recovery	106,735	100,000	91,709
Fraser Health Authority	79,049	53,263	53,374
PRP Management Fees	7,479	7,479	7,479
Misc Community & Continuing Ed	188,589	125,000	137,092
	<u>3,746,824</u>	<u>3,624,584</u>	<u>3,932,970</u>
RENTALS AND LEASES			
	9,951	5,032	8,065
INVESTMENT INCOME			
	311,215	275,000	211,744
TOTAL OPERATING REVENUE			
	<u>53,048,433</u>	<u>52,773,805</u>	<u>52,822,134</u>

SCHOOL DISTRICT NO. 40 (New Westminster)
OPERATING FUND
CONSOLIDATED COMPARATIVE SCHEDULE OF EXPENSE BY OBJECT
YEAR ENDED JUNE 30, 2007

Schedule A3

	2007 ACTUAL	2007 AMENDED ANNUAL BUDGET	2006 ACTUAL
SALARIES			
Teachers	23,876,220	23,171,733	23,182,400
Principals and Vice Principals	2,540,197	2,567,598	2,514,642
Educational Assistants	4,314,496	4,094,394	3,547,468
Support Staff	4,237,581	4,306,735	4,837,881
Other Professionals	1,918,477	1,971,194	2,151,427
Substitutes	1,281,028	1,376,722	967,878
	<u>38,167,999</u>	<u>37,488,376</u>	<u>37,201,696</u>
EMPLOYEE BENEFITS			
Total Salaries and Benefits	<u>46,018,008</u>	<u>45,661,980</u>	<u>44,812,281</u>
SERVICES AND SUPPLIES			
Services	1,714,297	1,821,174	1,721,405
Student Transportation	232,903	133,350	261,008
Professional Development and Travel	466,077	491,280	413,199
Rentals and Leases	845,481	805,632	789,277
Dues and Fees	59,589	66,500	118,171
Insurance	79,914	94,800	81,255
Interest	0	0	0
Supplies	2,139,789	2,906,199	2,600,308
Bad Debts	0	0	0
Utilities	865,757	999,581	897,429
Total Services and Supplies	<u>6,403,807</u>	<u>7,318,516</u>	<u>6,882,052</u>
TOTAL OPERATING EXPENSE	<u><u>52,421,815</u></u>	<u><u>52,980,496</u></u>	<u><u>51,694,333</u></u>

SCHOOL DISTRICT NO. 40 (New Westminster)
 OPERATING FUND
 CONSOLIDATED EXPENSE BY FUNCTION AND PROGRAM
 YEAR ENDED JUNE 30, 2007

	TEACHERS SALARIES	PRINCIPALS AND VICE PRINCIPALS SALARIES	EDUCATIONAL ASSISTANTS SALARIES	SUPPORT STAFF SALARIES	OTHER PROFESSIONALS SALARIES	SUBSTITUTES SALARIES	TOTAL SALARIES
1 INSTRUCTION							
1.02 Regular Instruction	20,746,230	287,124	140,188	872,816	122,204	1,203,852	23,372,215
1.03 Career Programs	10,480						10,480
1.07 Library Services	212,342		238	125,823		138	338,336
1.08 Counselling	585,303	65,375		33,872	81,507		745,957
1.10 Special Education	1,505,912	378,987	3,556,273	859	241,831	45,271	6,129,133
1.30 English as a Second Language	351,496		18,895				370,351
1.31 Aboriginal Education	124,437		197,582	54	1,469		323,642
1.41 School Administration	100,107	1,798,335	88	548,709	375	7,457	2,455,871
1.60 Summer School	109,038			4,241			113,279
1.61 Continuing Education	56,589	9,776		84,335		7,001	157,701
1.62 Off Shore Students	94,346		1,131	59,220	287,341	7,478	429,516
1.64 Other					136,183		136,183
1.65 Conseil Scolaire Francophone							0
Total Function 1	23,876,220	2,540,197	4,314,496	1,728,629	850,810	1,271,192	34,582,444
4 DISTRICT ADMINISTRATION							
4.11 Educational Administration					304,551		304,551
4.40 School District Governance					121,985		121,985
4.41 Business Administration				313,992	447,758		761,750
4.65 Conseil Scolaire Francophone							0
Total Function 4	0	0	0	313,992	874,244	0	1,188,236
5 OPERATIONS AND MAINTENANCE							
5.41 Operations and Maintenance Administration				49,586	193,423		243,009
5.50 Maintenance Operations				1,856,842		4,571	1,861,413
5.52 Maintenance of Grounds				196,980			196,980
5.56 Utilities							0
5.65 Conseil Scolaire Francophone							0
Total Function 5	0	0	0	2,103,408	193,423	4,571	2,301,402
7 TRANSPORTATION AND HOUSING							
7.41 Transportation and Housing Administration							0
7.65 Conseil Scolaire Francophone							0
7.70 Student Transportation				90,652		5,265	95,917
7.73 Housing							0
Total Function 7	0	0	0	90,652	0	5,265	95,917
9 DEBT SERVICES (OPERATING)							
9.92 Interest on Bank Loans							0
9.94 Interest on Temporary Borrowing							0
Total Function 9	0	0	0	0	0	0	0
TOTAL FUNCTIONS 1 - 9	23,876,220	2,540,197	4,314,496	4,237,581	1,918,277	1,281,028	36,157,869

