

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

SCHOOL DISTRICT NUMBER 33	NAME OF SCHOOL DISTRICT Chilliwack	YEAR 2005/2006
OFFICE LOCATION 8430 Cessna Dr.		TELEPHONE NUMBER 604-792-1321
CITY / PROVINCE Chilliwack, BC		POSTAL CODE V2P 7K4
WEBSITE ADDRESS http://www.sd33.plnet.bc.ca		
NAME OF SUPERINTENDENT Jacquie Taylor	NAME OF SECRETARY - TREASURER Jim Alkins	

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. 33 (Chilliwack) ("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. 33 (Chilliwack) for the year ended June 30, 2006.

SIGNATURE OF CHAIRPERSON OF THE BOARD OF SCHOOL TRUSTEES Original signed by	DATE SIGNED Sept. 26/06
SIGNATURE OF SUPERINTENDENT Original signed by	DATE SIGNED Sept 26/06
SIGNATURE OF SECRETARY/TREASURER Original signed by	DATE SIGNED Sept 26/06

**SCHOOL DISTRICT NO. 33 (Chilliwack)
2005/2006 AUDITED FINANCIAL STATEMENTS**

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To the Members of School District No. 33 (Chilliwack):

We have audited the consolidated statement of financial position of School District No. 33 (Chilliwack) as at June 30, 2006 and the statements of revenue and expense, changes in fund balances, including supporting schedules, and cash flows for the year then ended. These financial statements are the responsibility of School District No. 33 (Chilliwack)'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 consolidated financial statements present fairly, in all material respects, the financial position of the School District No. 33 (Chilliwack) as at June 30, 2006 and the results of its operations and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Chilliwack, British Columbia

August 25, 2006

Meyers Norris Penny LLP

Chartered Accountants

SCHOOL DISTRICT NO. 33 (Chilliwack)
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	21,757,965	409,010		22,166,975	16,048,464
Short Term Investments	48,014	180,162		228,176	126,863
Accounts Receivable					
Due from Province - Ministry of Education	679,941			679,941	0
Due from Province - Other	5,162,636			5,162,636	7,338
Due from LEA / Direct Funding	596,055			596,055	530,830
Other Receivables	501,766			501,766	279,491
Interfund Loans		2,555,387	1,510,691		
Inventories				0	0
Prepaid Expenses	16,951			16,951	8,337
	<u>28,763,328</u>	<u>3,144,559</u>	<u>1,510,691</u>	<u>29,352,500</u>	<u>17,001,323</u>
Investments				0	0
Equity Investments				0	0
Capital Assets - Net			141,411,599	141,411,599	128,753,735
TOTAL ASSETS	<u>28,763,328</u>	<u>3,144,559</u>	<u>142,922,290</u>	<u>170,764,099</u>	<u>145,755,058</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	14,833,548	35,555		14,869,103	7,585,226
Bank Loans				0	0
Interfund Loans	4,066,078				
Other Current Liabilities	620,494			620,494	0
	<u>19,520,120</u>	<u>35,555</u>	<u>0</u>	<u>15,489,597</u>	<u>7,585,226</u>
Deferred Contributions					
Ministry of Education		600,854	496,384	1,097,238	1,036,224
Province - Other				0	0
Other	163,233	2,508,150	510,372	3,181,755	2,157,744
Accrued Employee Future Benefits	3,143,287			3,143,287	3,516,795
Deferred Capital Contributions			108,988,212	108,988,212	99,930,524
Bank Loans				0	0
Capital Lease Obligations				0	0
Other Long Term Liabilities	570,526			570,526	0
TOTAL LIABILITIES	<u>23,397,166</u>	<u>3,144,559</u>	<u>109,994,968</u>	<u>132,470,615</u>	<u>114,226,513</u>
Fund Balances					
Invested in Capital Assets			32,423,386	32,423,386	28,823,210
Endowment				0	0
Internally Restricted	4,753,151		503,936	5,257,087	1,600,401
Unrestricted	613,011			613,011	2,092,060
Unfunded Accrued Employee Future Benefits and Vacation Pay				0	(987,126)
TOTAL FUND BALANCES	<u>5,366,162</u>	<u>0</u>	<u>32,927,322</u>	<u>38,293,484</u>	<u>31,528,545</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>28,763,328</u>	<u>3,144,559</u>	<u>142,922,290</u>	<u>170,764,099</u>	<u>145,755,058</u>

SCHOOL DISTRICT NO. 33 (Chilliwack)
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	82,417,816	4,916,429		87,334,245	83,796,923
Provincial Grants - Other	5,505,712			5,505,712	7,017
Federal Grants		513,720		513,720	440,736
Other Revenue	2,312,724	3,847,456		6,160,180	6,385,202
Rentals and Leases	270,813			270,813	177,759
Investment Income	540,813		10,530	551,343	740,322
Gain (Loss) on Equity Investment				0	0
Amortization of Deferred Capital Contributions			3,900,241	3,900,241	4,024,505
Gain (Loss) on Disposal of Capital Assets				0	0
Recognize Unamortized DCC			4,866	4,866	
	91,047,878	9,277,605	3,915,637	104,241,120	95,572,464
EXPENSE					
Salaries					
Teachers	39,403,294	522,541		39,925,835	36,396,470
Principals and Vice Principals	4,977,702	63,979		5,041,681	4,769,966
Educational Assistants	5,356,254	20,041		5,376,295	4,709,010
Support Staff	8,584,245	386,664		8,970,909	8,052,021
Other Professionals	1,944,562	58,196		2,002,758	1,655,786
Substitutes	3,165,286	67,450		3,232,736	2,397,888
	63,431,343	1,118,871	0	64,550,214	57,981,141
Employee Benefits	12,629,966	192,144		12,822,110	11,959,001
Services and Supplies	11,552,929	5,056,844		16,609,773	16,401,774
Amortization of Capital Assets			5,003,132	5,003,132	5,165,089
Write-off/down of Buildings and Sites			4,866	4,866	0
	87,614,238	6,367,859	5,007,998	98,990,095	91,507,005
NET REVENUE (EXPENSE)	3,433,640	2,909,746	(1,092,361)	5,251,025	4,065,459

