

WESTERN QUEBEC SCHOOL BOARD

FINANCIAL STATEMENTS

JUNE 30, 2002

## WESTERN QUEBEC SCHOOL BOARD

## TABLE OF CONTENTS

ACCOMPANYING LETTER	1
AUDITORS' REPORT	2
FINANCIAL STATEMENTS	
Balance sheet	3
Revenue and expenditure	4
Accumulated surplus	5
Capital equity	6
NOTES TO FINANCIAL STATEMENTS	7-9
SUPPLEMENTARY FINANCIAL INFORMATION	10-11

To the Commissioners of  
Western Quebec School Board

The enclosed financial statement summaries are in accordance with the financial report of the Western Quebec School Board submitted to the Ministry of Education for the year ended June 30, 2002, and in which I have expressed, at that date, the opinion reproduced on the following auditors' report.

Certified General Accountant

October 15, 2002

## AUDITOR'S REPORT

To the Commissioners of the  
WESTERN QUEBEC SCHOOL BOARD

I have audited the financial report of the Western Quebec School Board for the period ended June 30, 2002 which is presented as per the Ministry of Education requirements. These financial statements are the responsibility of the School Board. My responsibility is to express an opinion on these financial statements based on my audit.

My audit was made in accordance with the auditors' mandate defined by the Ministry of Education and with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit included 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 my opinion,

- the School Board has conducted its operations in accordance with the legislation and rules mentioned in the aforesaid mandate including budgetary rules, guidelines and instructions expressed by the Ministry of Education, having financial incidence;
- the financial statements present fairly the financial position of the School Board as at June 30, 2002, as well as the results of its operations and the changes in financial position, for the year ended that date, in accordance with the accounting standards and practices generally accepted for School Boards described in the Manuel de normalisation de la comptabilité scolaire.

In accordance with the mandate defined by the Ministry of Education, I have completed four questionnaires: three of these were with regard to audit of student's attendance and one with regard to the normative and statutory guidelines applicable to school boards.

Certified General Accountant

October 15, 2002

## WESTERN QUEBEC SCHOOL BOARD

## BALANCE SHEET

JUNE 30, 2002

ASSETS	<u>2002</u>	<u>2001</u>
Cash	\$ 326 134	\$ 337 244
Grants receivable - note 2	7 899 257	27 535 562
Taxes receivable	1 308 664	1 103 319
Other receivables	2 861 509	2 918 890
Inventory	54 791	69 070
Capital assets	69 511 748	68 862 927
Other assets	<u>333 201</u>	<u>166 884</u>
	\$ <u>82 295 304</u>	\$ <u>100 993 896</u>
LIABILITIES		
Short term loans - note 3	\$ 4 974 809	\$ 24 956 500
Deferred revenue	592 831	410 268
Accounts payable	5 402 312	5 001 613
Long term debt - note 4	721 105	326 260
Other liabilities	<u>483 876</u>	<u>418 667</u>
	<u>12 174 933</u>	<u>31 113 308</u>
CAPITAL		
ACCUMULATED SURPLUS	1 329 728	1 334 297
CAPITAL EQUITY	<u>68 790 643</u>	<u>68 546 291</u>
	<u>70 120 371</u>	<u>69 880 588</u>
	\$ <u>82 295 304</u>	\$ <u>100 993 896</u>

The accompanying notes are an integral part of these financial statements.

ON BEHALF OF THE BOARD

---



---

WESTERN QUEBEC SCHOOL BOARD  
REVENUE AND EXPENDITURE  
YEAR ENDED JUNE 30, 2002

	<u>2002</u>	<u>2001</u>
<b>REVENUE</b>		
Taxation	\$ 8 917 777	\$ 8 754 968
Grants - note 2	48 502 080	48 002 113
School fees	522 364	745 342
Tenant lieu of taxes	603 210	593 423
Other general revenue	151 650	1 716 695
Specific revenue	<u>5 379 681</u>	<u>4 178 045</u>
	<u>64 076 762</u>	<u>63 990 586</u>
<b>EXPENDITURE</b>		
Educational activities	29 643 926	27 636 644
Support to educational activities	9 052 918	8 225 583
Auxiliary activities	7 136 711	6 827 714
Administration activities	4 515 107	3 862 060
Building and equipment activities	6 306 774	6 386 622
Other activities	3 574 128	4 501 566
Capital investment	<u>3 073 804</u>	<u>5 581 366</u>
	<u>63 303 368</u>	<u>63 021 555</u>
<b>EXCESS OF REVENUE OVER EXPENDITURE</b>	<b>\$ <u>773 394</u></b>	<b>\$ <u>969 031</u></b>

The accompanying notes are an integral part of these financial statements.