SCHOOL DISTRICT NO. 40 (New Westminster)
 OPERATING FUND
 CONSOLIDATED EXPENSE BY FUNCTION AND PROGRAM
 YEAR ENDED JUNE 30, 2007

	TOTAL SALARIES	EMPLOYEE BENEFITS	TOTAL SALARIES AND BENEFITS	SERVICES AND SUPPLIES	2007 ACTUAL	2007 AMENDED ANNUAL BUDGET	2006 ACTUAL
1 INSTRUCTION							
1.02 Regular Instruction	23,372,215	4,898,170	28,270,385	2,609,738	30,880,123	31,218,415	30,880,230
1.03 Career Programs	10,460	1,794	12,254	4,450	16,704	12,320	19,903
1.07 Library Services	338,336	73,789	412,125	47,950	468,075	434,313	513,005
1.08 Counselling	745,957	145,844	891,801	17,131	908,932	923,729	936,013
1.10 Special Education	6,129,133	1,916,061	7,445,194	101,795	7,546,989	7,356,275	6,952,853
1.30 English as a Second Language	370,351	74,782	445,133	3,478	448,611	485,930	440,577
1.31 Aboriginal Education	323,642	60,322	383,964	28,517	412,481	417,610	394,659
1.41 School Administration	2,455,671	461,825	2,917,496	3,342	2,920,838	2,930,654	2,889,224
1.60 Summer School	113,279		113,279	6,130	119,409	96,754	105,066
1.61 Continuing Education	157,701	23,752	181,453	142,247	323,700	225,234	289,441
1.62 Off Shore Students	429,516	81,064	510,580	457,480	969,060	952,762	1,116,608
1.64 Other	136,183	24,714	160,897	64,113	225,010	238,511	220,241
1.65 Conseil Scolaire Francophone	0	0	0	0	0	0	0
Total Function 1	34,582,444	7,162,117	41,744,561	3,486,371	45,230,932	45,290,507	44,777,850
4 DISTRICT ADMINISTRATION							
4.11 Educational Administration	304,551	52,978	357,529	50,010	407,539	426,431	385,563
4.40 School District Governance	121,935	2,221	124,156	82,760	206,916	203,359	173,345
4.41 Business Administration	761,750	139,961	901,711	349,942	1,251,553	1,174,188	1,172,752
4.65 Conseil Scolaire Francophone	0	0	0	0	0	0	0
Total Function 4	1,188,236	155,160	1,343,396	432,712	1,660,008	1,603,978	1,731,660
5 OPERATIONS AND MAINTENANCE							
5.41 Operations and Maintenance Administration	243,009	39,560	282,569	73,684	356,273	356,107	327,151
5.50 Maintenance Operations	1,861,413	404,558	2,265,971	1,349,353	3,615,324	4,068,151	3,500,778
5.52 Maintenance of Grounds	196,980	41,307	238,287	27,028	265,315	294,465	268,547
5.56 Utilities	0	0	0	858,503	858,503	985,581	885,549
5.65 Conseil Scolaire Francophone	0	0	0	0	0	0	0
Total Function 5	2,301,402	485,445	2,786,847	2,308,568	5,085,415	5,706,304	4,982,025
7 TRANSPORTATION AND HOUSING							
7.41 Transportation and Housing Administration	0	0	0	0	0	0	0
7.65 Conseil Scolaire Francophone	0	0	0	0	0	0	0
7.70 Student Transportation	95,917	7,287	103,204	128,256	228,460	179,707	202,798
7.73 Housing	0	0	0	0	0	0	0
Total Function 7	95,917	7,287	103,204	128,256	228,460	179,707	202,798
9 DEBT SERVICES (OPERATING)							
9.92 Interest on Bank Loans	0	0	0	0	0	0	0
9.94 Interest on Temporary Borrowing	0	0	0	0	0	0	0
Total Function 9	0	0	0	0	0	0	0
TOTAL FUNCTIONS 1 - 9	36,167,999	7,650,006	43,818,005	6,403,807	52,421,815	52,996,486	51,694,333