SCHOOL DISTRICT NO. 33 (Chilliwack)
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	2,441,046	0	29,087,499	31,528,545	84,283,059
Changes in Accounting Policies/ Prior Period Adjustments					
Accrued Employee Future Benefits				0	(2,257,545)
Accrued Vacation Pay				0	(329,335)
Accumulated Amortization of Capital Assets				0	(58,513,614)
Transfer Land Capital Reserve to Deferred Contributions				0	(244,521)
Transfer Capital Reserve to Deferred Contributions				0	(20,741)
School-Generated Funds				0	1,164,500
Related Entities				0	0
Deferred Contributions					(1,164,500)
FUND BALANCES, BEGINNING OF YEAR, AS RESTATED	2,441,046	0	29,087,499	31,528,545	22,917,303
Changes for the Year					
Net Revenue (Expense) for the Year	3,433,640	2,909,746	(1,092,361)	5,251,025	4,065,459
Interfund Transfers					
Capital Assets Purchased	(180,518)	(2,183,459)	2,363,977	0	0
Local Capital	(949,182)		949,182	0	0
Other	621,176	(726,287)	105,111	0	0
Direct Increases in Fund Balances					
Endowment Contributions				0	0
Site Purchases			1,513,914	1,513,914	4,545,783
Comprehensive Income (Loss)				0	0
Net Changes for the Year	2,925,116	0	3,839,823	6,764,939	8,611,242
FUND BALANCES, END OF YEAR	5,366,162	0	32,927,322	38,293,484	31,528,545

SCHOOL DISTRICT NO. 33 (Chilliwack)
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	3,433,640	2,909,746	(1,092,361)	5,251,025	4,065,459
Changes In Non-Cash Working Capital					
Decrease (Increase)					
Accounts Receivable	(6,098,400)	660		(6,097,740)	1,082,428
Interfund Loans	1,482,584	(137,430)	(1,370,153)	(24,999)	0
Inventories				0	0
Prepaid Expenses	(8,614)			(8,614)	83,633
Increase (Decrease)					
Allowance for Doubtful Accounts				0	0
Accounts Payable/Accrued Liabilities	7,291,533	(7,658)		7,283,875	(974,549)
Other Current Liabilities	620,494			620,494	0
Deferred Contributions	(214,935)	169,456		(45,479)	(89,167)
Accrued Employee Future Benefits	(373,508)			(373,508)	3,002,482
Other Long Term Liabilities	570,526			570,526	0
Loss (Gain) on Disposal of Capital Assets				0	0
Items Not Involving Cash					
Amortization of Capital Assets			5,003,132	5,003,132	5,165,089
Amortization of Deferred Capital Contributions			(3,900,241)	(3,900,241)	(4,024,505)
Accounting Change - Accrued EFB				0	(2,257,545)
Accounting Change - Accrued Vacation Pay				0	(329,335)
Write-off/down of Buildings and Sites				0	0
Comprehensive Income (Loss)				0	0
Interfund Transfers	(508,524)	(2,909,746)	3,418,270	0	0
	<u>6,194,796</u>	<u>25,028</u>	<u>2,058,647</u>	<u>8,278,471</u>	<u>5,723,990</u>
FINANCING					
Bank Loan Received				0	0
Bank Loan Paid				0	0
Endowment Contributions				0	0
Increase (Decrease) Deferred Contributions - Capital			1,130,506	1,130,506	(407,615)
Proceeds from Disposal of Capital Assets				0	0
MEd Restricted Portion of Proceeds on Disposal				0	0
	<u>0</u>	<u>0</u>	<u>1,130,506</u>	<u>1,130,506</u>	<u>(407,615)</u>
INVESTING					
Capital Assets Purchased - Operating			(180,518)	(180,518)	(294,976)
Capital Assets Purchased - Special Purpose			(2,183,459)	(2,183,459)	(1,793,443)
Capital Assets Purchased - Local Capital			(398,703)	(398,703)	(643,562)
AFG Work in Progress			(105,111)	(105,111)	(199,340)
Local Capital Work in Progress			(321,362)	(321,362)	
Decrease (Increase) in Investments				0	0
Decrease (Increase) in Equity Investments				0	0
	<u>0</u>	<u>0</u>	<u>(3,189,153)</u>	<u>(3,189,153)</u>	<u>(2,931,321)</u>
Net Increase (Decrease) in Cash	<u>6,194,796</u>	<u>25,028</u>	<u>0</u>	<u>6,219,824</u>	<u>2,385,054</u>

SCHOOL DISTRICT NO. 33 (Chilliwack)
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	6,194,796	25,028	0	6,219,824	2,385,054
Net Cash, Beginning of Year	15,611,183	564,144	0	16,175,327	12,625,773
Changes in Accounting Policies/ Prior Period Adjustments					
School Generated Funds					1,164,500
Net Cash, Beginning of Year, as Restated	15,611,183	564,144	0	16,175,327	13,790,273
 NET CASH, END OF YEAR	 21,805,979	 589,172	 0	 22,395,151	 16,175,327
 Cash	21,757,965	409,010		22,166,975	16,048,464
Short Term Investments	48,014	180,162		228,176	126,863
Bank Overdraft				0	0
 NET CASH, END OF YEAR	 21,805,979	 589,172	 0	 22,395,151	 16,175,327

School District No. 33 (Chilliwack)
Notes to the Consolidated Financial Statements
For the year ended June 30, 2006

1. Description of Operations

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. 33 (Chilliwack)". A board of school trustees (Board) elected for a three year term governs the School District. The School District provides educational programs to students enrolled in schools in the district, and is principally funded by the Province of British Columbia through the Ministry of Education.

2. Accounting Policies

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles. These principles are consistent with those used in prior years.

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

The Statement of Revenue and Expense, Statement of Changes in Fund Balances and the Statement of Cash Flows present the annual results of each fund, the change in fund balances and the cash flows for the year. The 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 general resources and operations of the School District No. 33 (Chilliwack) are segregated for accounting and financial reporting purposes into operating funds, and capital funds.

Within the operating fund, certain restricted revenues and related transactions are accounted for as trust funds. Within the capital fund, certain restricted revenues and related transactions are accounted for as capital reserve funds.

