
NORTHEASTERN CATHOLIC DISTRICT SCHOOL BOARD

FINANCIAL STATEMENTS

YEARS ENDED AUGUST 31, 2002 & 2001

NORTHEASTERN CATHOLIC DISTRICT SCHOOL BOARD

OFFICERS

YEARS ENDED AUGUST 31

	2002	2001
CHAIRPERSON OF BOARD	Jack Slattery	Jack Slattery
BOARD MEMBERS	Charlie Angus Peter Del Guidice Mary Dudgeon Paul Keating Elizabeth King Colleen Landers Mary O'Connor	Charlie Angus Peter Del Guidice Mary Dudgeon Paul Keating Elizabeth King Colleen Landers Mary O'Connor
SENIOR ADMINISTRATIVE PERSONNEL		
Director of Education	Larry Yaguchi	Larry Yaguchi
Assistant to the Director of Education	Paul Toffanello	Paul Toffanello
Manager of Financial Services	Luigina Malciw	Luigina Malciw
Manager of Human Resources	Yves Meloche	Yves Meloche
Manager of Plant	Robert Landry	Robert Landry

NORTHEASTERN CATHOLIC DISTRICT SCHOOL BOARD

INDEX TO FINANCIAL STATEMENTS

YEARS ENDED AUGUST 31, 2002 & 2001

OFFICERS

AUDITORS' REPORT

STATEMENTS

- 1 Balance Sheet
- 2 Statement of Revenue Fund Revenue and Expenses
- 3 Capital Fund Statement of Operations
- 4 Continuity of Reserves and Reserve Funds

NOTES TO FINANCIAL STATEMENTS

SCHEDULE

- A Schedule of Revenue Fund Expenses

STATEMENT 1**NORTHEASTERN CATHOLIC DISTRICT SCHOOL BOARD****BALANCE SHEET****AS AT AUGUST 31**

	2002	2001
ASSETS		
CURRENT ASSETS		
Cash	\$ 2,139,843	\$ 3,382,457
Investments, at cost	56,798	40,514
Accounts receivable (Note 5)	2,094,390	1,219,964
Prepaid expenses	78,800	95,165
	4,369,831	4,738,100
CASH HELD FOR RESERVE FUNDS	5,193,708	4,512,523
CAPITAL OUTLAY TO BE RECOVERED IN FUTURE YEARS (Notes 2 and 8)	4,640,000	4,870,000
	\$14,203,539	\$14,120,623
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities (Note 6)	\$ 1,155,736	\$ 722,387
Other current liabilities	167,638	134,618
	1,323,374	857,005
NET LONG-TERM LIABILITIES (Notes 2, 8 and 11)	4,640,000	4,870,000
CONTINGENCIES & COMMITMENTS (Notes 7, 11, and 14)		
EQUITY IN RESERVE FUNDS (Note 2)	5,193,708	4,512,523
RESERVE FOR WORKING FUNDS (Note 2)	3,046,457	3,881,095
	\$14,203,539	\$14,120,623

Signed on Behalf of the Board:_____
Chairperson_____
Director of Education

See accompanying notes.

NORTHEASTERN CATHOLIC DISTRICT SCHOOL BOARD

CONTINUITY OF RESERVES AND RESERVE FUNDS

YEARS ENDED AUGUST 31

	Reserve For Working Funds	Classroom Reserve Fund	Proceeds of Disposition Reserve Fund	Transition Reserve Fund	Sick Leave Reserve Fund	Special Education Reserve Fund	Capital Reserve Fund	WSIB Reserve Fund	Bursaries Reserve Fund	-----Total-----	
										2002	2001
Balance, beginning of year	\$ 3,881,095	\$ 2,169,360	\$ 1,412,561	\$ 422,692	\$ 239,914	\$ 189,100	\$ 61,679	\$ 14,740	\$ 2,477	\$ 8,393,618	\$ 6,663,289
Transfer from revenue fund	-	596,754	-	-	-	-	-	15,000	-	611,754	1,538,445
Interest earned	-	44,825	36,178	10,827	6,145	3,061	1,580	238	63	102,917	191,884
Transfer to revenue fund	(834,638)	-	-	(33,486)	-	-	-	-	-	(868,124)	-
Balance, end of year	\$ 3,046,457	\$ 2,810,939	\$ 1,448,739	\$ 400,033	\$ 246,059	\$ 192,161	\$ 63,259	\$ 29,978	\$ 2,540	\$ 8,240,165	\$ 8,393,618

See accompanying notes.

