



**LYCEE FRANCAIS INTERNATIONAL JACQUES PREVERT D'ACCRA LBG
MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS
HELD ON WEDNESDAY 11TH MAY 2022 AT THE LYCEE FRANCAIS, ACCRA**

In attendance:

1. Mrs. Sophie Bailly-Bechet, President
2. Mr Wissam Raad, Vice-President
3. Ms Nachula Wilson, Treasurer and Member via videoconference
4. Mr Cyrille Lemée, Member
5. Ms. Enyonam Dagadu, Member via videoconference
6. Mr. Krishan K Kapoor, Member
7. Mrs. Emma Tarrant, Member

Also in attendance:

1. Mr. David Ballieu, Principal
2. Ms Sylvie Bourget, Finance Director
3. Mrs. Aurelie Serve, Staff Representative
4. Mr Florent ENGELMANN, Cooperation Attaché, French Embassy
5. Mrs Karine Sako, Headmistress of the primary school
6. Mr Francis Takyi for the External Auditor
7. Mr. Babacar Barry for the Company Secretary and Legal Counsel

Absents:

1. Mrs. Nadine Colin, Member

Opening: The meeting was called to order by the Chairperson at 5.17 pm. There being no objection, the agenda was adopted.

1 Presentation of the audited financial statements.

Mr. Francis Takyi noted with appreciation the cooperation of the school administration and presented the audited financial statements of the LFIA to the Board. The highlights of the financial statements annexed to these minutes are as follows:

On the balance sheet year on year:

- A decline of 4% was noted in the value of property, plant, and equipment due to an increase in depreciation.
- A decline of 68% was observed in the value of intangible assets.
- In terms of current assets, a year-on-year decrease of 30% was observed on receivables and cash balances increased by 222% due to increased revenue because of the payment of school fees and receipt of the AEFE grant.
- An increase was also observed in the accumulated fund of the school as it is increased by the net profit 2021.



- In non-current liabilities, a provision of 10% was made for employee benefits, for staff retirement.
- The total accounts payable reflected a 26% increase on account of due to AEFE scholarships being paid in advance and school fees being paid in advance.
- Funds for extracurricular activities recorded a decline of 7% being due to the cancellation of extracurricular activities in the financial year due to the pandemic

On the profit and loss statement year on year:

- Income recorded an increase due to the increase in the number of students.
- Employee benefits recorded an increase of 12% which was accounted for by regular staff cost increases and their school fees exemptions
- Increase of the AEFE Supplementary Financial Contribution of €24,000.
- General expenses recorded an increase due to increased depreciation charges, public services, and a provision for pension benefits.
- Having presented the highlights of the financial statements, the auditor in his opinion however made some recommendations.
 - (a) Mr Takyi first recommended the implementation of a policy establishing a threshold for the value of assets against which depreciation would not be applied. Ms. Bourget informed the Board that in her past experience in France for example, all assets under €800 in value were not subjected to depreciation as a policy.
 - (b) Mr Takyi also recommended that LFIA should obtain tax exemption status. Mr Barry advised the Board that such exemption could only be obtained from the Commissioner for Income Tax of the Ghana Revenue Authority. The Board agreed to consider this matter further.
 - (c) The auditor also advised that the payment of SSNIT contributions should be made on time and that this is now the case. It was noted by the Board that this recommendation had been made by EY, the previous auditor.

The President of the Board thanked the auditors for their work, presentation, and recommendations. Mr Lemée noted that in future, for corporate governance, the financial statements ought to be presented to the Board for examination before presentation to the auditors as the statement emanates from the Board rather than the auditor whose function is to review and assure that the accounts have been properly kept. The Board took due notice.

2 Budget progress.

- a. Ms Bourget reported that expenditure remained broadly in line with budgetary estimates. However, it also noted that the discount on tuition fees for the 2nd semester 2020-2021 due to the health crisis generated an exceptional increase in expenses for an amount of €40,000.