SCHOOL DISTRICT NO. 40 (New Westminster)
OPERATING FUND
CONSOLIDATED CHANGES IN DEFERRED CONTRIBUTIONS
YEAR ENDED JUNE 30, 2007

Schedule A5

BALANCE, BEGINNING OF YEAR	1,875,171
Changes in Accounting Policies/ Prior Period Adjustments	
Reclassify to Deferred Revenue	(1,875,171)
BALANCE, BEGINNING OF YEAR, AS RESTATED	<u>0</u>
Changes for the Year	
Increase:	
Provincial Grants - Ministry of Education	0
Provincial Grants - Other	0
Other Revenue	0
	<u>0</u>
Decrease:	
Allocated to Revenue	
Provincial Grants - Ministry of Education	0
Provincial Grants - Other	0
Federal Grants	0
Other Revenue	0
Investment Income	0
	<u>0</u>
Net Changes for the Year	<u>0</u>
BALANCE, END OF YEAR	<u><u>0</u></u>

SCHOOL DISTRICT NO. 40 (New Westminster)
SPECIAL PURPOSE FUNDS
CONSOLIDATED SUMMARY OF CHANGES
YEAR ENDED JUNE 30, 2007

	MINISTRY OF EDUCATION DESIGNATED	OTHER	SCHOOL GENERATED FUNDS	RELATED ENTITIES	TOTAL
DEFERRED CONTRIBUTIONS					
DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR	1,228,781	48,982	0	83,120	1,360,883
Add: Contributions Received					
Provincial Grants - Ministry of Education	1,336,283	1,015,000			2,351,283
Provincial Grants - Other					0
Federal Grants					
Other Revenue	18,456	120,310	1,461,162	538,086	2,119,558
Investment Income	1,354,739	1,135,310	1,461,162	331	4,889,628
Less: Allocated to Revenue Recovered	1,896,756	1,171,356	1,461,162	621,537	5,150,811
	4,607				4,607
DEFERRED CONTRIBUTIONS, END OF YEAR	662,157	12,936	0	0	695,093
REVENUE AND EXPENSE					
REVENUE					
Provincial Grants - Ministry of Education	1,878,300	1,048,008			2,926,308
Provincial Grants - Other					0
Federal Grants					
Other Revenue		123,348	1,461,162	621,206	2,205,716
Rentals and Leases					0
Investment Income	18,456			331	18,787
Gain (Loss) on Equity Investment					0
	1,896,756	1,171,356	1,461,162	621,537	5,150,811
EXPENSE					
Salaries					
Teachers	76,187	252,783			328,970
Principals and Vice Principals					0
Educational Assistants		260,130			260,130
Support Staff	403,559	67,140		38,821	509,520
Other Professionals		224,246		95,633	320,079
Substitutes		3,360			3,360
Employee Benefits	479,746	607,662	0	134,654	1,422,062
Services and Supplies	102,022	179,190		26,093	307,305
	825,676	184,504	1,395,481	491,006	2,896,667
	1,407,444	1,171,356	1,395,481	651,753	4,626,024
NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS	489,312	0	65,681	(30,216)	524,777
INTERFUND TRANSFERS					
Capital Assets Purchased	(489,312)				(489,312)
Other				30,216	30,216
	(489,312)	0	0	30,216	(459,096)
NET REVENUE (EXPENSE)	0	0	65,681	0	65,681