NORTHEASTERN CATHOLIC DISTRICT SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED AUGUST 31, 2002 & 2001

1. NATURE OF OPERATIONS

The Northeastern Catholic District School Board is an English Catholic school board formed in January 1998 from the English Language sections of four separate school boards. The School Board, which covers an area from Cobalt to Kapuskasing, Ontario, has one secondary and twelve elementary schools under its jurisdiction.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared by the School Board using accounting principles prescribed by the Ministry of Education and considered appropriate for Ontario school boards. These principles are in accordance with Canadian generally accepted accounting principles except as follows:

(a) ACCRUAL ACCOUNTING

Revenue and expenses are accounted for on the accrual basis of accounting, with the following exceptions:

- (i) No provision has been made to record the liability for employee future benefits as described in the CICA Handbook - section 3461 except the amount referred to in Note 7 to the financial statements;
- (ii) No provision has been made for interest on unmatured debenture debt from the date of payment to the year-end (see Note 11); and
- (iii) The education portion of municipal supplementary taxes and tax write-offs has not been accrued for the calendar year 2002.

(b) CAPITAL ASSETS

The acquisition of capital assets is expensed unless they are or will be financed by long-term debt. Principal and interest charges on net long-term liabilities are included as expenses in the period due. Capital expenditures permanently financed are included on the balance sheet only to the extent of the

NORTHEASTERN CATHOLIC DISTRICT SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONT'D)

YEARS ENDED AUGUST 31, 2002 & 2001

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) USE OF ESTIMATES

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the reporting period. Actual results may vary from current estimates. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in the periods in which they become known.

(g) FINANCIAL INSTRUMENTS

The balance sheet value for short-term investments, accounts receivable, accounts payable and accrued liabilities approximates fair value because of their limited term. The balance sheet value of the net long-term liabilities approximates fair value because the Board's current rate of borrowing for similar debt instruments of comparable maturity is not materially different. Fair value estimates are made as at the balance sheet date based on relevant information and information about the financial instruments.

3. TAXATION REVENUE

In accordance with Ministry of Education requirements, taxation revenue is based on 38% of taxation revenue from municipalities for the calendar year 2001, 62% of taxation revenue from municipalities for the calendar year 2002 and 100% of the education portion of municipal supplementary taxes and tax write-offs for the calendar year 2001. In most cases, the calculations are based on information provided to the Board by the various municipalities. Not all municipalities, however, have provided the School Board with the tax information required. In those instances, the taxation revenue has been estimated.

Due to the fact that actual taxation revenue may vary from the estimates, adjustments may be required in the future. Any adjustments will be reflected in the year in which the municipalities advise as to the final taxation amounts. These adjustments will affect the Legislative Grant in future years as the Grant is calculated as the difference between total allocations as per the Grant calculation provided by the Ministry and the estimated taxation revenue. In the fiscal year 2001/2002, an amount of \$224,056 (2001 - (\$241,669)) has reduced the amount reported as taxation revenue which relates to prior years. A corresponding amount has been reported in accounts receivable as due from the Government of Ontario.

4. SCHOOL LEAVE PROGRAM

NORTHEASTERN CATHOLIC DISTRICT SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONT'D)

YEARS ENDED AUGUST 31, 2002 & 2001

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2002	2001
Trade payables and accrued liabilities	\$ 777,304	\$ 533,966
Other school boards	378,432	109,592
Government of Ontario	-	78,829
	\$ 1,155,736	\$ 722,387

7. RETIREMENT GRATUITIES PLANS

Under the sick leave benefit plan, unused sick leave can accumula

NORTHEASTERN CATHOLIC DISTRICT SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONT'D)

YEARS ENDED AUGUST 31, 2002 & 2001

11. DEBENTURE INTEREST ACCRUAL

The amount of unaccrued interest on net long-term debt from the date of payment to the year-end is \$59,150 (2001 - \$62,025).

