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**NORTHEASTERN CATHOLIC DISTRICT SCHOOL BOARD**

**FINANCIAL STATEMENTS**

**YEARS ENDED AUGUST 31, 2006 & 2005**

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# NORTHEASTERN CATHOLIC DISTRICT SCHOOL BOARD

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YEARS ENDED AUGUST 31, 2006 & 2005

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# NORTHEASTERN CATHOLIC DISTRICT SCHOOL BOARD

## OFFICERS

YEARS ENDED AUGUST 31

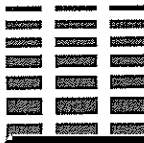
|                             | 2006            | 2005            |
|-----------------------------|-----------------|-----------------|
| <b>CHAIRPERSON OF BOARD</b> | Colleen Landers | Colleen Landers |

## BOARD MEMBERS

|  |   |  |
|--|---|--|
|  | Martin Drainville<br>Richard Brassard <sup>1</sup><br>Paul Keating<br>Elizabeth King<br>Steve Malciw<br>Jack Slattery | Martin Drainville<br>Brenda Hevenor<br>Paul Keating<br>Elizabeth King<br>Steve Malciw<br>Jack Slattery |
|--|---|--|

## SENIOR ADMINISTRATIVE PERSONNEL

|                               |                 |                 |
|-------------------------------|-----------------|-----------------|
| Director of Education         | Paul Toffanello | Paul Toffanello |
| Manager of Financial Services | Luigina Malciw  | Luigina Malciw  |
| Manager of Human Resources    | Michael Resetar | Michael Resetar |
| Manager of Plant              | Robert Landry   | Robert Landry   |

 **Ross, Pope & Company**  
**Chartered Accountants**  
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P.O. Box 785  
Kirkland Lake, Ontario P2N 3K4

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**AUDITORS' REPORT**

Report of the Auditors on the Financial Statements of the Members, Catholic

Report of the Auditors on the Financial Statements of the Members, Catholic

## STATEMENT 1

## NORTH HAVEN PUBLIC DISTRICT SCHOOL BOARD

## STATEMENT OF FINANCIAL POSITION

## POSITION

AS AT AUGUST 31

|   | 2006               | 2005              |
|---|--------------------|-------------------|
| <b>FINANCIAL ASSETS</b>                           |                    |                   |
| Cash (Note 3)                                     | \$ 11,155,047      | \$ 10,055,654     |
| Accounts receivable (Note 6)                      | 1,276,270          | 2,540,792         |
| <b>TOTAL FINANCIAL ASSETS</b>                     | <b>12,431,317</b>  | <b>12,596,446</b> |
| <b>FINANCIAL LIABILITIES</b>                      |                    |                   |
| Accounts payable and accrued liabilities (Note 7) | 2,239,982          | 2,649,551         |
| Deferred revenue (Notes 3 and 8)                  | 6,173,607          | 6,427,304         |
| Accrued interest on long-term liabilities         | 93,112             | -                 |
| Employee benefits (Notes 3, 9 and 11)             | 3,894,764          | 3,871,115         |
| Net long-term liabilities (Notes 11 and 13)       | 4,500,000          | -                 |
| <b>TOTAL FINANCIAL LIABILITIES</b>                | <b>16,901,465</b>  | <b>12,947,970</b> |
| <b>NET FINANCIAL ASSETS (LIABILITIES)</b>         | <b>(4,470,148)</b> | <b>(351,524)</b>  |
| <b>NON-FINANCIAL ASSETS (Note 10)</b>             | <b>81,286</b>      | <b>87,640</b>     |

# NORTHEASTERN CATHOLIC DISTRICT SCHOOL BOARD

## STATEMENT OF FINANCIAL ACTIVITIES

YEARS ENDED AUGUST 31

|                                   | -----2006-----        |                   | 2005              |
|-----------------------------------|-----------------------|-------------------|-------------------|
|                                   | Budget<br>(unaudited) | Actual            | Actual            |
| Provincial legislative grants     | \$ 24,846,484         | \$ 23,968,710     | \$ 23,761,349     |
| Local taxation (Note 4)           | 5,676,729             | 5,541,873         | 5,042,209         |
| Provincial grants - other         | 1,210,810             | 1,931,094         | 1,023,613         |
| Federal grants and fees           | 164,700               | 200,801           | 213,598           |
| Other revenues - school boards    | -                     | 22,309            | -                 |
| Other fees and revenues (Note 12) | 126,361               | 213,285           | 133,558           |
| School fundraising (Schedule 5)   | 660,000               | 799,331           | 736,307           |
| <b>TOTAL REVENUES</b>             | <b>32,685,084</b>     | <b>32,677,403</b> | <b>30,910,634</b> |