An explanation by Ms. Bourget for this occurrence was that when the budget was prepared in November 2021, the assumptions made were conservative as it was not possible at the time to estimate the impact of the pandemic. The President noted that the exemption was implemented to attract teaching staff to the school, and Mr. Ballieu noted that the removal of this could impact the recruitment of local staff in replacement of the non-resident



3 School extension.

Mr. Kapoor updated the Board on work carried out with Mr. Cheron. He indicated that currently, there are two (2) options for buildings for Phase# 1 which covers the construction of the College/Senior High School on the Northeast side of the existing Campus.

Option# 1:

4-storey buildings with Court-Yard/Play-Area on Top/Roof-Floor. Placing Court-Yard/Play-Area on Roof was proposed first by Mr. Cheron.

Option# 2:

5-storey buildings placing Court-Yard/Play-Area on the First-Floor or ground floor. This design improvement by Mr. Cheron, adds an extra floor to the building at an additional cost of about USD 600,000 (*estimation*).

He therefore, reported that Mr. Ghazal, Mr. Cheron, and himself would meet with Mr. David BALLIEU and others in the Administration to discuss their needs and preferences in this matter.

Mr. Kapoor noted that in his opinion it was imperative that the current activity by the Infrastructure Committee be completed quickly so that other rest of the related tasks could also be followed up and completed for construction work to start by January-2023.

He also noted that construction cost was about US\$600 per square metre in 2019 when the 4th floor was added to the multi-storey building. The current cost is estimated at about \$1,100 per square meter. Therefore, the cost of construction of the College/Senior High School buildings under Phase# 1 is estimated at about US\$4 million.

In addition, he noted that to design new buildings, a topography survey of the school premises would have to be undertaken at a cost of GHS25,000 which is about one-third of the cost quoted earlier by other surveyors. This survey will also be used to design the drainage system to avoid flooding on the Campus during the rainy seasons.

The IC committed to presenting a progress report to the Board at its next meeting before the General Meeting to be held on 30th May 2022.

4 Tax - employee tax contributions

Mr. Ballieu reported that the administration had held informal consultations with other schools to determine how they addressed the question of withholding taxes on employees for the children of their employees being in their schools. He reported that he had heard several different methods but was unable to state whether these would be acceptable to the authorities and advised the Board to follow the tax consultant's advice.

The Board requested that the Finance Committee consult a tax advisor and report to it for a decision to be taken.

5 Land title documentation

Mr. Barry reported to the Board that a search report was received from the Land Commission for the



aefe
Agence pour
l'enseignement français
à l'étranger

entire block as had previously been the belief. It was observed by the Board that the photocopy of the lease previously seen indicated that the government had given a larger parcel to the school including the areas occupied by the neighbours. Mr. Barry pointed out that that lease was unregistered and that the requirement for stamp duty on the lease had not been complied with. It was agreed by the Board that a certified true copy of the deed is obtained from the Land Commission pending further inquiry as to what happened to the school lands.

6 General Meeting of 30th May 2022

The Board took note that the Annual General Meeting was scheduled for 30th May 2022 and agreed to reconvene to discuss details and modalities for the holding of the meeting.

7 Any other business

- (a) Social dialogue committee – To an inquiry about the progress of the dialogue on the committee, it is said that a meeting must take place within a month.
- (b) Bako family – Mr. Ballieu reported that he had learned about the situation. The HR Committee will meet shortly and will, among other things, deal with this case with the help of the HR firm to obtain advice and make a recommendation to the Board.
- (c) Employee withholding taxes – The finance department is working with the tax advisor on a scholarship that could help to find a solution for this matter.
- (d) There being no further business, the meeting was adjourned at 9:25 pm
- (e) **Date of next meeting:** The next Board meeting is scheduled for 23rd May 2022 to prepare for the general assembly.

Sophie Bailly-Bechet
President of the Board

Company Secretary