

WESTERN QUEBEC SCHOOL BOARD
FINANCIAL STATEMENTS
JUNE 30, 2001

Guy Hotte CGA
Expert - Comptable

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



Guy Hotte CGA

Expert - Comptable

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, 2001, and in which we have expressed, at that date, the opinion reproduced on the following auditors' report.

Certified General Accountant

October 17, 2001

87, Jacques-Cartier
Gatineau (Québec) J8T 2W3
Tél.: (819) 568-1811
Télec.: 568-6013



Guy Hotte CGA

Expert - Comptable

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, 2001 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, 2001, 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 17, 2001

87, Jacques-Cartier
Gatineau (Québec) J8T 2W3
Tél.: (819) 568-1811
Télec.: 568-6013

WESTERN QUEBEC SCHOOL BOARD
BALANCE SHEET
JUNE 30, 2001

	<u>2001</u>	<u>2000</u>
ASSETS		
Cash	\$ 337 244	\$ -
Grants receivable - note 2	27 535 562	21 957 344
Taxes receivable	1 103 319	1 048 530
Other receivables	2 918 890	1 198 017
Inventory	69 070	66 430
Capital assets	68 862 927	67 061 118
Other assets	<u>166 884</u>	<u>456 672</u>
	<u>\$ 100 993 896</u>	<u>\$ 91 788 111</u>
LIABILITIES		
Bank overdraft	\$ -	\$ 3 500 565
Short term loans - note 3	24 956 500	15 428 700
Deferred revenue	410 268	387 409
Accounts payable	5 001 613	4 092 022
Long term debt - note 4	326 260	768 646
Other liabilities	<u>418 667</u>	<u>466 353</u>
	<u>31 113 308</u>	<u>24 643 695</u>
CAPITAL		
CAPITAL EQUITY	68 546 291	66 544 451
ACCUMULATED SURPLUS	<u>1 334 297</u>	<u>599 965</u>
	<u>69 880 588</u>	<u>67 144 416</u>
	<u>\$ 100 993 896</u>	<u>\$ 91 788 111</u>

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

ON BEHALF OF THE BOARD

Guy Hotte CGA
Expert - Comptable

WESTERN QUEBEC SCHOOL BOARD

REVENUE AND EXPENDITURE

YEAR ENDED JUNE 30, 2001

	<u>2001</u>	<u>2000</u>
REVENUE		
Taxation	\$ 8 754 968	\$ 8 789 752
Grants - note 2	48 002 113	44 821 027
School fees	745 342	420 538
Tenant lieu of taxes	593 423	585 497
Other general revenue	1 716 695	190 095
Specific revenue	<u>4 178 045</u>	<u>3 217 532</u>
	<u>63 990 586</u>	<u>58 024 441</u>
 EXPENDITURE		
Educational activities	27 636 644	25 936 974
Support to educational activities	8 225 583	7 231 617
Auxiliary activities	6 827 714	6 475 671
Administration activities	3 862 060	3 434 873
Building and equipment activities	6 386 622	5 157 257
Other activities	4 501 566	6 615 242
Capital investment	<u>5 581 366</u>	<u>1 377 995</u>
	<u>63 021 555</u>	<u>56 229 629</u>
 EXCESS OF REVENUE OVER EXPENDITURE	 \$ <u><u>969 031</u></u>	 \$ <u><u>1 794 812</u></u>

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

Guy Hotte CGA
Expert - Comptable

WESTERN QUEBEC SCHOOL BOARD

ACCUMULATED SURPLUS

YEAR ENDED JUNE 30, 2001

	<u>2001</u>	<u>2000</u>
BEGINNING BALANCE	\$ 599 965	\$(992 867)
CURRENT YEAR OPERATIONS AFFECTING PRIOR YEARS		
Financial statements analysis by the M.E.Q.	247 750	27 502
Tax modifications	26 164	(25 227)
Other modifications	(<u>508 613</u>)	(<u>204 255</u>)
RESTATED BALANCE	365 266	(1 194 847)
EXCESS OF REVENUE OVER EXPENDITURE	<u>969 031</u>	<u>1 794 812</u>
ENDING BALANCE	\$ <u>1 334 297</u>	\$ <u>599 965</u>