Fund Accounting

Fund accounting procedures recognize external restrictions on the use of resources 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 as described.

The operating fund reports assets, liabilities, revenues and expenses for general operations.

The special purpose funds report assets, liabilities, revenues and expenses for funds with contributions restricted in use by the School Act, Ministry of Education, school generated funds or other external parties. Endowment funds are included.

The capital fund reports assets, liabilities, revenues and expenses for capital. Contributions of other funds used for capital purposes are transferred to the capital fund.

Short Term Investments

Short term Investments are valued at the lower of cost and market value. Market value at June 30, 2006 was \$228,790. (2005 - \$129,555)

School District No. 33 (Chilliwack)
Notes to the Consolidated Financial Statements
For the year ended June 30, 2006

Prepaid Expenses

Materials and supplies held for use within the school district are included as a prepaid expense and stated at acquisition cost using the first-in-first-out method.

Capital Assets

Capital Assets are recorded at cost. 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. Disposals of sites or buildings are recorded and gains/losses calculated. Proceeds from sale of other assets are recorded as a gain on disposal. The use of a separate asset account for computer equipment is effective July 1, 1995. Computer equipment acquired prior to June 30, 1995 is included in Furniture and Equipment.

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

Revenue recognition

Operating government grants not restricted in use 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 and products are reported as revenue at the time the services are provided or the products are 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 recognized as deferred contributions and recognized as revenue in the year in which the related expense is incurred. 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.

Investment income is recognized as revenue when earned.

Expenditures

Principals, Vice Principals, and Directors of Instruction employed under an administrative officer contract are categorized as principal and vice principal. Superintendents, Assistant Superintendents, Secretary Treasurers, Trustees and any other employees excluded from union contract are categorized as Other Professionals.

Operating expenditures 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. Actual salaries are allocated based on the time spent in each 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 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.

School District No. 33 (Chilliwack)
Notes to the Consolidated Financial Statements
For the year ended June 30, 2006

Financial Instruments

Financial instruments consist of cash, short term investments, accounts receivable, accounts payable and accrued 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.

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.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in earnings in the periods in which they become known.

Employee Future Benefits

The School District provides certain post-employment benefits including accumulated sick pay and retirement allowance 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 EARSL for employees of the School District is 13 years.

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 for all periods subsequent to July 1, 2004.

3. Property, plant and equipment

		<i>Accumulated</i>	<i>2006</i>	<i>2005</i>
	<i>Cost</i>	<i>amortization</i>	<i>Net book</i>	<i>Net book</i>
			<i>value</i>	<i>value</i>
Sites	15,072,354	-	15,072,354	13,558,440
Buildings	165,173,108	45,189,899	119,983,209	108,298,360
Vehicles	3,254,943	1,061,626	2,193,317	1,900,027
Computer hardware	1,187,190	768,717	418,473	672,973
Furniture and equipment	7,976,204	4,231,958	3,744,246	4,323,936
	192,663,799	51,252,200	141,411,599	128,753,736

4. Write off of buildings

During the year the building that was used for the district offices was demolished as it was no longer required. As a result the unamortized cost of \$4,866 was expensed in the capital fund which was offset by the recognition of \$4,866 in unamortized deferred capital contributions.

School District No. 33 (Chilliwack)
Notes to the Consolidated Financial Statements
For the year ended June 30, 2006

5. 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.

Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation - Beginning of Period		2,992,834
Service Cost		218,997
Interest Cost		171,778
Benefit Payments		(215,349)
Actuarial (Gain)/Loss		105,136
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Accrued Benefit Obligation - End of Period		<u>3,273,396</u>
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation - End of Period		3,273,396
Market Value of Plan Assets - End of Period		-
<hr/>		
Funded Status - Surplus/(Deficit)		(3,273,396)
Employer Contributions After Measurement Date		25,315
Unamortized Net Actuarial (Gain)/Loss		104,795
<hr/>		
Accrued Benefit Asset/(Liability)		<u>(3,143,286)</u>
Components of Net Benefit Expense		
Service Cost		218,997
Interest Cost		171,778
Amortization of Net Actuarial (Gain)/Loss		-
<hr/>		
Net Benefit Expense (Income)		<u>390,775</u>

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

Discount Rate - Beginning of Period	5.50%	
Discount Rate - End of Period	5.25%	
Salary Growth - Beginning of Period	3.25%	+ seniority
Salary Growth - End of Period	3.25%	+ seniority
EARSL	13	

School District No. 33 (Chilliwack)
Notes to the Consolidated Financial Statements
For the year ended June 30, 2006

6. Employee Pension Plan

The School District and its employees contribute to the Teachers' Pension Plan and Municipal Pension Plan, jointly trustee pension plans. The boards of trustees for these plans represent plan members and employers and are responsible for the management of the pension plan including investment of the assets and administration of benefits. The pension plans are multi-employer contributory pension plans. Basic pension benefits provided are defined. The Teachers' Pension Plan has about 47,000 active members from school districts, and approximately 21,000 retired members from school districts. The Municipal Plan has about 130,000 active members, of which approximately 20,000 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, 2002 indicated a \$382 million unfunded liability for basic pension benefits. The next valuation will be as at December 31, 2005 with results available in late 2006. The most recent valuation for the Municipal Pension Plan as at December 31, 2003 indicated an unfunded liability of \$789 million for basic pension benefits. The next valuation will be as at December 31, 2006 with results available in 2007. The actuary does not attribute portions of the unfunded liability to individual employers. The School District #33 paid \$5,973,814 for employer contributions to these plans in the year ended June 30, 2006.

7. Unfunded Accrued Employee Future Benefits and Vacation Pay

The Ministry of Education provided funding to be used to reduce this unfunded liability. Once the unfunded liability is eliminated, this funding can be used at the discretion of the Board.

