

# Monteith, Monteith & Co.

Chartered Accountants

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**Principals:**

MERVYN T. DIETZ, CMA

## AUDITORS' REPORT

To the Trustees of the  
Huron-Perth Catholic District School Board:

We have audited the statement of financial position of the Huron-Perth Catholic District School Board as at August 31, 2005, and the statements of financial activities and changes in financial position for the year then ended. 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.

Except as explained in the following paragraph, 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 common with many school boards, individual schools derive revenue from school fundraising activities held throughout the year, the completeness of which is not susceptible of audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the individual schools and we were not able to determine whether adjustments might be necessary to school fundraising revenue, net revenue, financial assets and net financial position.

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of school generated fundraising revenue referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Huron-Perth Catholic District School Board as at August 31, 2005, and the results of its operations and changes in financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

We issued our audit report dated November 25, 2004 on the financial statements as at and for the year ended August 31, 2004. Our audit report contained a qualification with respect to the non-recording of school generated fund balances and activities.

***MONTEITH, MONTEITH & CO.***

CHARTERED ACCOUNTANTS.

Stratford, Ontario,  
December 2, 2005.

**HURON-PERTH CATHOLIC DISTRICT SCHOOL BOARD**  
**STATEMENT OF FINANCIAL POSITION**  
August 31 2005

Statement 1

	<u>2005</u>	<u>2004</u>
	\$	\$
<b>Financial Assets:</b>		
Cash	2,916,659	4,915,093
Accounts Receivable	<u>3,195,692</u>	<u>2,265,781</u>
<b>Total Financial Assets</b>	<u>6,112,351</u>	<u>7,180,874</u>
<b>Financial Liabilities:</b>		
Accounts Payable and Accrued Liabilities	1,097,453	484,910
Net Debt (Note 4)	14,223,206	9,678,708
Deferred Revenue - Reserves (Note 2)	71,240	119,745
Deferred Revenue - Other	1,389,476	227,078
Employee Benefits Payable (Note 3)	<u>2,109,586</u>	<u>1,917,068</u>
<b>Total Financial Liabilities</b>	<u>18,890,961</u>	<u>12,427,509</u>
<b>Net Financial Assets (Liabilities)</b>	(12,778,610)	(5,246,635)
<b>Non-financial Assets</b>		
Prepaid Expense	<u>73,242</u>	<u>122,352</u>
<b>Net Assets</b>	<u>(12,705,368)</u>	<u>(5,124,283)</u>
<b>Financial Position:</b>		
Operating Fund (Schedule 1)	--	34,595
Capital Fund (Schedule 2)	(242,547)	1,783,859
Reserve and Reserve Funds: (Schedule 3, Note 5)	3,702,703	4,764,073
School Activities Fund (Schedule 4)	<u>342,181</u>	<u>--</u>
	3,802,337	6,582,527
<b>Amounts to be Recovered (Note 6)</b>	<u>(16,507,705)</u>	<u>(11,706,810)</u>
<b>Net Financial Position</b>	<u>(12,705,368)</u>	<u>(5,124,283)</u>

(SEE ACCOMPANYING NOTES to FINANCIAL STATEMENTS)

**HURON-PERTH CATHOLIC DISTRICT SCHOOL BOARD**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
for the year ended August 31 2005