## WESTERN QUEBEC SCHOOL BOARD

## ACCUMULATED SURPLUS

YEAR ENDED JUNE 30, 2002

	<u>2002</u>	<u>2001</u>
BEGINNING BALANCE	\$ 1 334 297	\$ 599 965
CURRENT YEAR OPERATIONS AFFECTING PRIOR YEARS		
Financial statements analysis by the M.E.Q.	237 668	247 750
Tax modifications	( 1 619)	26 164
Other modifications	<u>(1 014 012)</u>	<u>( 508 613)</u>
RESTATED BALANCE	556 334	365 266
EXCESS OF REVENUE OVER EXPENDITURE	<u>773 394</u>	<u>969 031</u>
ENDING BALANCE	\$ <u><u>1 329 728</u></u>	\$ <u><u>1 334 297</u></u>

The accompanying notes are an integral part of these financial statements.

## WESTERN QUEBEC SCHOOL BOARD

## CAPITAL EQUITY

YEAR ENDED JUNE 30, 2002

	<u>2002</u>	<u>2001</u>	
BEGINNING BALANCE	\$	68 546 291	\$ 66
ADDITIONS OF INVESTMENTS	2 421 516	1 991 500	
VARIATION ON LONG TERM DEBT	( 1 282 050)	200 031	
VARIATION OF THE MUNICIPAL EVALUATION	272 700	884 093	
ANNUAL REDUCTION OF INVESTMENTS	( <u>1 167 814</u> )	( <u>1 073 784</u> )	
ENDING BALANCE	\$	<u>68 790 643</u>	\$ <u>68</u>

The accompanying notes are an integral part of these financial statements.



WESTERN QUEBEC SCHOOL BOARD  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2002

1. ACCOUNTING STANDARDS

ACCOUNTING PRACTICES

The financial statements are prepared accordingly to accounting practices prescribed by the Ministry of Education for the School Boards. Those accounting practices differ with generally accepted accounting principles. The principal accounting practices which are different and have a significant financial incidence, are as follows:

a) Revenues and expenditures

The accrual basis of accounting has been used to account for revenues and expenditures except for tenant lieu of taxes and interest on long term debt.

Provision for sick days accumulated during past years has not been entirely accounted for. As at June 30, 2002, a provision of \$ 33 985 has been accounted for 1 522 sick days accumulated.

All revenues are presented as is except refunds from taxes which are reduced from the expenses.

b) Capital investments

The capital investments are charged to expenditure of the year without regard on their financing except those financed by long term debt supported by the School Board. For these capital investments, the charge to expenditure represents the capital refund on long term debt.

The lands and buildings are presented at their most recent municipal evaluation and no depreciation has been recorded.

The other capital investment are presented at cost less 20% depreciation.

c) Capital equity

The long term debt financed by the Ministry of Education and their sinking funds are part of the capital equity.

WESTERN QUEBEC SCHOOL BOARD  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2002

1. ACCOUNTING STANDARDS (FOLLOWING)

d) Prior year adjustments

To establish comparability with the financial report document demanded by the Ministry of Education, that does not present any comparative data of the revenue over expenditure statement, the prior year adjustments on the statement of the revenue and expenditure are not written as required by generally accepted accounting principles, but are strictly presented in the accumulated surplus and in the capital equity statements as well as the balance sheet.

e) Operational grant

The operational grant was put together after considering the analysis of the current financial statements prepared by the School Board. This analysis is subject to the approval of the Ministry of Education. Any modification will be recorded as a prior year adjustment to the subsequent financial statements.

2. GRANTS RECEIVABLE AND GRANTS REVENUE

	<u>Receivable</u>	<u>Revenue</u>
Operational grant	\$ 5 654 107	\$ 37 269 470
Perequation	-	2 974 670
Transportation	109 011	5 096 799
Debt service	129 542	1 100
906		
Capital investment	<u>2 006 597</u>	<u>2 060 235</u>
	\$ <u>7 899 257</u>	\$ <u>48 502 080</u>

3. BANK LOANS

The bank loans bear interest at prime rate. They are secured by the Ministry of Education except those to be financed by the school board.