Unfunded liability, as at July 1, 2005	987,126
Reductions during the year	(587,856)
<u>School district applied funds</u>	<u>(399,270)</u>
<u>Unfunded liability, as at June 30, 2006</u>	<u>-</u>

8. Operating Fund Balance, End of Year

Internally Restricted (appropriated) by the Board for:	
District and School Based Carry-Forwards	4,600,190
<u>1st Nations Targeted Funds Carry-Forward</u>	<u>152,961</u>
	4,753,151
<u>Unrestricted Operating Surplus</u>	<u>613,011</u>
<u>Total Available for Future Operations</u>	<u>5,366,162</u>

9. Interfund Transfers

Interfund transfers between the operating, special purpose and capital funds are reported on Statement 3. For the year ended June 30, 2006 the transfers are as follows:

A transfer in the amount of \$1,129,700 was made from the operating fund to the capital fund for payment of assets purchased.

A transfer in the amount of \$2,183,459 was made from the special purpose fund to the capital fund for payment of assets purchased.

A transfer in the amount of \$105,111 was made from the special purpose fund to the capital fund to cover work in process.

A transfer in the amount of \$621,176 was made from the special purpose fund to the operating fund to transfer the balance of the distant education school funds. The distance education school program will be reported through the operating fund starting July 1, 2006.

School District No. 33 (Chilliwack)
Notes to the Consolidated Financial Statements
For the year ended June 30, 2006

10. Commitments

The School District # 33 is committed to Titan Construction for the completion of GW Graham Middle School. The balance of \$4,584,185 is due within the next year and is paid monthly based on work completed.

The School District #33 has entered into a lease agreement with estimated minimum annual payments as follows:

2006 - 07	24,521
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11. 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 generally accepted accounting principles for not-for-profit organizations. This contemplates continuation of the School District as a "going concern".

12. 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 08, 2006.

13. Comparative figures

Certain comparative figures have not been reclassified to conform with current year presentation.

Current year balances for other current liabilities and other long term liabilities were previously included in accounts payable and accrued liabilities last year.

SCHOOL DISTRICT NO. 33 (Chilliwack)
OPERATING FUND
SURPLUS (DEFICIT)
YEAR ENDED JUNE 30, 2006

Schedule A1

	2006	2006 AMENDED ANNUAL BUDGET	2005
	ACTUAL	ACTUAL	ACTUAL
REVENUE			
Provincial Grants - Ministry of Education	82,417,816	81,704,160	79,702,703
Provincial Grants - Other	5,505,712	7,000	7,017
Federal Grants	0	0	0
Other Revenue	2,312,724	2,111,107	2,964,980
Rentals and Leases	270,813	136,851	177,759
Investment Income	540,813	200,000	730,380
	91,047,878	84,159,118	83,582,839
EXPENSE			
Salaries			
Teachers	39,403,294	37,127,462	36,006,510
Principals and Vice Principals	4,977,702	4,769,819	4,725,763
Educational Assistants	5,356,254	5,261,102	4,683,451
Support Staff	8,584,245	8,514,032	7,725,805
Other Professionals	1,944,562	1,885,723	1,580,988
Substitutes	3,165,286	2,171,355	2,362,240
	63,431,343	59,729,493	57,084,757
Employee Benefits	12,629,966	12,630,278	11,814,514
Services and Supplies	11,552,929	12,884,859	12,119,113
	87,614,238	85,244,630	81,018,384
NET REVENUE (EXPENSE), FOR THE YEAR	3,433,640	(1,085,512)	2,564,455
INTERFUND TRANSFERS			
Capital Assets Purchased	(180,518)	0	(294,976)
Local Capital	(949,182)	(409,182)	(633,300)
Other	621,176	0	744,515
OTHER ADJUSTMENTS TO OPERATING FUND BALANCE			
Reduce Unfunded Employee Future Benefits and Vacation Pay	(987,126)	(524,375)	(1,599,754)
Comprehensive Income (Loss)	0	0	0
BUDGETED ALLOCATION OF SURPLUS (DEFICIT)		2,019,069	
SURPLUS (DEFICIT), FOR THE YEAR	1,937,990	0	780,940
SURPLUS (DEFICIT), BEGINNING OF YEAR	3,428,172		2,647,232
Changes in Accounting Policies/ Prior Period Adjustments			
SURPLUS (DEFICIT), BEGINNING OF YEAR, AS RESTATED	3,428,172		2,647,232
SURPLUS (DEFICIT), END OF YEAR (Section 156 (12) of School Act)	5,366,162		3,428,172
SURPLUS (DEFICIT), END OF YEAR			
Internally Restricted	4,753,151		
Unrestricted	613,011		
	5,366,162		

SCHOOL DISTRICT NO. 33 (Chilliwack)
OPERATING FUND
COMPARATIVE SCHEDULE OF REVENUE BY SOURCE
YEAR ENDED JUNE 30, 2006

Schedule A2

	2006	2006 AMENDED ANNUAL BUDGET	2005
	ACTUAL		ACTUAL
PROVINCIAL GRANTS - MINISTRY OF EDUCATION			
Operating Grant, Ministry of Education	77,838,528	77,695,159	76,750,232
Other Ministry of Education Grants			
GAAP Implementation Funding	737,967	737,967	737,967
Community Link	495,000	495,000	495,000
Pay Equity	864,624	864,624	648,468
Special Purpose Grant	1,936,064	1,632,838	693,822
Leases	281,164	278,572	281,164
Capital Feasibility	264,469		96,050
	<u>82,417,816</u>	<u>81,704,160</u>	<u>79,702,703</u>
PROVINCIAL GRANTS - OTHER	5,505,712	7,000	7,017
FEDERAL GRANTS	0	0	0
OTHER REVENUE			
Other School District/Education Authorities	0	0	0
Summer School Fees	15,550	0	0
Continuing Education	0	0	0
Offshore Tuition Fees	237,506	224,533	250,952
LEA/Direct Funding from First Nations	1,927,749	1,858,074	1,995,439
Miscellaneous			
Administration Fees			80,000
Print Shop Revenue	46,102		143,962
GST Revenue			314,817
Instructional Cafeteria Revenue			179,810
Other Miscellaneous Revenue	85,817	28,500	
	<u>2,312,724</u>	<u>2,111,107</u>	<u>2,964,980</u>
RENTALS AND LEASES	270,813	136,851	177,759
INVESTMENT INCOME	540,813	200,000	730,380
TOTAL OPERATING REVENUE	<u>91,047,878</u>	<u>84,159,118</u>	<u>83,582,839</u>

