
NORTHEASTERN CATHOLIC DISTRICT SCHOOL BOARD

FINANCIAL STATEMENTS

YEARS ENDED AUGUST 31, 2003 & 2002

NORTHEASTERN CATHOLIC DISTRICT SCHOOL BOARD

OFFICERS

YEARS ENDED AUGUST 31

	2003	2002
CHAIRPERSON OF BOARD	Colleen Landers	Jack Slattery
BOARD MEMBERS	Charlie Angus Peter Del Guidice Mary Dudgeon Paul Keating Elizabeth King Mary O'Connor Jack Slattery	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
Superintendent of Education	Paul Toffanello	Paul Toffanello
Manager of Financial Services	Luigina Malciw	Luigina Malciw
Manager of Human Resources	Michael Resetar	Yves Meloche
Manager of Plant	Robert Landry	Robert Landry

NORTHEASTERN CATHOLIC DISTRICT SCHOOL BOARD

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YEARS ENDED AUGUST 31, 2003 & 2002

OFFICERS

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Ross, Pope & Company

Chartered Accountants

4 Al Wende Avenue

P.O. Box 785

Kirkland Lake, Ontario P2N 3K4

E-Mail: kl@rosspope.com

Telephone: (705) 567-5205

Fax: (705) 567-6504

AUDITORS' REPORT

To the Trustees of the Northeastern Catholic District School Board

We have audited the Balance Sheet of the Northeastern Catholic District School Board as at August 31, 2003 and the Revenue Fund Statement of Operations, the Capital Fund Statement of Operations and the Reserves and Reserve Funds Statement of Continuity for the year then ended. These financial statements have been prepared to comply with Section 252 of the Education Act of Ontario. These financial statements are the responsibility of the Board'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 Board as at August 31, 2003 and for the year ended August 31, 2003.

August 31, 2003 and for the year ended August 31, 2003. Ts also i2JJ10.0007 Tc05a

NORTHEASTERN CATHOLIC DISTRICT SCHOOL BOARD

BALANCE SHEET

AS AT AUGUST 31

	2003	2002
ASSETS		
CURRENT ASSETS		
Cash	\$ 2,501,797	\$ 2,139,843
Investments, at cost	48,928	56,798
Accounts receivable (Note 5)	2,004,000	2,094,390
Prepaid expenses	56,141	78,800
	4,610,866	4,369,831
CASH HELD FOR RESERVE FUNDS	5,579,564	5,193,708
CAPITAL OUTLAY TO BE RECOVERED IN FUTURE YEARS (Notes 2 and 8)	4,400,000	4,640,000
	\$14,590,430	\$14,203,539
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities (Note 6)	\$ 1,443,503	\$ 1,155,736
Other current liabilities	120,906	167,638
	1,564,409	1,323,374
NET LONG-TERM LIABILITIES (Notes 2, 8 and 11)	4,400,000	4,640,000
CONTINGENCIES & COMMITMENTS (Notes 7, 11, 14 and 15)		
EQUITY IN RESERVE FUNDS (Note 2)	5,579,564	5,193,708
RESERVE FOR WORKING FUNDS (Note 2)	3,046,457	3,046,457
	\$14,590,430	\$14,203,539

Signed on Behalf of the Board:

Chairperson_____
Director of Education

See accompanying notes.

NORTHEASTERN CATHOLIC DISTRICT SCHOOL BOARD

REVENUE FUND STATEMENT OF OPERATIONS

YEARS ENDED AUGUST 31

	-----2003-----		
	BUDGET (unaudited)	ACTUAL	2002 ACTUAL
REVENUE			
Local taxation (Note 3)	\$ 6,561,874	\$ 6,519,668	\$ 6,588,391
Legislative grants	18,429,215	20,076,828	17,793,267
Other provincial grants	2,000	266,232	456,334
Government of Canada	235,927	243,458	228,374
Other revenue (Note 9)	74,980	114,216	123,841
Transfer from reserves/reserve funds	324,634	211,419	868,124
TOTAL REVENUE	\$25,628,630	\$27,431,821	\$26,058,331
EXPENSES (Schedule A)			
Classroom	\$14,652,920	\$15,348,571	\$13,515,236
Non-classroom	3,607,405	3,582,364	3,580,364
Administration	1,638,980	1,647,495	1,570,873
Transportation	2,452,132	2,521,964	3,478,192
Pupil accommodation	3,237,193	3,882,557	3,301,912
Other	25,000	1,605	-
Transfers to reserves/reserve funds	15,000	447,265	611,754
TOTAL EXPENSES	\$25,628,630	\$27,431,821	\$26,058,331

See accompanying notes.

