

Financial Statements of

**SERVICE DE TRANSPORT DES ÉLÈVES -  
WINDSOR-ESSEX STUDENT TRANSPORTATION  
SERVICES**

And Independent Auditors' Report thereon

Year ended August 31, 2023



**KPMG LLP**

618 Greenwood Centre  
3200 Deziel Drive  
Windsor, ON N8W 5K8  
Canada  
Telephone 519 251 3500  
Fax 519 251 3530

## **INDEPENDENT AUDITOR'S REPORT**

To Board of Directors of Service de transport des élèves - Windsor-Essex Student Transportation Services

### ***Opinion***

We have audited the financial statements of the Service de transport des élèves - Windsor-Essex Student Transportation Services, (the Entity), which comprise:

- the statement of financial position as at end of August 31, 2023
- the statement of operations for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the “financial statements”).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at August 31, 2023, its results of operations, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### ***Basis for Opinion***

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the “***Auditor’s Responsibilities for the Audit of the Financial Statements***” section of our auditor’s report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



### ***Responsibilities of Management and Those Charged with Governance for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



Page 3

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*KPMG LLP*

---

Chartered Professional Accountants, Licensed Public Accountants

Windsor, Canada

December 7, 2023

**SERVICE DE TRANSPORT DES ÉLÈVES -  
WINDSOR-ESSEX STUDENT TRANSPORTATION SERVICES**


Statement of Financial Position

Year ended August 31, 2023, with comparative information for 2022

	2023		2022
<b>Financial assets:</b>			
Cash	\$ 58,437	\$	13,400
Accounts receivable	838		10,359
Due from related parties (note 4)	490,247		820,170
<b>Total financial assets</b>	<b>\$ 549,522</b>	<b>\$</b>	<b>843,929</b>
<b>Financial liabilities:</b>			
Due to related parties (note 5)	\$ 462,208	\$	744,494
Accounts payable and accrued liabilities	87,314		99,435
<b>Total financial liabilities</b>	<b>\$ 549,522</b>	<b>\$</b>	<b>843,929</b>

See accompanying notes to financial statements.

On behalf of the Board:

  
\_\_\_\_\_  
General Manager

  
\_\_\_\_\_  
Treasurer

## SERVICE DE TRANSPORT DES ÉLÈVES - WINDSOR-ESSEX STUDENT TRANSPORTATION SERVICES

Statement of Operations

Year ended August 31, 2023, with comparative information for 2022

	Budget (Unaudited)	2023	2022
<b>Revenues:</b>			
Conseil scolaire catholique Providence	\$ 4,047,830	\$ 4,256,695	\$ 4,152,344
Conseil scolaire Viamonde	703,592	716,035	578,214
Greater Essex County District School Board	16,266,279	17,723,631	16,424,104
John McGivney Children's Centre	6,000	6,000	6,000
Windsor Essex Catholic District School Board	10,151,979	10,354,572	9,684,785
In-kind revenue - Ministry of Government and Consumer Services	-	-	69,222
<b>Total revenues</b>	<b>31,175,680</b>	<b>33,056,933</b>	<b>30,914,669</b>
<b>Expenses:</b>			
Transportation services	30,061,780	31,779,297	28,696,554
<b>Administrative</b>			
Advertising and promotion	10,000	6,112	9,129
Banker board fee	25,000	25,000	25,000
COVID-19	-	-	994,440
Insurance	22,000	30,378	20,962
Legal fees	5,000	4,022	-
Memberships	2,000	235	235
Office supplies and equipment	17,500	12,064	15,640
Program supplies	18,000	32,502	12,270
Purchased services	52,000	66,548	77,040
Rent	60,200	61,179	59,687
Safety training for Students	-	45,617	47,324
Salaries and benefits	802,200	880,368	798,920
Software fees and licenses	86,000	89,693	146,561
Telephone	9,000	15,465	8,058
Training	2,000	3,723	1,618
Travel and meetings	3,000	4,730	1,231
<b>Total expenses</b>	<b>31,175,680</b>	<b>33,056,933</b>	<b>30,914,669</b>
<b>Annual surplus</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

See accompanying notes to financial statements.

**SERVICE DE TRANSPORT DES ÉLÈVES -  
WINDSOR-ESSEX STUDENT TRANSPORTATION SERVICES**

Statement of Cash Flows

Year ended August 31, 2023, with comparative information for 2022

	2023	2022
Cash provided by (used in):		
Operating activities:		
Change in non-cash assets and liabilities:		
Decrease in accounts receivable	\$ 9,521	\$ 145,562
Decrease (increase) in due from related parties	329,923	(710,137)
(Decrease) increase in accounts payable and accrued liabilities	(12,121)	42,075
Net change in cash from operating activities	327,323	(522,500)
Financing activities:		
(Decrease) increase in due to related parties	(282,286)	535,065
Net change in cash	45,037	12,565
Cash, beginning of year	13,400	835
Cash, end of year	\$ 58,437	\$ 13,400

See accompanying notes to financial statements.