SCHOOL DISTRICT NO. 33 (Chilliwack)
OPERATING FUND
COMPARATIVE SCHEDULE OF EXPENSE BY OBJECT
YEAR ENDED JUNE 30, 2006

Schedule A3

	2006 ACTUAL	2006 AMENDED ANNUAL BUDGET	2005 ACTUAL
SALARIES			
Teachers	39,403,294	37,127,462	36,006,510
Principals and Vice Principals	4,977,702	4,769,819	4,725,763
Educational Assistants	5,356,254	5,261,102	4,683,451
Support Staff	8,584,245	8,514,032	7,725,805
Other Professionals	1,944,562	1,885,723	1,580,988
Substitutes	3,165,286	2,171,355	2,362,240
	<u>63,431,343</u>	<u>59,729,493</u>	<u>57,084,757</u>
EMPLOYEE BENEFITS			
Total Salaries and Benefits	12,629,966	12,630,278	11,814,514
	<u>76,061,309</u>	<u>72,359,771</u>	<u>68,899,271</u>
SERVICES AND SUPPLIES			
Services	1,636,964	1,441,282	3,876,112
Student Transportation	70,842	113,955	79,458
Professional Development and Travel	731,040	1,153,765	548,973
Rentals and Leases	338,812	406,579	609,948
Dues and Fees	75,546	76,717	92,253
Insurance	254,663	255,133	268,264
Interest	0	0	0
Supplies	6,930,460	7,848,284	5,101,658
Bad Debts	0	0	0
Utilities	1,514,602	1,589,144	1,542,447
Total Services and Supplies	<u>11,552,929</u>	<u>12,884,859</u>	<u>12,119,113</u>
TOTAL OPERATING EXPENSE	<u>87,614,238</u>	<u>85,244,630</u>	<u>81,018,384</u>

SCHOOL DISTRICT NO. 33 (Chilliwack)
 OPERATING FUND
 EXPENSE BY FUNCTION AND PROGRAM
 YEAR ENDED JUNE 30, 2006

	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	32,985,738	1,021,410	255,586	519,470	27,954	1,421,894	36,232,052
1.03 Career Programs	52,728	13,402	2,289	262,096	49,610	36,494	416,619
1.07 Library Services	1,141,179	13,103		61,970			1,216,252
1.08 Counselling	1,306,895						1,306,895
1.10 Special Education	3,326,879	131,092	4,542,611	84,737	5,714	654,740	8,745,773
1.30 English as a Second Language	369,094	11,154				100	380,348
1.31 Aboriginal Education	205,716	19,067	500,555	9,049	40,750	91,120	866,257
1.41 School Administration		3,441,409		1,991,250	314,686	183,724	5,931,069
1.60 Summer School		12,579					12,579
1.61 Continuing Education							0
1.62 Off Shore Students	15,065	93,977		38,995		6,437	109,042
1.64 Other							45,432
1.65 Conseil Scolaire Francophone							0
Total Function 1	39,403,294	4,757,193	5,301,041	2,597,567	438,714	2,394,509	55,282,318
4 DISTRICT ADMINISTRATION							
4.11 Educational Administration		111,109		42,560	489,053	11,698	654,420
4.40 School District Governance					78,099		78,099
4.41 Business Administration		109,400		338,782	489,529	21,691	959,402
4.65 Conseil Scolaire Francophone							0
Total Function 4	0	220,509	0	381,342	1,056,681	33,389	1,691,921
5 OPERATIONS AND MAINTENANCE							
5.41 Operations and Maintenance Administration				90,972	348,467		439,439
5.50 Maintenance Operations				3,491,958	29,506	473,147	3,994,611
5.52 Maintenance of Grounds				458,514		29,382	487,896
5.56 Utilities							0
5.65 Conseil Scolaire Francophone							0
Total Function 5	0	0	0	4,041,444	377,973	502,529	4,921,946
7 TRANSPORTATION AND HOUSING							
7.41 Transportation and Housing Administration				52,083	71,194		123,287
7.65 Conseil Scolaire Francophone							0
7.70 Student Transportation				1,141,799		234,859	1,431,871
7.73 Housing							0
Total Function 7	0	0	55,213	1,193,882	71,194	234,859	1,565,158
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	39,403,294	4,977,702	5,356,254	8,594,245	1,944,562	3,165,286	63,431,343

SCHOOL DISTRICT NO. 33 (Chilliwack)
 OPERATING FUND
 EXPENSE BY FUNCTION AND PROGRAM
 YEAR ENDED JUNE 30, 2006

	2006		2005	
	TOTAL SALARIES	TOTAL SALARIES AND BENEFITS	AMENDED ANNUAL BUDGET	ACTUAL
1 INSTRUCTION				
1.02 Regular Instruction	36,232,052	7,018,022	48,413,970	44,824,216
1.03 Career Programs	416,619	80,511	582,479	573,985
1.07 Library Services	1,216,252	233,260	1,449,512	1,426,247
1.08 Counselling	1,306,895	248,073	1,554,968	1,526,984
1.10 Special Education	8,745,773	1,874,655	10,859,550	10,339,374
1.30 English as a Second Language	380,348	71,929	452,277	475,533
1.31 Aboriginal Education	866,257	184,724	360,226	535,408
1.41 School Administration	5,931,069	1,163,223	7,094,292	1,442,047
1.60 Summer School	12,579	2,309	19,900	6,257,734
1.61 Continuing Education	0	0	0	0
1.62 Off Shore Students	109,042	18,917	293,788	0
1.64 Other	45,432	10,633	56,065	253,387
1.65 Conseil Scolaire Francophone	0	0	56,927	149,227
Total Function 1	55,262,318	10,906,256	72,496,059	67,327,619
4 DISTRICT ADMINISTRATION				
4.11 Educational Administration	654,420	110,708	827,082	783,399
4.40 School District Governance	78,099	1,170	265,562	259,576
4.41 Business Administration	959,402	199,281	1,645,936	1,652,967
4.65 Conseil Scolaire Francophone	0	0	0	1,412,846
Total Function 4	1,691,921	311,159	2,738,580	2,171,853
5 OPERATIONS AND MAINTENANCE				
5.41 Operations and Maintenance Administration	439,439	83,939	735,134	700,311
5.50 Maintenance Operations	3,994,611	910,416	6,911,295	6,448,540
5.52 Maintenance of Grounds	487,896	119,014	718,866	642,224
5.56 Utilities	0	0	1,514,602	708,076
5.65 Conseil Scolaire Francophone	0	0	0	1,542,447
Total Function 5	4,921,946	1,113,369	9,879,837	9,243,652
7 TRANSPORTATION AND HOUSING				
7.41 Transportation and Housing Administration	123,287	23,341	165,486	139,310
7.65 Conseil Scolaire Francophone	0	0	0	0
7.70 Student Transportation	1,431,871	275,841	2,364,206	2,265,378
7.73 Housing	1,555,158	299,182	2,529,692	2,135,950
Total Function 7	3,110,316	598,364	4,059,384	2,275,260
9 DEBT SERVICES (OPERATING)				
9.92 Interest on Bank Loans	0	0	0	0
9.94 Interest on Temporary Borrowing	0	0	0	0
Total Function 9	0	0	0	0
TOTAL FUNCTIONS 1 - 9	63,431,343	12,629,966	87,614,238	81,018,384