NORTHEASTERN CATHOLIC DISTRICT SCHOOL BOARD

CAPITAL FUND STATEMENT OF OPERATIONS

YEARS ENDED AUGUST 31

	2003	2002
CAPITAL EXPENSES		
Capital Assets and Work in Progress		
New pupil places	\$ -	\$ 2,854
School renewal	812,201	372,569
Instructional computers	324,301	96,626
ISA equipment	74,333	27,877
Other capital expenses	236,303	242,100
TOTAL CAPITAL EXPENSES	\$ 1,447,138	\$ 742,026
CAPITAL FINANCING		
Capital expenses financed from revenue fund	\$ 1,447,138	\$ 742,026
TOTAL CAPITAL FINANCING	\$ 1,447,138	\$ 742,026

NORTHEASTERN CATHOLIC DISTRICT SCHOOL BOARD

RESERVES AND RESERVE FUNDS STATEMENT OF CONTINUITY

YEARS ENDED AUGUST 31

Reserve For	Classroom	Proceeds of Disposition	Transition	Special	t -.6836 0.905	50576836 0.2
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NORTHEASTERN CATHOLIC DISTRICT SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED AUGUST 31, 2003 & 2002

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 in accordance with Section 252 of the Education Act, using accounting principles prescribed by the Ministry of Education and considered appropriate for Ontario school boards. These principles are consistent with those used in prior years. The basis of accounting used in these financial statements materially differs from Canadian generally accepted accounting principles as described in paragraphs (a) to (d) below:

(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 (see Note 7);
- (ii) No provision has been made for interest on unmatured debenture debt from the date of payment to the year-end (see Note 11);
- (iii) Vacation pay is recorded as a salary expense when it is paid (see Note 15); and
- (iv) The education portion of municipal supplementary taxes and tax write-offs has not been accrued for the calendar year 2003.

(b) CAPITAL ASSETS

The acquisition of capital assets is expensed unless they are or will be financed by long-term debt. Principal

NORTHEASTERN CATHOLIC DISTRICT SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONT'D)

YEARS ENDED AUGUST 31, 2003 & 2002

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

NORTHEASTERN CATHOLIC DISTRICT SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONT'D)

YEARS ENDED AUGUST 31, 2003 & 2002

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2003	2002
Trade payables and accrued liabilities	\$ 943,911	\$ 777,304
Other school boards	499,592	378,432
	\$ 1,443,503	

NORTHEASTERN CATHOLIC DISTRICT SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONT'D)

YEARS ENDED AUGUST 31, 2003 & 2002

8. NET LONG-TERM LIABILITIES

Of the net long-term liabilities outstanding of \$4,400,000, principal amounting to \$4,400,000 plus interest amounting to \$168,300 is payable over the next year.

9. OTHER REVENUE

	2003	2002
Interest	\$ 78,570	\$ 109,838
Other school boards	4,398	-
Rentals	6,000	6,000
Other	25,248	8,003
	\$ 114,216	\$ 123,841

10. DEBT CHARGES AND INTEREST

The Revenue Fund expense for debt charges and interest includes principal and interest payments as follows:

Principal payments on long-term liabilities	\$ 240,000
Interest payments on long-term liabilities	345,750
	\$ 585,750

11. DEBENTURE INTEREST ACCRUAL

The amount of unaccrued interest on net long-term debt from the date of payment to the year-end is \$56,100 (2002 - \$59,150).

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 until December 31, 2002 due to a contribution holiday. Contribution at a reduced rate was reinstated effective January 1, 2003.

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.

NORTHEASTERN CATHOLIC DISTRICT SCHOOL BOARD

NOTES TO FINANCIAL STATEMENTS (CONT'D)

YEARS ENDED AUGUST 31, 2003 & 2002

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:

2003/2004	\$106,832
2004/2005	\$103,636
2005/2006	\$84,508
2006/2007	\$41,443
2007/2008	\$18,754

(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. UNUSED VACATION DAYS ACCRUAL

The amount of unused vacation days that has not been accrued is \$99,593 (2002 - \$93,177).

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 2002, 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	\$ 129,929	\$ 2,954
Yves Meloche	Manager of Human Resources	\$ 107,405	\$ 4,208

NORTHEASTERN CATHOLIC DISTRICT SCHOOL BOARD

SCHEDULE OF REVENUE FUND EXPENSES

YEARS ENDED AUGUST 31

	2003	2002
CLASSROOM		
Salaries and wages	\$11,321,192	\$10,484,567
Employee benefits	1,616,046	1,373,879
Staff development	101,645	72,935
Supplies and services	1,381,244	1,081,034
Replacement furniture and equipment	11,402	562
Capital expenses	574,161	259,418
Rental expenses	95,713	90,623
Fees and contractual services	237,366	146,498
Other	9,802	5,720
	15,348,571	13,515,236
NON-CLASSROOM		
Salaries and wages	2,998,374	2,922,829
Employee benefits	367,189	443,871
Staff development	19,077	17,977
Supplies and services	176,105	192,350
Capital expenses	21,619	3,087
Other	-	250
	3,582,364	3,580,364
ADMINISTRATION		
Salaries and wages	931,002	882,573
Employee benefits	190,071	101,976
Staff development	35,234	44,899
Supplies and services	217,206	206,525
Capital expenses	22,578	97,934
Rental expenses	35,102	36,724
Fees and contractual services	173,583	158,714
Other	42,719	41,528
	1,647,495	1,570,873

NORTHEASTERN CATHOLIC DISTRICT SCHOOL BOARD

SCHEDULE OF REVENUE FUND EXPENSES (CONT'D)

YEARS ENDED AUGUST 31

	2003	2002
TRANSPORTATION		
Salaries and wages	78,634	31,599
Employee benefits	9,728	4,190
Staff development	816	407
Supplies and services	11,830	3,066
Capital expenses	-	369
Fees and contractual services	2,030,683	2,058,458
Other	3,496	1,360
Transfers to other Boards	386,777	1,378,743
	2,521,964	3,478,192