

**School District
Statement of Financial Information (SOFI)**

School District No. 8 (Kootenay Lake)

Fiscal Year Ended June 30, 2006

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SCHOOL DISTRICT STATEMENT OF FINANCIAL INFORMATION (SOFI)

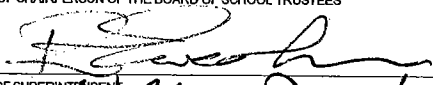
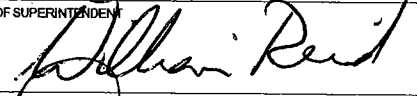
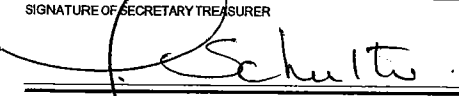
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SCHOOL DISTRICT NUMBER 8	NAME OF SCHOOL DISTRICT Kootenay Lake	YEAR 2005/06
OFFICE LOCATION(S) 570 Johnstone Road		TELEPHONE NUMBER 250-352-6681
MAILING ADDRESS 570 Johnstone Road		
CITY Nelson	PROVINCE BC	POSTAL CODE V1L 6J2
NAME OF SUPERINTENDENT William Reid		TELEPHONE NUMBER 250-505-7037
NAME OF SECRETARY TREASURER Monica Schulte		TELEPHONE NUMBER 250-352-7039

DECLARATION AND SIGNATURES

We, the undersigned, certify that the attached is a correct and true copy of the Statement of Financial Information for the year ended
2005/06

for School District No. 8 as required under Section 2 of the Financial Information Act.

SIGNATURE OF CHAIRPERSON OF THE BOARD OF SCHOOL TRUSTEES 	DATE SIGNED January 2, 2007
SIGNATURE OF SUPERINTENDENT 	DATE SIGNED January 2, 2007
SIGNATURE OF SECRETARY TREASURER 	DATE SIGNED January 2, 2007

Statement of Financial Information for Year Ended June 30, 2006

Financial Information Act Submission Checklist

	<i>Due Date</i>
a) <input checked="" type="checkbox"/> A statement of assets and liabilities (audited financial statements).	<i>September 30</i>
b) <input checked="" type="checkbox"/> An operational statement including, i) a Statement of Income and ii) a Statement of Changes in Financial Position, or, if omitted, an explanation in the Notes to Financial Statements (audited financial statements)	<i>September 30</i>
c) <input checked="" type="checkbox"/> A schedule of debts (audited financial statements).	<i>September 30</i>
d) <input checked="" type="checkbox"/> A schedule of guarantee and indemnity agreements including the names of the entities involved and the amount of money involved. (Note: Nil schedules can be submitted December 31).	<i>September 30</i>
e) A schedule of remuneration and expenses, including:	<i>December 31</i>
<input checked="" type="checkbox"/> i) an alphabetical list of employees earning over \$75,000, the total amount of expenses paid to or on behalf of each employee for the year reported and a consolidated total for employees earning under \$75,000. If the total wages and expenses differs from the audited financial statements, an explanation is required.	
<input checked="" type="checkbox"/> ii) a list by name and position of Board Members with the amount of any salary and expenses paid to or on behalf of the member	
<input checked="" type="checkbox"/> iii) the number of severance agreements started during the fiscal year and the range of months' pay covered by the agreement, in respect of excluded employees. If there are no agreements to report, an explanation is required	
f) <input checked="" type="checkbox"/> An alphabetical list of suppliers receiving over \$25,000 and a consolidated total for those suppliers receiving less than \$25,000. If the total differs from the Audited Financial Statements, an explanation is required.	<i>December 31</i>
g) <input checked="" type="checkbox"/> Approval of Statement of Financial Information.	<i>December 31</i>
h) <input checked="" type="checkbox"/> A management report approved by the Chief Financial Officer	<i>December 31</i>

School District Number & Name **8 (Kootenay Lake)**

School District
Statement of Financial Information (SOFI)
School District No. 8 (Kootenay Lake)

Fiscal Year Ended June 30, 2006

MANAGEMENT REPORT

The Financial Statements contained in this Statement of Financial Information under the *Financial Information Act* have been prepared by management in accordance with accounting principles generally accepted for British Columbia school districts as prescribed or permitted by the Ministry of Education and the integrity and objectivity of these statements are management's responsibility.

Management is also responsible for all other schedules of financial information and for ensuring this information is consistent, where appropriate, with the information contained in the financial statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Board of School Trustees is responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control and for approving the financial information included in the Statement of Financial Information.

