



# HALTON ROMAN CATHOLIC SEPARATE SCHOOL BOARD FINANCIAL STATEMENTS

DECEMBER 31, 1992

(with comparative figures for 1991)

## BALANCE SHEET DECEMBER 31, 1992

ASSETS	1992	1991
<b>CURRENT ASSETS:</b>		
Cash	\$ 420,872	\$ 968,201
Investments at cost	1,589,286	
Accounts receivable:		
Under-requisitions - secondary	5,120,254	5,130,671
Other	12,264,580	7,007,318
Prepaid expense	65,385	53,285
	19,460,377	13,159,475
<b>CAPITAL OUTLAY TO BE RECOVERED IN FUTURE YEARS</b>	34,217,636	23,497,407
	<u>\$ 53,678,013</u>	<u>\$ 36,656,882</u>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES:</b>		
Bank and other short-term borrowing	\$ 16,986,268	\$ 7,730,189
Accounts payable and accrued liabilities:		
Over-requisitions - elementary	6,961,843	4,538,312
Other	10,770,563	9,433,548
Debt charges due and unpaid	618,757	60
	35,337,431	21,702,109
<b>NET LONG-TERM LIABILITIES (Note 2)</b>	18,340,582	14,954,773
	<u>\$ 53,678,013</u>	<u>\$ 36,656,882</u>

Approved on Behalf of the Board:

C. G. Byrnes  
Director of Education

Irene McCauley  
Chair of the Board

The accompanying notes form an integral part of the financial statements.

## NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 1992

### 1. SIGNIFICANT ACCOUNTING POLICIES:

The financial statements have been prepared by the Board using accounting principles that are prescribed by the Ministry of Education and are considered appropriate for Ontario school boards. These principles are in accordance with generally accepted accounting principles except as follows:

#### (a) Accrual Accounting:

Revenue and expenditure are accounted for on the accrual basis of accounting, with the following exceptions:

- (i) No provision is made for interest on unmatured debt from the date of payment to the year-end.
- (ii) No provision is made to record the liability for retirement and/or sick leave benefits accruing over the working lives of employees.

#### (b) Capital Assets:

Capital assets are charged to current expenditure unless financed by long-term debt. Principal and interest charges on net long-term liabilities are included as expenditures in the period due. Capital assets, including capital leases, described as capital outlay to be recovered in future years, are included on the balance sheet only to the extent of the balance of the related net long-term liabilities outstanding and of the related temporary financing at the year-end.

#### (c) Under/Over Requisition of Taxes:

The difference between the net expenditures of any year and the amounts received to finance these expenditures is carried forward to the subsequent year to either increase or reduce the net revenue requirements from ratepayers.

### 2. NET LONG-TERM LIABILITIES:

Of the \$18,340,582 net long-term liabilities outstanding at December 31, 1992, principal amounting to \$8,635,743 plus interest amounting to \$8,769,071 is payable over the next five years, as follows:

	Principal	Interest	Total
1993	\$ 1,968,414	\$ 2,070,453	\$ 4,038,867
1994	1,768,749	1,957,514	3,726,263
1995	1,852,634	1,864,145	3,716,779
1996	1,828,061	1,572,354	3,400,415
1997	1,217,885	1,304,605	2,522,490
	<u>\$ 8,635,743</u>	<u>\$ 8,769,071</u>	<u>\$ 17,404,814</u>

### 3. DEBT CHARGES AND CAPITAL LOAN INTEREST:

The revenue fund expenditure for debt charges and capital loan interest includes principal and interest payments as follows:

	1992		1991	
	Elementary	Secondary	Elementary	Secondary
Principal payments on long-term liabilities including contributions to sinking funds	\$ 658,284	\$ 1,000,004	\$ 405,280	\$ 552,126
Interest payments on long-term liabilities	535,175	1,385,363	312,425	1,251,370
Interest payments on temporary financing of capital projects	80,060	35,852	76,630	--
	<u>\$ 1,273,519</u>	<u>\$ 2,421,219</u>	<u>\$ 794,335</u>	<u>\$ 1,803,496</u>

The amount of interest relating to the temporary financing of capital projects which is included as a capital expenditure in the Capital Fund Statement of Operations for the current year is \$607,083 (1991 - \$519,777).

### 4. PENSION PLAN COSTS:

All non-teaching employees of the Board are eligible to be members of the Ontario Municipal Employees Retirement System which is a multi-employer final average pay contributory plan. Employer contributions made to the plan during the year by the Board amounted to \$561,917 (1991 - \$469,820). Not shown in the financial statements of the Board are the employer's contributions to the Teachers' Pension Plan. The funding for such is provided directly by the Provincial Government.

### 5. CONTRACTUAL OBLIGATIONS AND CONTINGENT LIABILITIES:

#### (a) Capital Projects:

Contractual obligations amounted to approximately \$9,126,537 for the construction of and/or renovations to schools as follows:

St. Luke the Apostle	\$ 2,123,156
St. Thomas Aquinas	767,208
Sacré Coeur-Site	721,000
Sacré Coeur	2,869,113
Our Lady of Peace	2,646,060
	<u>\$ 9,126,537</u>

#### (b) Ministry Equity Capital Reserve:

As a result of the Board converting the former St. Joseph's School in Burlington to academic administration offices, the Ministry of Education has directed that \$1,093,539 be placed in a Ministry Equity Capital Reserve Fund on or before December 31, 1995. This amount will be required from the Revenue Fund and require local taxation revenues for such funding.