# SERVICE DE TRANSPORT DES ÉLÈVES - WINDSOR-ESSEX STUDENT TRANSPORTATION SERVICES

Notes to Financial Statements

Year ended August 31, 2023

---

## 1. Significant accounting policies:

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards, and reflect the following policies:

### *Reporting entity*

The Service de transport des élèves – Windsor-Essex Student Transportation Services (the “Consortium”) is an incorporated Not for Profit organization established in 2013 to provide transportation services within the combined jurisdictions of the current member school boards.

The current member school boards are Conseil scolaire catholique Providence, Conseil scolaire Viamonde, Greater Essex County District School Board and Windsor-Essex Catholic District School Board. Under the formal agreement, decisions related to the financial and operating activities are shared. No Board is in a position to exercise unilateral control.

### *Basis of accounting*

Revenues and expenses are reported on an accrual basis of accounting. The accrual basis of accounting recognizes revenues when transportation services have been provided in accordance with the cost sharing agreement and when collection is reasonably assured; expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and/or the creation of a legal obligation to pay.

### *Use of estimates*

The preparation of financial statements in conformity with Canadian public sector accounting standards 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 expenses during the year. Actual results could differ from these estimates.

### *Non-financial assets*

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

### *Tangible capital assets*

Capital assets are recorded at cost which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets are amortized on a straight line basis over their estimated useful lives. During the current and previous years, purchases of furniture and equipment are considered immaterial and have not been capitalized.



# **SERVICE DE TRANSPORT DES ÉLÈVES - WINDSOR-ESSEX STUDENT TRANSPORTATION SERVICES**

Notes to Financial Statements (continued)

Year ended August 31, 2023

---

## **2. Change in Accounting Policy – Adoption of New Accounting Standards**

The Consortium adopted the following accounting standards for the year ended August 31, 2023, with no impact on the financial statements. A Statement of Remeasurement Gains and Losses has not been prepared, as there is no activity to present:

1. PS 2601 Foreign Currency Translation replaces PS 2600 Foreign Currency Translation. The standard requires monetary assets and liabilities denominated in a foreign currency and non-monetary items denominated in a foreign currency that are reported as fair value, to be adjusted to reflect the exchange rates in effect at the financial statement date. Unrealized gains and losses arising from foreign currency changes are presented in the new Statement of Remeasurement Gains and Losses.
2. PS 3401 Portfolio Investments replaces PS 3040 Portfolio Investments. The standard provides revised guidance on accounting for, and presentation and disclosure of, portfolio investments to conform to PS 3450 Financial Instruments. The distinction between temporary and portfolio investments has been removed in the new standard, and upon adoption, PS 3030 Temporary Investments will no longer apply.
3. PS 3450 Financial Instruments establishes accounting and reporting requirements for all types of financial instruments including derivatives. The standard requires fair value measurement of derivatives and portfolio investments in equity instruments that are quoted in an active market. All other financial instruments will generally be measured at cost or amortized cost. Unrealized gains and losses arising from changes in fair value are presented in the Statement of Remeasurement Gains and Losses.
4. PS 1201 Financial Statement Presentation establishes general reporting principles and standards for the disclosure of information in government financial statements. The standard introduces the Statement of Remeasurement Gains and Losses separate from the Statement of Operations.
5. PS 3280 Asset Retirement Obligations (ARO) establishes the accounting and reporting requirements for legal obligations associated with the retirement of tangible capital assets controlled by a government or government organization. A liability for a retirement obligation can apply to tangible capital assets either in productive use or no longer in productive use.

## **3. Economic dependence**

The Consortium's operations consist exclusively of supplying services to the current member boards in their combined jurisdictions.

# SERVICE DE TRANSPORT DES ÉLÈVES - WINDSOR-ESSEX STUDENT TRANSPORTATION SERVICES

Notes to Financial Statements (continued)

Year ended August 31, 2023

---

#### 4. Due from related parties:

The amounts are due from members of the Consortium. They are non-interest bearing and will be repaid within the year.

	2023	2022
Conseil scolaire catholique Providence	\$ 54,536	\$ 203,899
Conseil scolaire Viamonde	9,688	38,166
Greater Essex County District School	278,000	104,922
Windsor Essex Catholic District School Board	148,023	473,183
	\$ 490,247	\$ 820,170

#### 5. Due to related parties:

The amounts are due to members of the Consortium. They are non-interest bearing and will be repaid within the year.

	2023	2022
Greater Essex County District School Board	\$ 462,208	\$ 744,494

#### 6. Contingent liabilities:

In the normal course of operations, the Consortium becomes involved in various claims and legal proceedings. While the final outcome with respect to claims and legal proceedings pending at August 31, 2023 cannot be predicted with certainty, it is the opinion of the Consortium that their resolution will not have a material adverse effect on the Consortium's financial position or results of operations.