The external auditors, Berg Naqvi Lehmann, Chartered Accountants, conduct an independent examination, in accordance with generally accepted auditing standards, and express their opinion on the financial statements as required by the *School Act*. Their examination does not relate to the other schedules of financial information required by the *Financial Information Act*. Their examination includes a review and evaluation of the board's system of internal control and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly.

On behalf of School District



William Reid, Superintendent

Date: January 2nd, 2007



Monica Schulte, Secretary Treasurer

Date: January 2nd, 2007

**SCHOOL DISTRICT
AUDITED FINANCIAL STATEMENTS
FISCAL YEAR 2005/2006**

SCHOOL DISTRICT NUMBER 08	NAME OF SCHOOL DISTRICT Kootenay Lake	YEAR 2005/2006
OFFICE LOCATION 570 Johnstone Road		TELEPHONE NUMBER 250-352-6681
CITY / PROVINCE Nelson, BC		POSTAL CODE V1L 6J2
WEBSITE ADDRESS http://www.sd8.bc.ca		
NAME OF SUPERINTENDENT William Reid		NAME OF SECRETARY - TREASURER Colin McClure

DECLARATION AND SIGNATURES

SCHOOL DISTRICT MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules of The Board of School Trustees of School District No. 08 (Kootenay Lake) ("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 generally accepted accounting principles for not-for-profit organizations.

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

The Board's Responsibility

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

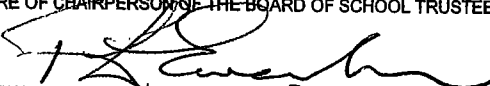
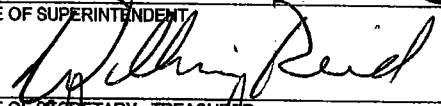
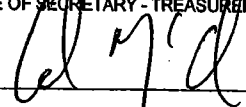
External Auditors

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

Declaration of Management and Board Chairperson

To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position, revenue and expense and cash flows for the year in accordance with 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. 08 (Kootenay Lake) for the year ended June 30, 2006.

SIGNATURE OF CHAIRPERSON OF THE BOARD OF SCHOOL TRUSTEES 	DATE SIGNED <i>Sept 19 2006</i>
SIGNATURE OF SUPERINTENDENT 	DATE SIGNED <i>Sept 19 2006</i>
SIGNATURE OF SECRETARY - TREASURER 	DATE SIGNED <i>Sept 19/2006</i>

SCHOOL DISTRICT NO. 08 (Kootenay Lake)
2005/2006 AUDITED FINANCIAL STATEMENTS

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BERG NAQVI LEHMANN

CHARTERED ACCOUNTANTS & BUSINESS ADVISORS

BNL.CA

"A Commitment To Excellence"

M.D. Berg, FCA, CA-CIRP * +
A. Naqvi, B.Comm., FCA *
Craig Berg, B.Comm., CA *
Stefan Lehmann, B.Math, CA, CFP *
Jon McMillan, B.Sc., CA +

AUDITOR'S REPORT

To the Board of School Trustees
of School District No. 8 (Kootenay Lake)
Nelson, B.C.

We have audited the statement of financial position of School District No. 8 (Kootenay Lake) as at June 30, 2006 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 disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of School District No. 8 (Kootenay Lake) as at June 30, 2006 and the results of its operations and its cash flows for the year then ended in accordance with generally accepted accounting principles.

Berg, Naqvi, Lehmann

Chartered Accountants

Nelson, B.C.

August 18, 2006

SCHOOL DISTRICT NO. 08 (Kootenay Lake)
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2006