### EXPENDITURES (All Schedules 5 and 6)

# NORTHEASTERN CATHOLIC DISTRICT SCHOOL BOARD

## STATEMENT OF CHANGES IN FINANCIAL POSITION

YEARS ENDED AUGUST 31

|                             | 2006           | 2005      |
|-----------------------------|----------------|-----------|
| <b>OPERATIONS</b>           |                |           |
| NET REVENUES (EXPENDITURES) | \$ (4,118,624) | \$ 27,545 |

|  |           |   |
|--|-----------|---|
| Decrease in accounts payable and accrued liabilities | (409,569) | - |
| Decrease in deferred revenue                         | (253,697) | - |
|  | (663,266) | - |

|  |           |           |
|--|-----------|-----------|
| Decrease in accounts receivable                      | 1,264,522 | 269,700   |
| Increase in accounts payable and accrued liabilities | -         | 831,942   |
| Increase in deferred revenue                         | -         | 316,094   |
| Increase in employee benefits                        | 23,649    | 4,282     |
| Increase in accrued interest on long-term debt       | 93,112    | -         |
|  | 1,381,283 | 1,422,018 |

|  |             |           |
|--|-------------|-----------|
|  | (6,400,607) | 1,449,562 |
|--|-------------|-----------|

# NORTHEASTERN CATHOLIC DISTRICT SCHOOL BOARD

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED AUGUST 31, 2006 & 2005

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





# NORTHEASTERN CATHOLIC DISTRICT SCHOOL BOARD

## NOTES TO FINANCIAL STATEMENTS (CONT'D)

YEARS ENDED AUGUST 31, 2006 & 2005

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (i) RESERVES AND RESERVE FUNDS

Certain amounts, as approved by the Board of Trustees, are set aside in reserves and reserve funds for future operating and capital purposes. Transfers to and/or from reserves and reserve funds are an adjustment to the respective fund when approved.

presented in the financial statements in the

# NORTHEASTERN CATHOLIC DISTRICT SCHOOL BOARD

## NOTES TO FINANCIAL STATEMENTS (CONT'D)

YEARS ENDED AUGUST 31, 2006 & 2005

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3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(p) FINANCIAL INSTRUMENTS

Investments in debt securities, accounts receivable, and accounts

**NORTHEASTERN CATHOLIC DISTRICT SCHOOL BOARD**

NOTES TO FINANCIAL STATEMENTS (CONT'D)

YEARS ENDED AUGUST 31, 2006 & 2005

**6. ACCOUNTS RECEIVABLE**

|                | 2006       | 2005       |
|----------------|------------|------------|
| Municipalities | \$ 771,962 | \$ 832,703 |

# NORTHEASTERN CATHOLIC DISTRICT SCHOOL BOARD

YEARS ENDED AUGUST 31, 2006 & 2005

9. RETIREMENT AND OTHER EMPLOYEE FUTURE BENEFITS

(a) RETIREMENT AND OTHER EMPLOYEE FUTURE BENEFIT LIABILITIES

|                         | Retirement<br>Benefits | Other Employee<br>Future Benefits | Total Employee Future Benefits |             |
|-------------------------|------------------------|-----------------------------------|--------------------------------|-------------|
|                         |                        |                                   | 2006                           | 2005        |
| Accrued employee future | \$2,212,171            | \$ 200,000                        | \$2,412,171                    | \$2,271,115 |

NORFOLK EASTERN CATHOLIC DISTRICT SCHOOL BOARD

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STATEMENT OF FINANCIAL POSITION (CONT'D)

YEARS ENDED AUGUST 31, 2006 & 2005

STATEMENT OF FINANCIAL POSITION (CONT'D)

# NORTHEASTERN CATHOLIC DISTRICT SCHOOL BOARD

FINANCIAL STATEMENTS (CONT'D)

YEARS ENDED AUGUST 31, 2006 & 2005

## 9. RETIREMENT AND OTHER EMPLOYEE FUTURE BENEFITS (CONT'D)

### (d) OTHER EMPLOYEE FUTURE BENEFITS (CONT'D)

The accrued benefit obligations for employee future benefit plans as at August 31, 2006 are based on actuarial valuations for accounting purposes as at August 31, 2004. These actuarial valuations were based on assumptions about future events. The economic assumptions used in these valuations are the

|                            |      |   |
|----------------------------|------|---|
|                            | %    | % |
| Inflation                  | 1.52 | 2 |
| Wage and salary escalation | 2.5  | 3 |

# NORTHEASTERN CATHOLIC DISTRICT SCHOOL BOARD

FINANCIAL STATEMENTS (CONT'D)

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## 13. DEBT CHARGES AND INTEREST

The net long-term liabilities represent an unsecured debenture bearing interest at 5.109% per annum and requires semi-annual blended payments in the amount of \$160,394. The first payment is due in October, 2006 and it matures in 2031.



# NORTHEASTERN CATHOLIC DISTRICT SCHOOL BOARD

## NOTES TO FINANCIAL STATEMENTS (CONT'D)

### 15. ONTARIO SCHOOL BOARD INSURANCE EXCHANGE (OSBIE)

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.