Statement 2

	(Unaudited) 2005 <u>Budget</u> \$	2005 <u>Actual</u> \$	2004 <u>Actual</u> \$
Revenues:			
Local Taxation	7,685,639	7,624,321	7,625,497
Provincial Legislative Grant	34,513,724	35,629,941	33,953,412
Provincial Grants - Other	85,000	984,959	145,624
School Boards - Tuition Fees and Other	--	--	157,572
Other Revenue	12,000	50,553	16,663
Investment Income	10,000	180,926	182,056
School Fundraising	--	2,173,248	--
	<hr/>	<hr/>	<hr/>
Total Revenues	42,306,363	46,643,948	42,080,824
	<hr/>	<hr/>	<hr/>
Expenditures:			
Instruction	30,448,164	31,858,104	29,733,988
Administration	1,800,009	1,801,026	1,719,309
Transportation	4,229,693	4,557,010	4,180,046
School Operations and Maintenance	3,388,222	3,536,200	3,402,564
Pupil Accommodation	2,041,924	10,264,130	4,891,346
Other	135,868	328,386	190,205
School Funded Activities	--	1,831,067	--
	<hr/>	<hr/>	<hr/>
Total Expenditures	42,043,880	54,175,923	44,117,458
	<hr/>	<hr/>	<hr/>
Net Revenue (Expenditure)	262,483	(7,531,975)	(2,036,634)
	<hr/>	<hr/>	<hr/>
Increase (Decrease) in Prepaid Expenses	--	(49,110)	(29,046)
	<hr/>	<hr/>	<hr/>
Change in Net Assets (Liabilities)	262,483	(7,581,085)	(2,065,680)
	<hr/>	<hr/>	<hr/>
Financing Transactions:			
Long-term Financing Issued	--	5,000,000	5,500,000
Debt Repayments	(440,525)	(455,502)	(358,458)
Increase (Decrease) in Unfunded Liabilities	--	256,397	235,658
	<hr/>	<hr/>	<hr/>
Change in Amounts to be Recovered	(440,525)	4,800,895	5,377,200
	<hr/>	<hr/>	<hr/>
Change in Fund Balances	(178,042)	(2,780,190)	3,311,520
	<hr/>	<hr/>	<hr/>
Opening Fund Balances	6,547,932	6,582,527	3,271,007
	<hr/>	<hr/>	<hr/>
Closing Fund Balances	6,369,890	3,802,337	6,582,527
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(SEE ACCOMPANYING NOTES to FINANCIAL STATEMENTS)

**HURON-PERTH CATHOLIC DISTRICT SCHOOL BOARD**  
**STATEMENT OF CHANGES IN FINANCIAL POSITION**  
for the year ended August 31 2005

Statement 3

	<u>2005</u>	<u>2004</u>
	\$	\$
Operations:		
Net Revenue (Expenditure)	(7,531,975)	(2,036,634)
Sources and (Uses):		
Decrease (Increase) in Accounts Receivable	(929,911)	(864,273)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	612,543	232,951
Increase (Decrease) in Deferred Revenue - Reserves	(48,505)	(626,662)
Increase (Decrease) in Deferred Revenue - Other	1,162,398	127,346
Increase (Decrease) in Employee Benefits Payable	192,518	167,440
	(6,542,932)	(2,999,832)
Net Change in Cash from Operations		
Financing:		
Increase (Decrease) in Long-term Debt	4,544,498	5,141,542
Net (Decrease) Increase in Cash	(1,998,434)	2,141,710
Cash, Beginning of Year	4,915,093	2,773,383
Cash, End of Year	2,916,659	4,915,093

(SEE ACCOMPANYING NOTES to FINANCIAL STATEMENTS)