SCHOOL DISTRICT NO. 40 (New Westminster)
 SPECIAL PURPOSE FUNDS
 CONSOLIDATED CHANGES IN MINISTRY OF EDUCATION DESIGNATED SPECIAL PURPOSE FUNDS
 YEAR ENDED JUNE 30, 2007

	207 Annual Facility Grant	250 Special Education Equipment	Provincial resource Program	TOTAL
DEFERRED CONTRIBUTIONS				
DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR	1,224,174	0	4,607	1,228,781
Add: Contributions Received				
Provincial Grants - Ministry of Education	1,225,220	11,448	99,615	1,336,283
Provincial Grants - Other				0
Federal Grants				0
Other Revenue	18,456			18,456
Investment Income	1,243,676	11,448	99,615	1,354,739
Less: Allocated to Revenue Recovered	1,785,693	11,448	99,615	1,896,756
	682,157	0	4,607	686,764
DEFERRED CONTRIBUTIONS, END OF YEAR				682,157
REVENUE AND EXPENSE				
REVENUE				
Provincial Grants - Ministry of Education	1,767,237	11,448	99,615	1,878,300
Provincial Grants - Other				0
Federal Grants				0
Other Revenue	18,456			18,456
Investment Income	1,785,693	11,448	99,615	1,896,756
EXPENSE				
Salaries				
Teachers			76,187	76,187
Principals and Vice Principals				0
Educational Assistants				0
Support Staff	403,559			403,559
Other Professionals				0
Substitutes				0
Employee Benefits	403,559	0	76,187	479,746
Services and Supplies	89,312		12,710	102,022
	803,510	11,448	10,718	825,676
	1,296,381	11,448	99,615	1,407,444
NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS	489,312	0	0	489,312
INTERFUND TRANSFERS				
Capital Assets Purchased	(489,312)			(489,312)
Other				0
	(489,312)	0	0	(489,312)
NET REVENUE (EXPENSE)	0	0	0	0

SCHOOL DISTRICT NO. 40 (New Westminster)
SPECIAL PURPOSE FUNDS
CONSOLIDATED CHANGES IN OTHER SPECIAL PURPOSE FUNDS
YEAR ENDED JUNE 30, 2007

	Inner City	Meals Program	Community Schools	Art In Education	TOTAL
DEFERRED CONTRIBUTIONS					
DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR	664	35,955	9,325	3,058	46,982
Add: Contributions Received					
Provincial Grants - Ministry of Education	616,111	81,033	317,856		1,015,000
Provincial Grants - Other					0
Federal Grants		86,313	29,487	4,500	120,310
Other Revenue		187,346	347,353	4,500	1,135,310
Investment Income					0
Less: Allocated to Revenue Recovered	616,775	190,365	356,678	7,538	1,171,356
DEFERRED CONTRIBUTIONS, END OF YEAR	0	12,936	0	0	12,936
REVENUE AND EXPENSE					
REVENUE					
Provincial Grants - Ministry of Education	616,775	104,052	327,181		1,048,008
Provincial Grants - Other					0
Federal Grants		86,313	29,487	7,538	123,348
Other Revenue					0
Investment Income	616,775	190,365	356,678	7,538	1,171,356
EXPENSE					
Salaries					
Teachers	252,783				252,783
Principals and Vice Principals					0
Educational Assistants	256,253	3,890			260,133
Support Staff	722	66,418			67,140
Other Professionals			224,246		224,246
Substitutes	1,377	47	1,936		3,360
Employee Benefits	511,135	70,345	228,182	0	807,662
Services and Supplies	105,414	20,196	53,560		179,190
	226	99,824	76,916	7,538	184,504
	616,775	190,365	356,678	7,538	1,171,356
NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS	0	0	0	0	0
INTERFUND TRANSFERS					
Capital Assets Purchased					0
Other					0
NET REVENUE (EXPENSE)	0	0	0	0	0