Statement 1

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2006	TOTAL 2005
ASSETS					
Current Assets					
Cash	816,011	1,618,144		2,434,155	1,316,259
Short Term Investments		165,011		165,011	163,087
Accounts Receivable					
Due from Province - Ministry of Education	475,954			475,954	0
Due from Province - Other	2,380,903			2,380,903	0
Due from LEA / Direct Funding				0	0
Other Receivables	264,411	8,175		272,586	243,924
Interfund Loans		847,132	21,110		
Inventories		43,576		43,576	67,603
Prepaid Expenses	64,078			64,078	81,026
	4,001,357	2,682,038	21,110	5,836,263	1,871,899
Investments				0	0
Equity Investments				0	0
Capital Assets - Net			65,822,383	65,822,383	67,670,429
TOTAL ASSETS	4,001,357	2,682,038	65,843,493	71,658,646	69,542,328
LIABILITIES AND FUND BALANCES					
Current Liabilities					
Bank Overdraft				0	993,888
Accounts Payable and Accrued Liabilities					
Due to Province - Ministry of Education				0	0
Due to Province - Other				0	0
Other	1,285,854	40,010		1,325,864	473,641
Bank Loans				0	0
Interfund Loans	868,242				
Other Current Liabilities	2,851,376			2,851,376	828,445
	5,005,472	40,010	0	4,177,240	2,295,974
Deferred Contributions					
Ministry of Education		649,134	(14,530)	634,604	564,946
Province - Other		11,907		11,907	0
Other	166,031	1,980,987		2,147,018	1,568,902
Accrued Employee Future Benefits	1,166,277			1,166,277	1,523,330
Deferred Capital Contributions			54,553,119	54,553,119	56,092,802
Bank Loans				0	0
Capital Lease Obligations				0	0
Other Long Term Liabilities				0	0
TOTAL LIABILITIES	6,337,780	2,682,038	54,538,589	62,690,165	62,045,954
Fund Balances					
Invested in Capital Assets			11,269,264	11,269,264	11,577,627
Endowment				0	0
Internally Restricted			35,640	35,640	0
Unrestricted	(1,910,262)			(1,910,262)	(3,344,333)
Unfunded Accrued Employee Future Benefits and Vacation Pay	(426,161)			(426,161)	(736,920)
TOTAL FUND BALANCES	(2,336,423)	0	11,304,904	8,968,481	7,496,374
TOTAL LIABILITIES AND FUND BALANCES	4,001,357	2,682,038	65,843,493	71,658,646	69,542,328

SCHOOL DISTRICT NO. 08 (Kootenay Lake)
STATEMENT OF REVENUE AND EXPENSE
YEAR ENDED JUNE 30, 2006

Statement 2

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2006	TOTAL 2005
REVENUE					
Provincial Grants - Ministry of Education	45,790,262	1,413,350		47,203,612	47,951,426
Provincial Grants - Other	2,933,454	31,658		2,965,112	568,690
Federal Grants	6,800	83,308		90,108	103,806
Other Revenue	1,537,408	2,304,247		3,841,655	3,513,602
Rentals and Leases	27,260	546		27,806	28,590
Investment Income	55,997	10,612		66,609	19,787
Gain (Loss) on Equity Investment				0	0
Amortization of Deferred Capital Contributions			2,502,153	2,502,153	2,616,146
Gain (Loss) on Disposal of Capital Assets			22,440	22,440	19,772
	<u>50,351,181</u>	<u>3,843,721</u>	<u>2,524,593</u>	<u>56,719,495</u>	<u>54,821,819</u>
EXPENSE					
Salaries					
Teachers	19,194,742	883,544		20,078,286	19,841,068
Principals and Vice Principals	2,759,640	161,474		2,921,114	2,866,173
Educational Assistants	2,575,993	29,649		2,605,642	2,338,282
Support Staff	6,075,050	439,138		6,514,188	6,194,190
Other Professionals	1,539,583	32,000		1,571,583	1,589,127
Substitutes	1,686,183	22,442		1,708,625	1,476,604
	<u>33,831,191</u>	<u>1,568,247</u>	<u>0</u>	<u>35,399,438</u>	<u>34,305,444</u>
Employee Benefits	6,954,341	344,013		7,298,354	7,230,779
Services and Supplies	6,086,397	3,537,118		9,623,515	9,343,110
Amortization of Capital Assets			2,836,745	2,836,745	2,989,609
Write-off/down of Buildings and Sites				0	0
	<u>46,871,929</u>	<u>5,449,378</u>	<u>2,836,745</u>	<u>55,158,052</u>	<u>53,868,942</u>
NET REVENUE (EXPENSE)	<u>3,479,252</u>	<u>(1,605,657)</u>	<u>(312,152)</u>	<u>1,561,443</u>	<u>952,877</u>

SCHOOL DISTRICT NO. 08 (Kootenay Lake)
STATEMENT OF CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2006

Statement 3

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2006	TOTAL 2005
FUND BALANCES, BEGINNING OF YEAR	(4,081,253)	0	11,577,627	7,496,374	62,581,273
Changes in Accounting Policies/ Prior Period Adjustments					
Accrued Employee Future Benefits				0	(1,052,299)
Accrued Vacation Pay				0	(444,991)
Accumulated Amortization of Capital Assets				0	(54,896,089)
Transfer Land Capital Reserve to Deferred Contributions				0	0
Transfer Capital Reserve to Deferred Contributions				0	(3,088)
School-Generated Funds				0	0
Related Entities				0	0
Prior Period Adjustment - Voided Cheque					137
To set up Pro D Special purpose fund opening	(89,336)			(89,336)	
FUND BALANCES, BEGINNING OF YEAR, AS RESTATED	(4,170,589)	0	11,577,627	7,407,038	6,184,943
Changes for the Year					
Net Revenue (Expense) for the Year	3,479,252	(1,605,657)	(312,152)	1,561,443	952,877
Interfund Transfers					
Capital Assets Purchased	(26,429)		26,429	0	0
Local Capital	(13,000)		13,000	0	0
Other	(1,605,657)	1,605,657		0	0
Direct Increases in Fund Balances					
Endowment Contributions				0	0
Site Purchases				0	358,554
Comprehensive Income (Loss)				0	0
Net Changes for the Year	1,834,166	0	(272,723)	1,561,443	1,311,431
FUND BALANCES, END OF YEAR	(2,336,423)	0	11,304,904	8,968,481	7,496,374