**HURON-PERTH CATHOLIC DISTRICT SCHOOL BOARD**  
**SCHEDULE OF OPERATING FUND**  
for the year ended August 31 2005

	(Unaudited) 2005 <u>Budget</u> \$	2005 <u>Actual</u> \$	2004 <u>Actual</u> \$
Revenues:			
Local Taxation	7,685,639	7,624,321	7,625,497
Provincial Legislative Grant	34,513,724	35,629,941	33,953,412
Provincial Grants - Other	85,000	984,959	145,624
School Boards - Tuition Fees and Other	--	--	157,572
Other Revenue	12,000	50,553	16,663
Investment Income	10,000	40,311	61,992
Total Revenues	<u>42,306,363</u>	<u>44,330,085</u>	<u>41,960,760</u>
Expenditures:			
Instruction	30,148,164	31,338,009	28,641,368
Administration	1,790,009	1,772,198	1,651,225
Transportation	4,229,693	4,557,010	4,180,046
School Operations and Maintenance	3,388,222	3,536,200	3,402,564
Pupil Accommodation	538,481	739,435	474,129
Other	135,868	328,386	190,205
Total Expenditures	<u>40,230,437</u>	<u>42,271,238</u>	<u>38,539,537</u>
Net Revenue (Expenditure)	2,075,926	2,058,847	3,421,223
Increase (to) (Decrease) in Prepaid Expenses	<u>--</u>	<u>(49,110)</u>	<u>(29,046)</u>
	2,075,926	2,009,737	3,392,177
Financing Transactions:			
Debt Repayments	(440,525)	(455,502)	(358,458)
Increase (Decrease) in Unfunded Liabilities	<u>--</u>	<u>256,397</u>	<u>235,658</u>
Change in Amounts to be Recovered	<u>(440,525)</u>	<u>(199,105)</u>	<u>(122,800)</u>
Net Transfers (to) From Other Funds			
Net Transfers (to) From Capital Fund	(1,813,443)	(2,079,966)	(2,059,526)
Net Transfers (to) From Reserve and Reserve Funds	<u>178,042</u>	<u>234,739</u>	<u>(1,175,256)</u>
	<u>(1,635,401)</u>	<u>(1,845,227)</u>	<u>(3,234,782)</u>
Change in Operating Fund Balance	--	(34,595)	34,595
Opening Balance - Operating Fund	<u>--</u>	<u>34,595</u>	<u>--</u>
Closing Balance - Operating Fund	<u><u>--</u></u>	<u><u>--</u></u>	<u><u>34,595</u></u>

(SEE ACCOMPANYING NOTES to FINANCIAL STATEMENTS)

**HURON-PERTH CATHOLIC DISTRICT SCHOOL BOARD**  
**SCHEDULE OF CAPITAL FUND**  
for the year ended August 31 2005

	(Unaudited) 2005 <u>Budget</u> \$	2005 <u>Actual</u> \$	2004 <u>Actual</u> \$
Revenues:			
Provincial Grants - Other	<u>    --</u>	<u>    --</u>	<u>    --</u>
Capital Expenditures:			
Instruction	300,000	520,095	1,092,620
Administration	10,000	28,828	68,084
Pupil Accommodation	<u>1,503,443</u>	<u>9,524,695</u>	<u>4,417,217</u>
Total Expenditures	<u>1,813,443</u>	<u>10,073,618</u>	<u>5,577,921</u>
Net Revenue (Expenditure)	<u>(1,813,443)</u>	<u>(10,073,618)</u>	<u>(5,577,921)</u>
Long-term Financing	<u>    --</u>	<u>5,000,000</u>	<u>5,500,000</u>
Net Transfers (to) From Other Funds			
Net Transfers from (to) Operating Fund	1,813,443	2,079,966	2,059,526
Net Transfers from (to) Reserve Fund	<u>    --</u>	<u>967,246</u>	<u>    --</u>
	<u>1,813,443</u>	<u>3,047,212</u>	<u>2,059,526</u>
Change in Capital Fund Balance	--	(2,026,406)	1,981,605
Opening Balance - Capital Fund	<u>1,783,859</u>	<u>1,783,859</u>	<u>(197,746)</u>
Closing Balance - Capital Fund	<u><u>1,783,859</u></u>	<u><u>(242,547)</u></u>	<u><u>1,783,859</u></u>

(SEE ACCOMPANYING NOTES to FINANCIAL STATEMENTS)