12. PENSION PLAN COSTS

All non-teaching employees of the School Board are eligible to be members of the Ontario Municipal Employees Retirement System (OMERS) which is a multi-employer defined benefit contributory plan. No employer contributions were made to the plan during the year due to a contribution holiday that continues until December 31, 2002.

Not shown in the financial statements of the School Board are the employer's contributions to the Ontario Teachers' Pension Plan. The funding for such is provided directly by the Province of Ontario.

13. ONTARIO SCHOOL BOARD INSURANCE EXCHANGE

The School Board is a member of the Ontario School Board Insurance Exchange (OSBIE), a reciprocal insurance company licensed under the Insurance Act. OSBIE insures general public liability, property damage and certain other risks.

14. COMMITMENTS

(a) The School Board has entered into agreements to lease certain office equipment. Minimum lease payments for the next five years are approximately as follows:

2002/2003	\$91,853
2003/2004	\$77,697
2004/2005	\$71,415
2005/2006	\$52,287
2006/2007	\$9,222

(b) The School Board has entered into an agreement to lease office space in Kirkland Lake, Ontario for annual rent payments (excluding G.S.T.) of approximately \$15,187. This lease expires in July 2007.

15. TRANSFERS TO OTHER BOARDS

During the year, \$1,378,743 was transferred to District School Board Ontario North East for transportation costs related to open access pupils. Of this amount, \$989,000 was paid in consideration of prior years' costs based on an agreement between the two school boards which was signed on June 24, 2002. An amount of \$834,638 was transferred from the reserve for working funds to partially fund the prior years' costs.

16. PUBLIC SECTOR SALARY DISCLOSURE

On January 29, 1996 the Ontario Legislature passed the Public Sector Salary Disclosure Act which requires Ontario's broader public sector organizations to disclose annually the names, positions, salaries and taxable benefits of employees paid \$100,000 or more a year. In the calendar year 2001, the following employees of the Northeastern Catholic District School Board were paid \$100,000 or more:

EMPLOYEE	POSITION	SALARY	TAXABLE BENEFITS
Larry Yaguchi	Director of Education	\$ 147,734	\$ 2,388
Yves Meloche	Manager of Human Resources	\$ 103,066	\$ 3,990

NORTHEASTERN CATHOLIC DISTRICT SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONT'D)

YEARS ENDED AUGUST 31, 2002 & 2001

17. 2001/2002 BUDGET

The 2001/2002 budget data shown on the statement of revenue fund revenue and expenses are the

SCHEDULE A**NORTHEASTERN CATHOLIC DISTRICT SCHOOL BOARD****SCHEDULE OF REVENUE FUND EXPENSES****YEARS ENDED AUGUST 31**

	2002	2001
CLASSROOM		
Salaries and wages	\$10,484,567	\$10,067,789
Employee benefits	1,373,879	1,341,248
Staff development	72,935	46,218
Supplies and services	1,081,034	853,088
Replacement furniture and equipment	562	763
Capital expenses	259,418	526,994
Rental expenses	90,623	66,251
Fees and contractual services	146,498	87,006
Other	5,720	10,478
	13,515,236	12,999,835
NON-CLASSROOM		
Salaries and wages	2,922,829	2,724,354
Employee benefits	443,871	347,766
Staff development	17,977	5,024
Supplies and services	192,350	167,627
Capital expenses	3,087	2,000
Other	250	-
	3,580,364	3,246,771
ADMINISTRATION		
Salaries and wages	882,573	848,425
Employee benefits	101,976	77,663
Staff development	44,899	52,377
Supplies and services	206,525	225,805
Capital expenses	97,934	18,041
Rental expenses	36,724	32,625
Fees and contractual services	158,714	118,314
Other	41,528	36,245
	1,570,873	1,409,495