#### (c) Expropriation of School Sites:

At December 31, 1992 the Board has potential outstanding obligations with respect to the expropriation of school sites for St. Luke the Apostle and Our Lady of Peace elementary schools. The Board has expended funds in the accounts equal to the Board's appraisal values. Additional liabilities, if any, are unknown at this date.

### 6. LEASE OBLIGATIONS:

In addition to amounts disclosed elsewhere in the financial statements, the Board has obligations under operating leases in the following amounts:

1993	\$ 514,746
1994	249,181
1995	189,044
1996	133,486
1997	16,530
	<u>\$ 1,102,987</u>

### 7. ONTARIO SCHOOL BOARD INSURANCE EXCHANGE:

The Board joined effective April 1, 1987, the Ontario School Board Insurance Exchange (OSBIE), a reciprocal insurance company licenced under the Insurance Act. OSBIE insures general public liability, property damage and certain other risks.

### AUDITORS' REPORT

To the Trustees of The Halton Roman Catholic Separate School Board

We have audited the balance sheet of the Halton Roman Catholic Separate School Board as at December 31, 1992 and the Revenue Fund Statements of Operations and the Capital Fund Statement of Operations for the year then ended. These financial statements are the responsibility of the School 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 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 December 31, 1992 and the results of its operations for the year then ended in accordance with the accounting principles described in Note 1 to the financial statements.

Burlington, Ontario  
April 1, 1993

*Home & Co.*  
Chartered Accountants

## REVENUE FUND STATEMENT OF OPERATIONS - ELEMENTARY & SECONDARY FOR THE YEAR ENDED DECEMBER 31, 1992

EXPENDITURE:	ELEMENTARY		SECONDARY	
	1992	1991	1992	1991
Business administration	\$ 578,255	\$ 568,966	\$ 316,049	\$ 295,594
General administration	1,226,387	1,044,025	685,979	551,446
Computer services	281,139	320,512	153,808	166,514
Instruction	45,376,879	41,404,149	22,257,376	20,332,267
Plant operation and maintenance	5,746,622	5,117,850	3,218,920	3,002,530
Transportation	3,164,813	3,618,042	1,935,524	2,046,451
Tuition fees	412,898	426,423	12,183,825	12,488,065
Capital expenditure (non-allocable)	14,535,554	5,502,812	8,653,429	6,138,373
Debt charges and capital loan interest (Note 3)	1,273,519	794,335	2,421,219	1,803,496
Other operating expenditure	133,713	354,641	76,065	184,245
Non-operating expenditure excluding transfers to reserves	304,482	198,413	276,719	357,957
Total Expenditure	<u>73,034,261</u>	<u>59,350,168</u>	<u>52,178,913</u>	<u>47,366,938</u>

### RECOVERY OF EXPENDITURE:

Other school boards - tuition fees and miscellaneous	404,182	346,175	3,732,597	2,834,319
Government of Ontario - miscellaneous	341,787	98,969	59,876	91,991
Government of Canada	7,878	389,599	110,246	367,742
Individuals - tuition fees	67,684	56,100	217,724	183,239
Other revenue, excluding transfers from reserves	4,777,702	2,290,789	3,337,402	3,007,672
Total Recovery of Expenditure	5,599,233	3,181,632	7,457,845	6,484,963
<b>NET EXPENDITURE</b>	<u>\$ 67,435,028</u>	<u>\$ 56,168,536</u>	<u>\$ 44,721,068</u>	<u>\$ 40,881,975</u>

### FINANCING OF NET EXPENDITURE:

Government of Ontario:				
General Legislative Grants	\$ 47,122,432	\$ 40,021,059	\$ 26,432,164	\$ 26,310,175
Local Taxation:				
Previous year's over/(under) requisition	4,538,312	2,404,768	( 5,130,671)	( 6,022,494)
Local taxation raised in the current year	22,736,127	18,281,021	18,299,321	15,463,623
	74,396,871	60,706,848	39,600,814	35,751,304
To be applied to the following year's taxation:				
Net (over)/under-requisition	( 6,961,843)	( 4,538,312)	5,120,254	5,130,671
<b>TOTAL FINANCING</b>	<u>\$ 67,435,028</u>	<u>\$ 56,168,536</u>	<u>\$ 44,721,068</u>	<u>\$ 40,881,975</u>

The accompanying notes form an integral part of the financial statements.

## CAPITAL FUND STATEMENT OF OPERATIONS FOR THE YEAR ENDED DECEMBER 31, 1992

CAPITAL EXPENDITURE:	1992	1991
Fixed assets and work-in-progress:		
Buildings, furniture and equipment	\$ 24,922,421	\$ 6,555,054
School sites and improvements to sites	4,636,779	1,829,357
Other (Note 3)	671,458	1,196,254
	30,230,658	9,580,665
Less goods and services tax rebate	1,214,407	327,456
<b>TOTAL CAPITAL EXPENDITURE</b>	<u>29,016,251</u>	<u>9,253,209</u>
<b>CAPITAL FINANCING:</b>		
Balance at beginning of year not permanently financed:		
Elementary	\$ ( 4,609,717)	\$ ( 1,992,972)
Secondary	( 3,928,797)	( 8,316,666)
Long-term liabilities issued and sold	5,160,500	3,622,285
Capital expenditure from revenue fund	23,773,587	11,856,405
Transfer to revenue fund	( 7,256,376)	( 4,458,477)
Balance at end of year not permanently financed:		
Elementary	10,955,002	4,613,412
Secondary	4,922,052	3,929,222
<b>TOTAL CAPITAL FINANCING</b>	<u>\$ 29,016,251</u>	<u>\$ 9,253,209</u>

The accompanying notes form an integral part of the financial statements.