**HURON-PERTH CATHOLIC DISTRICT SCHOOL BOARD**  
**SCHEDULE OF RESERVE FUNDS**  
for the year ended August 31 2005

	(Unaudited) 2005 <u>Budget</u> \$	2005 <u>Actual</u> \$	2004 <u>Actual</u> \$
Revenues:			
Investment Income	--	140,615	120,064
Net Transfers (to) From Other Funds			
Net Transfers from (to) Operating Fund	(178,042)	(234,739)	1,175,256
Net Transfers from (to) Capital Fund	--	(967,246)	--
	<u>(178,042)</u>	<u>(1,201,985)</u>	<u>1,175,256</u>
Change in Reserve and Reserve Funds Balance	(178,042)	(1,061,370)	1,295,320
Opening Balance - Reserve and Reserve Funds	<u>4,764,073</u>	<u>4,764,073</u>	<u>3,468,753</u>
Closing Balance - Reserve and Reserve Funds	<u><u>4,586,031</u></u>	<u><u>3,702,703</u></u>	<u><u>4,764,073</u></u>

(SEE ACCOMPANYING NOTES to FINANCIAL STATEMENTS)

**HURON-PERTH CATHOLIC DISTRICT SCHOOL BOARD**  
**SCHEDULE OF SCHOOL ACTIVITIES FUND**  
for the year ended August 31 2005

	(Unaudited) 2005 <u>Budget</u> \$	2005 <u>Actual</u> \$	2004 <u>Actual</u> \$
Revenues:			
School Fundraising and Other Revenues	--	2,173,248	--
Expenditures:			
School Funded Activities	--	1,831,067	--
Total Revenue (Expenditure)	--	342,181	--
Opening Balance - School Activities Fund	--	--	--
Closing Balance - School Activities Fund	--	342,181	--

(SEE ACCOMPANYING NOTES to FINANCIAL STATEMENTS)

**HURON-PERTH CATHOLIC DISTRICT SCHOOL BOARD**  
NOTES to the FINANCIAL STATEMENTS  
August 31 2005

1. Significant Accounting Policies:

The financial statements have been prepared by management in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board of The Canadian Institute of Chartered Accountants, except that school generated funds have not been included in these financial statements for 2003-2004. The inclusion of school generated funds was not required by the Ministry of Education until the 2004-2005 fiscal year and, as a result, management has not quantified these balances and activities for the 2003-2004 fiscal year.

a) Reporting Entity

The consolidated financial statements reflect the assets, liabilities, revenues, expenditures and fund balances of the reporting entity. The reporting entity is comprised of all organizations accountable for the administration of their financial affairs and resources to the Board and which are controlled by the Board.

b) 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 and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the year. Actual results could differ from these estimates.

c) Basis of Accounting

Revenues and expenditures are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they are earned and measurable; expenditures are the cost of goods and services acquired in the period whether or not payment has been made or invoices received.

d) Cash and Cash Equivalents

Cash and cash equivalents are comprised of cash on hand, demand deposits and short-term investments. Short-term investments are highly liquid, subject to insignificant risk of changes in value and have a short maturity term of less than 90 days.

e) Capital Assets

The historical cost and accumulated amortization of capital assets are not reported. Capital assets are reported as expenditures on the Statement of Financial Activities in the year of acquisition.

**HURON-PERTH CATHOLIC DISTRICT SCHOOL BOARD**  
NOTES to the FINANCIAL STATEMENTS  
August 31 2005

1. Significant Accounting Policies: (Continued)

f) Deferred Revenue

Certain amounts are received pursuant to legislation, regulation or agreement and may be used only in the conduct of certain programs or in the delivery of specific services and transactions. These amounts are recognized as revenue in the fiscal year the related expenditures are incurred or services performed.

g) Retirement and Other Employee Future Benefits

The Board provides defined retirement and other future benefits to specified employee groups. These benefits include pension, retirement gratuity and workers' compensation. The Board has adopted the following policies with respect to accounting for these employee benefits:

- (i) The costs of self insured retirement and other employee future benefit plans are actuarially determined using management's best estimate of salary escalation, accumulated sick days at retirement, insurance and health care costs trends, disability recovery rates, long-term inflation rates and discount rates.

For self insured retirement and other employee future benefits that vest or accumulate over the periods of service provided by employees, such as retirement gratuities, the cost is actuarially determined using the projected benefits method prorated on service. Under this method, the benefit costs are recognized over the expected average service life of the employee group.