SCHOOL DISTRICT NO. 08 (Kootenay Lake)
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2006

Statement 4.1

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2006	TOTAL 2005
CASH PROVIDED BY (USED FOR)					
OPERATIONS					
Net Revenue (Expense) for the Year	3,479,252	(1,605,657)	(312,152)	1,561,443	952,877
Changes In Non-Cash Working Capital					
Decrease (Increase)					
Accounts Receivable	(2,893,928)	8,409		(2,885,519)	22,192
Interfund Loans	284,211	(707,122)	422,911	0	0
Inventories		24,027		24,027	3,352
Prepaid Expenses	16,948			16,948	1,103
Increase (Decrease)					
Allowance for Doubtful Accounts				0	0
Accounts Payable/Accrued Liabilities	854,099	(1,876)		852,223	(585,396)
Other Current Liabilities	2,022,931			2,022,931	83,886
Deferred Contributions	137,861	980,371		1,118,232	946,990
Accrued Employee Future Benefits	(357,053)			(357,053)	1,523,330
Other Long Term Liabilities				0	0
Loss (Gain) on Disposal of Capital Assets			(22,440)	(22,440)	(19,772)
Items Not Involving Cash					
Amortization of Capital Assets			2,836,745	2,836,745	2,989,609
Amortization of Deferred Capital Contributions			(2,502,153)	(2,502,153)	(2,616,146)
Accounting Change - Accrued EFB				0	(1,052,299)
Accounting Change - Accrued Vacation Pay				0	(444,991)
Write-off/down of Buildings and Sites				0	0
Comprehensive Income (Loss)				0	0
Interfund Transfers	(1,645,086)	1,605,657	39,429	0	0
	<u>1,899,235</u>	<u>303,809</u>	<u>462,340</u>	<u>2,665,384</u>	<u>1,804,735</u>
FINANCING					
Bank Loan Received				0	0
Bank Loan Paid				0	0
Endowment Contributions				0	0
Increase (Decrease) Deferred Contributions - Capital			(458,551)	(458,551)	275,347
Proceeds from Disposal of Capital Assets			90,559	90,559	137,967
MEd Restricted Portion of Proceeds on Disposal			(67,919)	(67,919)	(103,476)
	<u>0</u>	<u>0</u>	<u>(435,911)</u>	<u>(435,911)</u>	<u>309,838</u>
INVESTING					
Capital Assets Purchased - Operating			(26,429)	(26,429)	0
Capital Assets Purchased - Special Purpose				0	0
Capital Assets Purchased - Local Capital				0	0
Decrease (Increase) In Investments				0	0
Decrease (Increase) in Equity Investments				0	0
	<u>0</u>	<u>0</u>	<u>(26,429)</u>	<u>(26,429)</u>	<u>0</u>
Net Increase (Decrease) in Cash	<u>1,899,235</u>	<u>303,809</u>	<u>0</u>	<u>2,203,044</u>	<u>2,114,573</u>

SCHOOL DISTRICT NO. 08 (Kootenay Lake)
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2006

Statement 4.2

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2006	TOTAL 2005
NET INCREASE (DECREASE) IN CASH	1,899,235	303,809	0	2,203,044	2,114,573
Net Cash, Beginning of Year	(993,888)	1,479,346	0	485,458	(1,629,252)
Changes in Accounting Policies/ Prior Period Adjustments					
03/04 voided cheque					137
To set up Pro D Special purpose fund opening	(89,336)			(89,336)	
Net Cash, Beginning of Year, as Restated	(1,083,224)	1,479,346	0	396,122	(1,629,115)
NET CASH, END OF YEAR	816,011	1,783,155	0	2,599,166	485,458
Cash	816,011	1,618,144		2,434,155	1,316,259
Short Term Investments		165,011		165,011	163,087
Bank Overdraft				0	(993,888)
NET CASH, END OF YEAR	816,011	1,783,155	0	2,599,166	485,458