SCHOOL DISTRICT NO. 40 (New Westminster)
 CAPITAL FUND
 CONSOLIDATED CAPITAL ASSETS
 YEAR ENDED JUNE 30, 2007

	SITES	BUILDINGS	FURNITURE AND EQUIPMENT	VEHICLES	COMPUTER SOFTWARE	COMPUTER HARDWARE	TOTAL
COST, BEGINNING OF YEAR	5,235,588	52,657,913	434,011	111,858	0	45,495	58,484,665
Changes in Accounting Policy/ Prior Period Adjustments							
Legal Fees CWIS		96,210					96,210
COST, BEGINNING OF YEAR, AS RESTATED	5,235,588	52,754,123	434,011	111,858	0	45,495	58,580,875
Changes for the Year							
Increase:							
Purchases from:							
Deferred Contributions - Bylaw							0
Deferred Contributions - Other							0
Operating Fund					111,194	7,545	118,739
Special Purpose Funds		465,335				23,977	489,312
Local Capital							0
Transferred from Work in Progress	0	465,335	0	0	111,194	31,522	608,051
Decrease:							
Disposed of			108,697			6,515	115,212
Deemed Disposals				16,879			16,879
Written-off/Down During Year							0
COST, END OF YEAR	5,235,588	53,219,458	325,314	128,737	111,194	51,977	59,067,035
WORK IN PROGRESS, END OF YEAR		7,077,874					7,077,874
COST AND WORK IN PROGRESS, END OF YEAR	5,235,588	60,297,332	325,314	128,737	111,194	51,977	66,144,909
ACCUMULATED AMORTIZATION, BEGINNING OF YEAR	0	19,980,043	310,584	32,162	0	28,601	20,351,400
Changes in Accounting Policies/ Prior Period Adjustments							
BALANCE, BEGINNING OF YEAR, AS RESTATED	0	19,980,043	310,584	32,162	0	28,601	20,351,400
Changes for the Year							
Increase: Amortization for the Year		1,153,494	43,401	11,166		9,099	1,217,160
Decrease:							
Disposed of			108,697			6,515	115,212
Deemed Disposals				16,879			16,879
Written-off During Year							0
ACCUMULATED AMORTIZATION, END OF YEAR	0	21,133,537	245,288	43,341	0	34,115	21,436,669
CAPITAL ASSETS - NET	5,235,588	39,163,795	80,016	85,396	111,194	17,862	44,699,240

SCHOOL DISTRICT NO. 40 (New Westminster)
 CAPITAL FUND
 CONSOLIDATED CAPITAL ASSETS - WORK IN PROGRESS
 YEAR ENDED JUNE 30, 2007

	BUILDINGS	FURNITURE AND EQUIPMENT	COMPUTER SOFTWARE	COMPUTER HARDWARE	TOTAL
WORK IN PROGRESS, BEGINNING OF YEAR	6,623,795	0	0	0	6,623,795
Changes in Accounting Policy/ Prior Period Adjustments					
WORK IN PROGRESS, BEGINNING OF YEAR, AS RESTATED	6,623,795	0	0	0	6,623,795
Changes for the Year					
Increase:					
Deferred Contributions - Bylaw	448,079				448,079
Deferred Contributions - Other					0
Operating Fund					0
Special Purpose Funds					0
Local Capital					0
Decrease:					
Transferred to Capital Assets	0	0	0	0	0
Net Changes for the Year	448,079	0	0	0	448,079
WORK IN PROGRESS, END OF YEAR	7,071,874	0	0	0	7,071,874

SCHOOL DISTRICT NO. 40 (New Westminster)
CAPITAL FUND
CONSOLIDATED DEFERRED CAPITAL CONTRIBUTIONS
YEAR ENDED JUNE 30, 2007