For those self insured benefit obligations that arise from specific events that occur from time to time, such as obligations for workers' compensation, the cost is recognized immediately in the period in which the events occur.

- (ii) The costs of multi-employer defined pension plan benefits, such as the Ontario Municipal Employees Retirement System pensions, are the employer's contributions due to the plan in the period.
- (iii) The costs of insured benefits are the employer's portion of insurance premiums owed for coverage of employees during the period.

**HURON-PERTH CATHOLIC DISTRICT SCHOOL BOARD**  
NOTES to the FINANCIAL STATEMENTS  
August 31 2005

1. Significant Accounting Policies: (Continued)

h) Reserves and Reserve Funds

Certain amounts, as approved by the Board 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.

i) Government Transfers

Government transfers, which include legislative grants, are recognized in the consolidated financial statements in the period in which events giving rise to the transfer occur, providing the transfers are authorized, all eligibility criteria have been met and reasonable estimates of the amount can be made.

j) Investment Income

Investment income earned on surplus operating funds, capital funds, reserves and reserve funds are reported as revenue in the period earned.

Investment income earned on externally restricted funds such as pupil accommodation, education development charges and special education is added to the fund balance and forms part of the respective deferred revenue balances.

k) Budget Figures

Budget figures have been provided for comparison purposes and have been derived from the budget approved by the Trustees. The budget approved by the Trustees is developed in accordance with the provincially mandated funding model for school boards and is used to manage program spending within the guidelines of the funding model. Given differences between the funding model and generally accepted accounting principles for local governments established by the Public Sector Accounting Board, the budget figures presented have been adjusted to conform with this basis of accounting as it is used to prepare the financial statements. The budget figures are unaudited.

**HURON-PERTH CATHOLIC DISTRICT SCHOOL BOARD**  
NOTES to the FINANCIAL STATEMENTS  
August 31 2005

2. Deferred Revenue:

The use of certain reserve funds are restricted by provincial government regulations. It is a requirement of the public sector accounting principles of the Canadian Institute of Chartered Accountants that these reserve funds be reported as deferred revenue.

Deferred revenue set-aside for specific purposes by legislation, regulation or agreement as at August 31, 2005 is comprised of:

	<u>2005</u>	<u>2004</u>
	\$	\$
Classroom	--	50,000
Special Education	12,399	12,139
Ministry Equity Capital Reserve (M.E.C.R.)	<u>58,841</u>	<u>57,606</u>
	<u><u>71,240</u></u>	<u><u>119,745</u></u>

3. Retirement and Other Employee Future Benefits:

	<u>2005</u>	<u>2004</u>
	\$	\$
Retirement and Other Employee Future Benefit Liabilities:		
Accrued Employee Future Obligations at August 31	2,011,600	1,843,644
W.S.I.B. Future Benefits	<u>97,986</u>	<u>73,424</u>
	<u><u>2,109,586</u></u>	<u><u>1,917,068</u></u>
Retirement and Other Employee Benefit Expenses:		
Current Year Benefit Cost	190,731	190,731
Interest on Accrued Benefit Obligations	<u>84,834</u>	<u>94,923</u>
	<u><u>275,565</u></u>	<u><u>285,654</u></u>

**HURON-PERTH CATHOLIC DISTRICT SCHOOL BOARD**  
NOTES to the FINANCIAL STATEMENTS  
August 31 2005

3. Retirement and Other Employee Future Benefits: (Continued)

Retirement Benefits

(i) Teachers and related employee groups are eligible to be members of Ontario Teacher's Pension Plan. Employer contributions for these employees are provided directly by the Province of Ontario. The pension costs and obligations related to this plan are a direct responsibility of the Province. Accordingly, no costs or liabilities related to this plan are included in the Board's financial statements.