**SCHOOL DISTRICT NO. 33 (Chilliwack)
OPERATING FUND
CHANGES IN DEFERRED CONTRIBUTIONS
YEAR ENDED JUNE 30, 2006**

Schedule A5

BALANCE, BEGINNING OF YEAR	378,170
Changes in Accounting Policies/ Prior Period Adjustments	
BALANCE, BEGINNING OF YEAR, AS RESTATED	378,170
Changes for the Year	
Increase:	
Provincial Grants - Ministry of Education	0
Provincial Grants - Other	0
Other Revenue	0
Off-Shore Tuition Fees	163,235
	163,235
Decrease:	
Allocated to Revenue	
Provincial Grants - Ministry of Education	0
Provincial Grants - Other	0
Federal Grants	0
Other Revenue	0
Rentals and Leases	0
Investment Income	0
Off Shore Tuition	378,170
	378,170
Net Changes for the Year	(214,935)
BALANCE, END OF YEAR	163,235

SCHOOL DISTRICT NO. 33 (Chilliwack)
SPECIAL PURPOSE FUNDS
SUMMARY OF CHANGES
YEAR ENDED JUNE 30, 2006

	MINISTRY OF EDUCATION DESIGNATED	OTHER	SCHOOL GENERATED FUNDS	RELATED ENTITIES	TOTAL
DEFERRED CONTRIBUTIONS					
DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR	1,397,154	312,252	1,230,142	0	2,939,548
Add: Contributions Received					
Provincial Grants - Ministry of Education	4,349,718				4,349,718
Provincial Grants - Other		192,556			192,556
Federal Grants		546,887			546,887
Other Revenue	366,701	45,300	3,780,171		4,192,172
Rentals and Leases					0
Investment Income	27,793	5,818	38,344		71,955
Donations	93,773				93,773
	4,744,212	894,334	3,818,515	0	9,447,061
Less: Allocated to Revenue Recovered	5,539,857	603,940	3,133,808		9,277,605
	601,509	592,846	1,914,849	0	3,109,004
DEFERRED CONTRIBUTIONS, END OF YEAR					
	4,916,429				4,916,429
		513,720			513,720
	623,428	90,220	3,133,808		3,847,456
					0
					0
					0
	5,539,857	603,940	3,133,808	0	9,277,605
REVENUE AND EXPENSE					
REVENUE					
Provincial Grants - Ministry of Education	4,916,429				4,916,429
Provincial Grants - Other					0
Federal Grants		513,720			513,720
Other Revenue	623,428	90,220	3,133,808		3,847,456
Rentals and Leases					0
Investment Income					0
Gain (Loss) on Equity Investment					0
	5,539,857	603,940	3,133,808	0	9,277,605
EXPENSE					
Salaries					
Teachers	499,740	22,801			522,541
Principals and Vice Principals	63,979				63,979
Educational Assistants	20,041				20,041
Support Staff	181,804	204,860			386,664
Other Professionals	50,043	8,153			58,196
Substitutes	56,006	11,444			67,450
Employee Benefits	871,613	247,258	0	0	1,118,871
Services and Supplies	169,585	22,559			192,144
	1,586,913	334,123	3,133,808		5,056,844
	2,630,111	603,940	3,133,808	0	6,367,859
	2,909,746	0	0	0	2,909,746
NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS					
	(2,183,459)				(2,183,459)
INTERFUND TRANSFERS					
Capital Assets Purchased	(726,287)				(726,287)
Other	(2,909,746)	0	0	0	(2,909,746)
	0	0	0	0	0
NET REVENUE (EXPENSE)					
					0

Schedule B2

SCHOOL DISTRICT NO. 33 (Chilliwack)
SPECIAL PURPOSE FUNDS
CHANGES IN MINISTRY OF EDUCATION DESIGNATED SPECIAL PURPOSE FUNDS
YEAR ENDED JUNE 30, 2006

	207 Annual Facility Grant	210 Distance Education School	231 Aboriginal Education Technology	250 Special Education Equipment	301 Transport for Deaf & Hard of Hearing	Provincial Avid	SD33 Avid	TOTAL
DEFERRED CONTRIBUTIONS								
DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR								
Add: Contributions Received	472,046	761,242	40,898	32,141	657	54,597	35,573	1,397,154
Provincial Grants - Ministry of Education		1,192,647		27,167		171,500	84,000	4,349,718
Provincial Grants - Other								0
Federal Grants								0
Other Revenue		363,423				3,278		366,701
Rentals and Leases	5,240	22,553						0
Investment Income	2,879,844	1,578,623		27,167		174,776	84,000	27,793
								4,744,212
Less: Allocated to Revenue Recovered	3,093,178	2,339,865	40,898	14,366		17,929	33,621	5,539,857
DEFERRED CONTRIBUTIONS, END OF YEAR	258,912	211,446	44,942	657		211,446	85,952	601,509
REVENUE AND EXPENSE								
REVENUE								
Provincial Grants - Ministry of Education		1,716,437	40,898	14,366		17,929	33,621	4,916,429
Provincial Grants - Other								0
Federal Grants								0
Other Revenue		623,428						623,428
Rentals and Leases								0
Investment Income	3,093,178	2,339,865	40,898	14,366		17,929	33,621	0
								5,539,857
EXPENSE								
Salaries								
Teachers		499,740						499,740
Principals and Vice Principals		63,979						63,979
Educational Assistants		20,041						20,041
Support Staff		180,036				1,768		181,804
Other Professionals		17,496				32,547		50,043
Substitutes		55,061				945		56,006
Employee Benefits		836,353				35,260		871,613
Services and Supplies		163,693				5,892		169,585
	843,914	679,337	40,898	14,366		(23,223)	33,621	1,588,913
	843,914	1,679,383	40,898	14,366		17,929	33,621	2,630,111
	2,249,264	660,482						2,909,746
NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS								
INTERFUND TRANSFERS								
Capital Assets Purchased	(2,144,153)							(2,163,459)
Other	(105,111)							(726,287)
	(2,249,264)							(2,909,746)
NET REVENUE (EXPENSE)								0