### 16. COMMITMENTS

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

|           |    |        |
|-----------|----|--------|
| 2006/2007 | \$ | 52,628 |
| 2007/2008 | \$ | 29,939 |
| 2008/2009 | \$ | 9,255  |
| 2009/2010 | \$ | 2,392  |

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

# NORTHEASTERN CATHOLIC DISTRICT SCHOOL BOARD

## SCHEDULE OF OPERATING FUND

YEARS ENDED AUGUST 31

|                                   | -----2006-----        |                   | 2005              |
|-----------------------------------|-----------------------|-------------------|-------------------|
|                                   | Budget<br>(unaudited) | Actual            | Actual            |
| <b>REVENUES</b>                   |                       |                   |                   |
| Provincial legislative grants     | \$ 24,846,484         | \$ 23,968,710     | \$ 23,761,349     |
| Local taxation (Note 4)           | 5,676,729             | 5,541,873         | 5,042,209         |
| Provincial grants - other         | 1,210,810             | 1,931,094         | 1,023,613         |
| Federal grants and fees           | 164,700               | 200,801           | 213,598           |
| Other revenues - school boards    | -                     | 22,309            | -                 |
| Other fees and revenues           | 115,811               | 197,661           | 123,154           |
| <b>TOTAL REVENUES</b>             | <b>32,014,534</b>     | <b>31,862,448</b> | <b>30,163,923</b> |
| <b>EXPENDITURES (Note 15)</b>     |                       |                   |                   |
| Instruction                       | 23,098,214            | 22,822,802        | 21,664,459        |
| Administration                    | 1,693,579             | 1,700,813         | 1,652,815         |
| Transportation                    | 2,746,692             | 2,832,223         | 2,694,665         |
| School operations and maintenance | 3,207,268             | 3,179,041         | 2,658,607         |
| Pupil accommodation               | -                     | 93,112            | -                 |
| Other                             | 25,000                | 6,706             | 6,328             |



**NORTHEASTERN CATHOLIC DISTRICT SCHOOL BOARD**

**SCHEDULE OF RESERVES AND RESERVE FUNDS**

**YEARS ENDED AUGUST 31**

|  | -----2006-----        |                | 2005          |
|--|-----------------------|----------------|---------------|
|  | Budget<br>(unaudited) | Actual         | Actual        |
| Interest Income                            | \$ 10,550             | \$ 15,624      | \$ 10,404     |
| <b>NET REVENUES (EXPENDITURES)</b>         | <b>10,550</b>         | <b>15,624</b>  | <b>10,404</b> |
| <b>NET TRANSFERS FROM (TO) OTHER FUNDS</b> |                       |                |               |
| Transfers from (to) operating fund         | -                     | 338,253        | -             |
| <b>NET TRANSFERS FROM (TO) OTHER FUNDS</b> | <b>-</b>              | <b>338,253</b> | <b>-</b>      |
| <b>CHANGE IN RESERVES AND RESERVE</b>      |                       |                |               |

SCHEDULE 4

|       | 2006 | 2005         |
|-------|------|--------------|
| Total |      |              |
|       | ,776 | \$ 3,466,372 |
|       | ,253 | -            |
|       | ,624 | 10,404       |
|       | ,653 | \$ 3,476,776 |

# NORTHEASTERN CATHOLIC DISTRICT SCHOOL BOARD

~~CENTRAL SCHOOL AGENCIES FUND~~

YEARS ENDED AUGUST 31

|                          | 2006       | 2005       |
|--------------------------|------------|------------|
| <b>REVENUES</b>          |            |            |
| School fundraising       | \$ 799,331 | \$ 736,307 |
| <b>EXPENDITURES</b>      |            |            |
| School funded activities | 750,589    | 700,707    |

~~750,589~~      ~~700,707~~

# NORTHEASTERN CATHOLIC DISTRICT SCHOOL BOARD

## SCHEDULE OF EXPENDITURES

YEARS ENDED AUGUST 31

2006

2005

|                    | 2006          | 2005          |
|--------------------|---------------|---------------|
| CLASSROOM          |               |               |
| Salaries and wages | \$ 15,520,856 | \$ 14,598,070 |
| Employee benefits  | 1,857,616     | 1,901,808     |
| Staff development  | 304,741       | 343,036       |

# NORTHEASTERN CATHOLIC DISTRICT SCHOOL BOARD

## SCHEDULE OF EXPENDITURES (CONT'D)

YEARS ENDED AUGUST 31

|                       | 2006 | 2005      |
|-----------------------|------|-----------|
| <b>TRANSPORTATION</b> |      |           |
| Salaries and wages    | \$ - | \$ 87,361 |
| Employee benefits     | 189  | 14,012    |
| Staff development     | -    | 3,416     |
|                       | 31   | 1,746     |