(ii) Ontario Municipal Employees Retirement System

All non-teaching employees of the Board are eligible to be members of the Ontario Municipal Employees Retirement System (OMERS), a multi-employer pension plan. The plan provides defined pension benefits to employees based on their length of service and rates of pay. The Board contributions equal the employee contributions to the plan. During the year ended August 31, 2005, the Board contributed \$274,361 (2004 - \$210,236) to the plan. As this is a multi-employer pension plan, these contributions are the Board's pension benefit expenses. No pension liability for this type of plan is included in the Board's financial statements.

(iii) Retirement Gratuities

Upon retirement, after 12 years of consecutive service with this Board, employees who have applied for a pension under the provisions of the Teachers' Superannuation Act, or the Ontario Municipal Employees Retirement System shall be entitled to payment of a sick leave gratuity. The maximum sick leave gratuity payable on retirement is limited to 20% of annual salary at the date of retirement. In 2005, payments of \$99,008 (2004 - \$119,826) were made under these plans.

(iv) Workplace Safety and Insurance Board:

(a) The School Board is a schedule 2 employer under the Workplace Safety and Insurance Board. The School Board is responsible for any claims arising from workplace injury.

(b) In 2005, amounts were expensed of \$36,975 (2004 - \$33,778) regarding this plan.

(c) The future benefit obligation for this benefit plan is \$97,986 (2004 - \$73,424) as estimated by an actuary. A reserve of \$500,000 has been set up to meet this and potential future obligations.

**HURON-PERTH CATHOLIC DISTRICT SCHOOL BOARD**  
NOTES to the FINANCIAL STATEMENTS  
August 31 2005

4. Net Long-term Liabilities:

Net long-term debt reported on the Consolidated Statement of Financial Position is comprised of the following:

	<u>2005</u>	<u>2004</u>
	\$	\$
Canadian Imperial Bank of Commerce Repayable at \$31,953 on the first of day of July and January including interest at 4.92% calculated semi-annually not in advance. Due January 1, 2011	345,579	391,755
Canadian Imperial Bank of Commerce Repayable at \$32,469 on the first of day of July and January including interest at 5.26% calculated semi-annually not in advance. Due January 1, 2011	353,618	398,190
Canadian Imperial Bank of Commerce Repayable at \$196,686 on the first of day of July and January including interest at 6.08% calculated semi-annually not in advance. Due January 1, 2014	2,807,346	3,020,274
Canadian Imperial Bank of Commerce Repayable at \$30,181 on the first of day of July and January including interest at 3.73% calculated semi-annually not in advance. Due January 1, 2011	351,853	396,783
C.I.B.C. Mellon Trust Company Repayable at \$63,634 semi-annually as interest and commencing on November 7, 2005 \$32,846 shall be deposited annually in a sinking fund. Interest is at 5.30% per annum due May 7 and November 7 Due November 7, 2013	2,401,270	2,401,270

**HURON-PERTH CATHOLIC DISTRICT SCHOOL BOARD**  
NOTES to the FINANCIAL STATEMENTS  
August 31 2005

4. Net Long-term Liabilities: (Continued)

C.I.B.C. Mellon Trust Company Repayable at \$118,157 on the seventh of day of May and November including interest at 5.80% per annum not in advance. Due November 7, 2028	3,011,363	3,070,436
C.I.B.C. Mellon Trust Company Repayable at \$184,898 on the sixth of day of May and November including interest at 5.483% per annum not in advance. Due November 7, 2029	<u>4,952,177</u>	<u>          --</u>
	14,223,206	9,678,708
Less: Sinking Fund Assets	<u>          --</u>	<u>          --</u>
Balance as at August 31, 2005	<u>14,223,206</u>	<u>9,678,708</u>

Principal payments relating to net long-term liabilities of \$14,223,206 outstanding as at August 31, 2005 are due as follows:

	<u>Principal and Sinking Fund Contributions</u>	<u>Interest</u>	<u>Total</u>
2005/06	530,265	785,690	1,315,955
2006/07	560,090	755,865	1,315,955
2007/08	591,621	724,334	1,315,955
2008/09	624,953	691,002	1,315,955
2009/10	660,192	655,763	1,315,955
Thereafter	<u>11,256,085</u>	<u>5,227,434</u>	<u>16,483,519</u>
Net Long-term Liabilities	<u>14,223,206</u>	<u>8,840,088</u>	<u>23,063,294</u>