SCHOOL DISTRICT NO. 33 (Chilliwack)
SPECIAL PURPOSE FUNDS
CHANGES IN OTHER SPECIAL PURPOSE FUNDS
YEAR ENDED JUNE 30, 2006

	Scholarships	International AVID	HRDC	Urban Cap	French Support	MCF Childcare	TOTAL
DEFERRED CONTRIBUTIONS							
DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR	159,056	(4,583)	80,083	32,456	45,240		312,252
Add: Contributions Received							
Provincial Grants - Ministry of Education							0
Provincial Grants - Other			318,752	66,749	161,386	192,556	192,556
Federal Grants							546,887
Other Revenue	45,300						45,300
Rentals and Leases	5,818						5,818
Investment Income	93,773						93,773
Donations	99,591	45,300	318,752	66,749	161,386	192,556	884,334
Less: Allocated to Revenue Recovered	77,136	13,084	316,989	78,171	118,560		603,940
DEFERRED CONTRIBUTIONS, END OF YEAR	181,511	27,633	81,848	21,034	88,066	192,556	597,646

	Scholarships	International AVID	HRDC	Urban Cap	French Support	MCF Childcare	TOTAL
REVENUE							
Provincial Grants - Ministry of Education							0
Provincial Grants - Other			316,989	78,171	118,560		513,720
Federal Grants							90,220
Other Revenue	77,136	13,084					90,220
Rentals and Leases							0
Investment Income							0
EXPENSE							
Salaries	77,136	13,084	316,989	78,171	118,560		603,940
Teachers					22,801		22,801
Principals and Vice Principals							0
Educational Assistants							0
Support Staff			204,860				204,860
Other Professionals		8,153					8,153
Substitutes				7,484	3,960		11,444
Employee Benefits		8,153	204,860	7,484	26,761		247,258
Services and Supplies	77,136	1,244	16,209	377	4,729		22,559
NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS	77,136	3,687	95,920	70,310	87,070		334,123
INTERFUND TRANSFERS	77,136	13,084	316,989	78,171	118,560		603,940
Capital Assets Purchased							0
Other							0
NET REVENUE (EXPENSE)							0

SCHOOL DISTRICT NO. 33 (Chilliwack)
 CAPITAL FUND
 CAPITAL ASSETS
 YEAR ENDED JUNE 30, 2006

	SITES	BUILDINGS	FURNITURE AND EQUIPMENT	VEHICLES	COMPUTER SOFTWARE	COMPUTER HARDWARE	TOTAL
COST, BEGINNING OF YEAR	13,558,440	147,038,458	9,022,202	2,956,865	0	1,772,595	174,348,560
Changes in Accounting Policy/ Prior Period Adjustments							
COST, BEGINNING OF YEAR, AS RESTATED	13,558,440	147,038,458	9,022,202	2,956,865	0	1,772,595	174,348,560
Changes for the Year							
Increase:							
Purchases from:							
Deferred Contributions - Bylaw			24,380	368,620			1,906,914
Deferred Contributions - Other							0
Operating Fund		2,144,153	104,053	15,752		60,713	180,518
Special Purpose Funds			194,098	204,605		39,306	2,183,459
Local Capital		139,440					398,703
Transferred from Work in Progress		2,283,593	322,531	868,977	0	100,019	139,440
Decrease:							
Disposed of							0
Deemed Disposals			1,368,529	290,899		685,424	2,344,852
Written-off/down During Year		99,153					99,153
COST, END OF YEAR	0	99,153	1,368,529	290,899	0	685,424	2,444,005
WORK IN PROGRESS, END OF YEAR	15,072,354	149,222,898	7,976,204	3,254,943	0	1,187,190	176,713,589
COST AND WORK IN PROGRESS, END OF YEAR	15,072,354	159,173,108	7,976,204	3,254,943	0	1,187,190	182,663,799
ACCUMULATED AMORTIZATION, BEGINNING OF YEAR							
Changes in Accounting Policies/ Prior Period Adjustments							
BALANCE, BEGINNING OF YEAR, AS RESTATED	0	41,833,480	4,698,267	1,056,838	0	1,099,622	48,688,207
Changes for the Year							
Increase: Amortization for the Year		3,450,706	902,220	295,687		354,519	5,003,132
Decrease:							
Disposed of							0
Deemed Disposals			1,368,529	290,899		685,424	2,344,852
Written-off During Year		94,287					94,287
ACCUMULATED AMORTIZATION, END OF YEAR	0	45,188,899	4,231,958	1,067,626	0	768,717	51,257,200
CAPITAL ASSETS - NET	15,072,354	119,983,209	3,744,246	2,193,317	0	418,473	141,411,599