WESTERN QUEBEC SCHOOL BOARD  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2002

4. LONG TERM DEBT

Over the five following years, the capital refund on long term debt financed by the school board are as follow:

2003: \$ 187 550; 2004: \$ 95 844; 2005: \$ 87 542; 2006:\$ 87 542  
and 2007: \$ 87 542.

5. CONTRACTUAL COMMITMENTS

On May 11, 2000, the School Board leased premises, under an operating lease, for a period of 25 years. Under this lease, the School Board agreed to pay a basic rent of \$ 425 125 annually for the first 10 years. After this period, the basic rent is subject to a variation corresponding to the variation of Canada Saving Bonds interest. In addition, the School Board is required to pay operating costs temporary established to \$ 150 000 annually.

6. CONTINGENT LIABILITY

The Western Quebec School Board and the Ministry of Education are jointly involved in a legal proceeding by a former teacher for \$ 1 500 000. At this time there is no matter to account partially or entirely the debt.

## WESTERN QUEBEC SCHOOL BOARD

## SUPPLEMENTARY INFORMATION

YEAR ENDED JUNE 30, 2002

<u>EXPENDITURE</u>	<u>2002</u>	<u>2001</u>
<b>EDUCATIONAL ACTIVITIES</b>		
Pre-school education	\$ 2 008 329	\$ 1 928 809
Elementary education	12 391 420	11 434 630
Secondary education	11 164 994	10 472 679
Professional education	977 105	696 306
Special education	2 060 929	2 133 392
Adult education	<u>1 041 149</u>	<u>970 828</u>
	<u>29 643 926</u>	<u>27 636 644</u>
<b>SUPPORT TO EDUCATIONAL ACTIVITIES</b>		
School administration	5 075 000	4 704 461
Instructional resources	774 299	646 641
Complementary activities	2 444 085	2 168 731
Pedagogical services and support	339 555	349 981
Consultation and animation	<u>419 979</u>	<u>355 769</u>
	<u>9 052 918</u>	<u>8 225 583</u>
<b>AUXILIARY ACTIVITIES</b>		
Boarding allowance	1 913	7 078
Student transportation	5 457 660	5 405 194
Day care	<u>1 677 138</u>	<u>1 415 442</u>
	<u>7 136 711</u>	<u>6 827 714</u>
<b>ADMINISTRATION ACTIVITIES</b>		
Commissioners council and committees	243 166	233 995
Management activities	2 575 221	2 328 771
Corporate services	1 101 548	981 164
Professional improvement	<u>595 172</u>	<u>318 130</u>
	<u>4 515 107</u>	<u>3 862 060</u>

## WESTERN QUEBEC SCHOOL BOARD

## SUPPLEMENTARY INFORMATION

YEAR ENDED JUNE 30, 2002

<u>EXPENDITURE (FOLLOWING)</u>	<u>2002</u>	<u>2001</u>
<b>BUILDING AND EQUIPMENT ACTIVITIES</b>		
Maintenance of furniture and equipment	186 621	107 137
Buildings maintenance	1 192 586	1 467 558
Caretaking	2 245 686	2 332 791
Energy consumption	1 289 936	1 430 173
Rentals	1 360 488	1 029 211
Protection and security	<u>31 457</u>	<u>19 752</u>
	<u>6 306 774</u>	<u>6 386 622</u>
<b>OTHER ACTIVITIES</b>		
Interest and trustee cost	1 742 712	2 690 987
Special projects	739 900	491 757
Retroactivity	26 421	387 817
School fees	208 547	105 509
Security of employment	48 464	46 210
Loan of service	143 163	113 782
Extracurricular activities	<u>664 921</u>	<u>665 504</u>
	<u>3 574 128</u>	<u>4 501 566</u>
<b>CAPITAL INVESTMENT</b>		
Construction	878 050	3 022 189
Transformation and renovation of buildings	1 138 569	567 678
Furniture and equipment	<u>1 057 185</u>	<u>1 991 499</u>
	<u>3 073 804</u>	<u>5 581 366</u>
	<u>\$ 63 303 368</u>	<u>\$ 63 021 555</u>