Schedule C3

	BYLAW CAPITAL (NET)	OTHER PROVINCIAL (NET)	OTHER CAPITAL (NET)	TOTAL CAPITAL
DEFERRED CAPITAL CONTRIBUTIONS, BEGINNING OF YEAR	30,221,933	0	0	30,221,933
Changes in Accounting Policies/ Prior Period Adjustments				
DEFERRED CAPITAL CONTRIBUTIONS, BEGINNING OF YEAR, AS RESTATED	<u>30,221,933</u>	<u>0</u>	<u>0</u>	<u>30,221,933</u>
Changes for the Year				
Increase:				
Transferred from Deferred Contributions - Capital Additions				0
Transferred from Work in Progress				0
Misc Proceed	155,820			155,820
	<u>155,820</u>	<u>0</u>	<u>0</u>	<u>155,820</u>
Decrease:				
Amortization of Deferred Capital Contributions	1,072,504			1,072,504
Revenue Recognized on Disposal of Buildings				0
Revenue Recognized on Write-off/down of Buildings				0
	<u>1,072,504</u>	<u>0</u>	<u>0</u>	<u>1,072,504</u>
Net Changes for the Year	<u>(916,684)</u>	<u>0</u>	<u>0</u>	<u>(916,684)</u>
DEFERRED CAPITAL CONTRIBUTIONS, END OF YEAR	<u>29,305,249</u>	<u>0</u>	<u>0</u>	<u>29,305,249</u>
WORK IN PROGRESS, BEGINNING OF YEAR	6,629,795	0	0	6,629,795
Changes in Accounting Policies/ Prior Period Adjustments				
WORK IN PROGRESS, BEGINNING OF YEAR, AS RESTATED	<u>6,629,795</u>	<u>0</u>	<u>0</u>	<u>6,629,795</u>
Changes for the Year				
Increase:				
Transferred from Deferred Contributions - Work in Progress	448,079			448,079
	<u>448,079</u>	<u>0</u>	<u>0</u>	<u>448,079</u>
Decrease:				
Transferred to Deferred Capital Contributions				0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Changes for the Year	<u>448,079</u>	<u>0</u>	<u>0</u>	<u>448,079</u>
WORK IN PROGRESS, END OF YEAR	<u>7,077,874</u>	<u>0</u>	<u>0</u>	<u>7,077,874</u>
TOTAL DEFERRED CAPITAL CONTRIBUTIONS, END OF YEAR	<u>36,383,123</u>	<u>0</u>	<u>0</u>	<u>36,383,123</u>

SCHOOL DISTRICT NO. 40 (New Westminster)
 CAPITAL FUND
 CONSOLIDATED CHANGES IN DEFERRED CONTRIBUTIONS
 YEAR ENDED JUNE 30, 2007

	BYLAW CAPITAL	MINISTRY OF EDUCATION RESTRICTED CAPITAL	OTHER PROVINCIAL CAPITAL	LAND CAPITAL	OTHER CAPITAL	TOTAL
BALANCE, BEGINNING OF YEAR	3,006,038	537,699	0	248,313	0	3,792,050
Changes in Accounting Policies/ Prior Period Adjustments						
BALANCE, BEGINNING OF YEAR, AS RESTATED	3,006,038	537,699	0	248,313	0	3,792,050
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education						0
Provincial Grants - Other				600,171		600,171
Other	58,767	10,023		4,827		73,617
Investment Income						0
MED Restricted Portion of Proceeds on Disposal	58,767	10,023	0	604,998	0	673,788
Decrease:						
Transferred to DCC - Capital Additions	446,078					446,078
Transferred to DCC - Work in Progress						0
Transferred to Invested in Capital Assets - Site Purchases	448,079	0	0	0	0	448,079
Net Changes for the Year	(389,312)	10,023	0	604,998	0	225,709
BALANCE, END OF YEAR	2,616,726	547,722	0	853,311	0	4,017,759

SCHOOL DISTRICT NO. 40 (New Westminster)
CAPITAL FUND
CONSOLIDATED CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2007

Schedule C5

	INVESTED IN CAPITAL ASSETS	LOCAL CAPITAL	FUND BALANCE
BALANCE, BEGINNING OF YEAR	6,295,719	53,831	6,349,550
Changes in Accounting Policies/ Prior Period Adjustments			
BALANCE, BEGINNING OF YEAR, AS RESTATED	6,295,719	53,831	6,349,550
Changes for the Year			
Investment Income		1,119	1,119
Comprehensive Income (Loss)			0
Gain (Loss) on Disposal of Capital Assets			0
District Portion of Proceeds on Disposal			0
Write-off/down of Buildings and Sites			0
Amortization of Deferred Capital Contributions	1,072,504		1,072,504
Capital Assets Purchased from Local Capital			0
Interfund Transfers - Capital Assets Purchased	608,051		608,051
Interfund Transfers - Capital Assets WIP			0
Interfund Transfers - Local Capital			0
Amortization of Capital Assets	(1,217,160)		(1,217,160)
Transferred to Invested in Capital Assets - Site Purchases			0
Net Changes for the Year	463,395	1,119	464,514
BALANCE, END OF YEAR	6,759,114	54,950	6,814,064