SCHOOL DISTRICT NO. 33 (Chilliwack)
 CAPITAL FUND
 CAPITAL ASSETS - WORK IN PROGRESS
 YEAR ENDED JUNE 30, 2006

	BUILDINGS	FURNITURE AND EQUIPMENT	COMPUTER SOFTWARE	COMPUTER HARDWARE	TOTAL
WORK IN PROGRESS, BEGINNING OF YEAR	3,093,382	0	0	0	3,093,382
Changes in Accounting Policy/ Prior Period Adjustments					
WORK IN PROGRESS, BEGINNING OF YEAR, AS RESTATED	3,093,382	0	0	0	3,093,382
Changes for the Year					
Increase:					
Deferred Contributions - Bylaw	12,569,795				12,569,795
Deferred Contributions - Other					0
Operating Fund	105,111				105,111
Special Purpose Funds	321,362				321,362
Local Capital	12,996,288	0	0	0	12,996,288
Decrease:					
Transferred to Capital Assets	139,440				139,440
	139,440	0	0	0	139,440
Net Changes for the Year	12,856,828	0	0	0	12,856,828
WORK IN PROGRESS, END OF YEAR	15,950,210	0	0	0	15,950,210

SCHOOL DISTRICT NO. 33 (Chilliwack)
CAPITAL FUND
DEFERRED CAPITAL CONTRIBUTIONS
YEAR ENDED JUNE 30, 2006

Schedule C3

	BYLAW CAPITAL (NET)	OTHER PROVINCIAL (NET)	OTHER CAPITAL (NET)	TOTAL CAPITAL
DEFERRED CAPITAL CONTRIBUTIONS, BEGINNING OF YEAR	97,036,479	0	0	97,036,479
Changes in Accounting Policies/ Prior Period Adjustments				
DEFERRED CAPITAL CONTRIBUTIONS, BEGINNING OF YEAR, AS RESTATED	<u>97,036,479</u>	<u>0</u>	<u>0</u>	<u>97,036,479</u>
Changes for the Year				
Increase:				
Transferred from Deferred Contributions - Capital Additions	393,000			393,000
Transferred from Work in Progress				0
	<u>393,000</u>	<u>0</u>	<u>0</u>	<u>393,000</u>
Decrease:				
Amortization of Deferred Capital Contributions	3,900,241			3,900,241
Revenue Recognized on Disposal of Buildings				0
Revenue Recognized on Write-off/down of Buildings	4,866			4,866
	<u>3,905,107</u>	<u>0</u>	<u>0</u>	<u>3,905,107</u>
Net Changes for the Year	<u>(3,512,107)</u>	<u>0</u>	<u>0</u>	<u>(3,512,107)</u>
DEFERRED CAPITAL CONTRIBUTIONS, END OF YEAR	<u>93,524,372</u>	<u>0</u>	<u>0</u>	<u>93,524,372</u>
WORK IN PROGRESS, BEGINNING OF YEAR	2,894,045	0	0	2,894,045
Changes in Accounting Policies/ Prior Period Adjustments				
WORK IN PROGRESS, BEGINNING OF YEAR, AS RESTATED	<u>2,894,045</u>	<u>0</u>	<u>0</u>	<u>2,894,045</u>
Changes for the Year				
Increase:				
Transferred from Deferred Contributions - Work in Progress	12,569,795			12,569,795
	<u>12,569,795</u>	<u>0</u>	<u>0</u>	<u>12,569,795</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>12,569,795</u>	<u>0</u>	<u>0</u>	<u>12,569,795</u>
WORK IN PROGRESS, END OF YEAR	<u>15,463,840</u>	<u>0</u>	<u>0</u>	<u>15,463,840</u>
DEFERRED CAPITAL CONTRIBUTIONS AND WORK IN PROGRESS, END OF YEAR	<u>108,988,212</u>	<u>0</u>	<u>0</u>	<u>108,988,212</u>

**SCHOOL DISTRICT NO. 33 (Chilliwack)
CAPITAL FUND
CHANGES IN DEFERRED CONTRIBUTIONS
YEAR ENDED JUNE 30, 2006**

	BYLAW CAPITAL	MINISTRY OF EDUCATION RESTRICTED CAPITAL	OTHER PROVINCIAL CAPITAL	LAND CAPITAL	OTHER CAPITAL	TOTAL
BALANCE, BEGINNING OF YEAR	(382,170)	21,240	0	237,180	0	(123,750)
Changes in Accounting Policies/ Prior Period Adjustments						
BALANCE, BEGINNING OF YEAR, AS RESTATED	(382,170)	21,240	0	237,180	0	(123,750)
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	15,333,323					15,333,323
Provincial Grants - Other				259,258		259,258
Other		700		13,934		14,634
Investment Income						0
MEd Restricted Portion of Proceeds on Disposal		700	0	273,192	0	15,607,215
Decrease:						
Transferred to DCC - Capital Additions	393,000					393,000
Transferred to DCC - Work in Progress	12,569,795					12,569,795
Transferred to Invested in Capital Assets	1,513,914					1,513,914
- Site Purchases	14,476,709	0	0	0	0	14,476,709
Net Changes for the Year	856,614	700	0	273,192	0	1,130,506
BALANCE, END OF YEAR	474,444	21,940	0	510,372	0	1,006,756

SCHOOL DISTRICT NO. 33 (Chilliwack)
CAPITAL FUND
CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2006

Schedule C5

	INVESTMENT IN CAPITAL	LOCAL CAPITAL	FUND BALANCE
BALANCE, BEGINNING OF YEAR	28,823,210	264,289	29,087,499
Changes in Accounting Policies/ Prior Period Adjustments			
BALANCE, BEGINNING OF YEAR, AS RESTATED	<u>28,823,210</u>	<u>264,289</u>	<u>29,087,499</u>
Changes for the Year			
Investment Income		10,530	10,530
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	3,900,241		3,900,241
Capital Assets Purchased from Local Capital	398,703	(398,703)	0
Interfund Transfers - Capital Assets Purchased	2,363,977		2,363,977
Interfund Transfers - Capital Assets WIP	105,111		105,111
Interfund Transfers - Local Capital		949,182	949,182
Amortization of Capital Assets	(5,003,132)		(5,003,132)
Transferred to Invested in Capital Assets			
- Site Purchases	1,513,914		1,513,914
Local Capital - WIP	321,362	(321,362)	
Net Changes for the Year	<u>3,600,176</u>	<u>239,647</u>	<u>3,839,823</u>
BALANCE, END OF YEAR	<u><u>32,423,386</u></u>	<u><u>503,936</u></u>	<u><u>32,927,322</u></u>