**HURON-PERTH CATHOLIC DISTRICT SCHOOL BOARD**  
NOTES to the FINANCIAL STATEMENTS  
August 31 2005

5. Reserve and Reserve Funds

The total balances of reserve and reserve funds of \$3,965,360 (2003 - \$4,764,073) are comprised of the following:

	<u>2005</u>	<u>2004</u>
	\$	\$
Reserve:		
Working Funds	<u>981,276</u>	<u>1,216,015</u>
Reserve Funds:		
Retirement Gratuities	374,540	366,678
Pupil Accommodation	1,244,762	798,713
Workplace Safety and Insurance Board	500,000	500,000
Cafeteria	125,893	123,454
Capital Projects	<u>476,232</u>	<u>1,759,213</u>
	<u>2,721,427</u>	<u>3,548,058</u>
	<u><u>3,702,703</u></u>	<u><u>4,764,073</u></u>

6. Amounts to be Recovered in Future Years:

The amounts to be recovered in future years reported on the Consolidated Statement of Financial Position are comprised of:

	<u>2005</u>	<u>2004</u>
	\$	\$
Net Long-Term Debt	14,223,206	9,678,708
Retirement and Other Employee Future Benefits Liability	2,011,600	1,843,644
Workplace Safety and Insurance Board	97,986	73,424
Interest Accrual	<u>174,913</u>	<u>111,034</u>
	<u><u>16,507,705</u></u>	<u><u>11,706,810</u></u>

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7. Debt Charges and Capital Loans and Leases Interest

The expenditure for debt charges, capital loans and capital leases interest includes principal, sinking fund contributions and interest payments as follows:

	<u>2005</u>	<u>2004</u>
	\$	\$
Principal payments on long-term liabilities including contributions to sinking funds	455,502	358,458
Interest payments on long-term liabilities	<u>739,435</u>	<u>474,129</u>
	<u><u>1,194,937</u></u>	<u><u>832,587</u></u>

8. Expenditures by Object:

The following is a summary of the current and capital expenditures reported on the Statement of Financial Activities by object:

	<u>2005</u>	<u>2005</u>	<u>2004</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
	\$	\$	\$
Current Expenditures:			
Salary and wages	27,351,656	27,632,964	25,405,053
Employee benefits	3,693,430	3,713,013	3,296,397
Staff development	305,400	1,095,663	436,022
Supplies and services	3,112,763	3,638,923	3,663,209
Interest	538,481	739,435	474,129
Rental expenditures	14,900	11,540	17,512
Fees & Contract Services	4,952,939	5,264,577	4,844,636
School Funded Activities	--	1,831,067	--
Other	260,868	175,123	402,579
Capital Expenditures	<u>1,813,443</u>	<u>10,073,618</u>	<u>5,577,921</u>
	<u><u>42,043,880</u></u>	<u><u>54,175,923</u></u>	<u><u>44,117,458</u></u>

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9. 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 risks.

10. Reclassification of Statement of Financial Position:

The 2004 comparative figures were restated as follows. Reserves and Reserve Funds were increased from \$3,965,360 to \$4,764,073, an increase of \$798,713. Deferred Revenue - Reserves were decreased from \$918,458 to \$119,745, a decrease of \$798,713. This change was made to conform to Ministry changes in reporting.

11. Public Sector Salary Disclosure Act:

The following employees were paid a salary, as defined in the Public Sector Salary Disclosure Act, 1996, of \$100,000 or more:

Name	Position	Salary Paid	Taxable Benefits
Larry Lagan	Director, Education	\$134,078	\$52
Martha Dutrizac	Superintendent, Education	\$116,283	\$52
Gerald Thuss	Superintendent, Business	\$115,099	\$551