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

Guy Hotte CGA
Expert - Comptable

WESTERN QUEBEC SCHOOL BOARD

CAPITAL EQUITY

YEAR ENDED JUNE 30, 2001

	<u>2001</u>	<u>2000</u>
BEGINNING BALANCE	\$ 66 544 451	\$ 67 098 949
ADDITIONS OF INVESTMENTS	1 991 500	1 060 456
REFUND ON LONG TERM DEBT	200 031	-
VARIATION OF THE MUNICIPAL EVALUATION	884 093	(770 600)
ANNUAL REDUCTION OF INVESTMENTS	(<u>1 073 784</u>)	(<u>844 354</u>)
ENDING BALANCE	\$ <u>68 546 291</u>	\$ <u>66 544 451</u>

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

Guy Hotte CGA
Expert - Comptable

WESTERN QUEBEC SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001

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 have not been accounted for. As at June 30, 2001, the sick days accumulated totalized 1661 days.

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.

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.

Guy Hotte CGA
Expert - Comptable

WESTERN QUEBEC SCHOOL BOARD
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2001

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	\$ 5 390 293	\$ 35 156 469
Perequation	-	2 498 622
Transportation	124 260	4 998 954
Debt service	307 140	1 746 486
Capital investment	<u>21 713 869</u>	<u>3 601 582</u>
	<u>\$ 27 535 562</u>	<u>\$ 48 002 113</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.

Guy Hotte CGA
 Expert - Comptable

WESTERN QUEBEC SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001

4. LONG TERM DEBT

Over the three following years, the capital refund on long term debt financed by the school board are as follow:
2002: \$ 209 593; 2003: \$ 108 333 and 2004: \$ 8 334.

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, 2001

<u>ACTIVITIES</u>	<u>2001</u>	<u>2000</u>
EDUCATIONAL ACTIVITIES		
Pre-school education	\$ 1 928 809	\$ 1 795 074
Elementary education	11 434 630	10 123 842
Secondary education	10 472 679	10 131 441
Professional education	696 306	659 508
Special education	2 133 392	2 327 715
Adult education	<u>970 828</u>	<u>899 394</u>
	<u>27 636 644</u>	<u>25 936 974</u>
SUPPORT TO EDUCATIONAL ACTIVITIES		
School administration	4 704 461	4 121 305
Instructional resources	646 641	606 772
Complementary activities	2 168 731	2 097 536
Pedagogical services and support	349 981	85 295
Consultation and animation	<u>355 769</u>	<u>320 709</u>
	<u>8 225 583</u>	<u>7 231 617</u>
AUXILIARY ACTIVITIES		
Boarding allowance	7 078	104 801
Student transportation	5 405 194	5 162 343
Day care	<u>1 415 442</u>	<u>1 208 527</u>
	<u>6 827 714</u>	<u>6 475 671</u>
ADMINISTRATION ACTIVITIES		
Commissioners council and committees	233 995	199 874
Management activities	2 328 771	1 948 972
Corporate services	981 164	931 785
Professional improvement	<u>318 130</u>	<u>354 242</u>
	<u>3 862 060</u>	<u>3 434 873</u>

Guy Hotte CGA
 Expert - Comptable

WESTERN QUEBEC SCHOOL BOARD

SUPPLEMENTARY INFORMATION

YEAR ENDED JUNE 30, 2001

<u>ACTIVITIES (FOLLOWING)</u>	<u>2001</u>	<u>2000</u>
BUILDING AND EQUIPMENT ACTIVITIES		
Maintenance of furniture and equipment	107 137	59 256
Buildings maintenance	1 467 558	1 193 431
Caretaking	2 332 791	2 044 571
Energy consumption	1 430 173	1 049 018
Rentals	1 029 211	783 639
Protection and security	<u>19 752</u>	<u>27 342</u>
	<u>6 386 622</u>	<u>5 157 257</u>
OTHER ACTIVITIES		
Interest and trustee cost	2 690 987	2 285 733
Special projects	491 757	11 823
Retroactivity	387 817	3 494 277
School fees	105 509	141 935
Security of employment	46 210	86 714
Loan of service	113 782	55 792
Extracurricular activities	<u>665 504</u>	<u>538 968</u>
	<u>4 501 566</u>	<u>6 615 242</u>
CAPITAL INVESTMENT		
Construction	3 022 189	242 691
Transformation and renovation of buildings	567 678	258 180
Furniture and equipment	<u>1 991 499</u>	<u>877 124</u>
	<u>5 581 366</u>	<u>1 377 995</u>
	<u>\$ 63 021 555</u>	<u>\$ 56 229 629</u>

Guy Hotte CGA
Expert - Comptable