Consolidated financial statements of
Toronto Catholic District School Board

August 31, 2024

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Management Report

Year ended August 31, 2024

Re: Management's Responsibility for the Consolidated Financial Statements

The accompanying consolidated financial statements of the Toronto Catholic District School Board are the responsibility of the School Board's management and have been prepared in accordance with the Financial Administration Act, supplemented by Ontario Ministry of Education memorandum 2004:B2 and Ontario Regulation 395/11 of the Financial Administration Act, as described in Note 1(a) to the financial statements.

The preparation of the consolidated financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

Board management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management.

The Audit Committee of the Board meets with the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to the Board's approval of the consolidated financial statements.

The consolidated financial statements have been audited by Deloitte LLP, independent external auditors appointed by the Board. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the School Board's consolidated financial statements.

Director of Education

Chief Financial Officer

[DATE]

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Independent Auditor's Report

To the Board of Trustees of the
Toronto Catholic District School Board

Opinion

We have audited the consolidated financial statements of Toronto Catholic District School Board (the "Board"), which comprise the consolidated statement of financial position as at August 31, 2024, and the consolidated statements of operations and accumulated surplus, change in net debt and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying financial statements of the Board for the year ended August 31, 2024 are prepared, in all material respects, in accordance with the basis of accounting described in Note 1(a) to the financial statements.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Board 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.

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 1(a) of the financial statements which describes the basis of accounting used in the preparation of these financial statements and the significant differences between such basis of accounting and Canadian public sector accounting standards. Our opinion is not modified in respect of this matter.

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

Management is responsible for the preparation of the financial statements in accordance with the basis of accounting described in Note 1(a) to the financial statements, 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 Board'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 Board or to cease operations, or has no realistic alternative but to do so.

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Those charged with governance are responsible for overseeing the Board'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 GAAS 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 these financial statements.

As part of an audit in accordance with Canadian GAAS, 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 Board's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 Board'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 Board to cease to continue as a going concern.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Board to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We 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.

Chartered Professional Accountants
Licensed Public Accountants
[DATE]

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Toronto Catholic District School Board

Consolidated statement of financial position

As at August 31, 2024
(In thousands of dollars)

	Notes	2024 $	2023 $
Assets			
Cash and cash equivalents		**186,807**	106,248
Accounts receivable		**70,980**	70,914
Account receivable – Government of Ontario	3	**445,080**	436,680
Investments		**15,075**	20,075
		717,942	633,917
Liabilities			
Accounts payable and accrued liabilities		**197,367**	102,715
Net long-term debt	7	**189,951**	211,908
Deferred revenue	4	**278,371**	254,153
Retirement and other employee future benefits payable	12	**53,110**	48,872
Deferred capital contributions	5	**977,583**	885,795
Asset retirement obligation	10	**60,333**	60,298
		1,756,715	1,563,741
Net debt		**(1,038,773)**	(929,824)
Non-financial assets			
Prepaid expenses		**2,627**	2,069
Tangible capital assets	9	**1,476,465**	1,374,907
		1,479,092	1,376,976
Commitments and contingencies	15		
Accumulated surplus	11	**440,319**	447,152

The accompanying notes are an integral part of the consolidated financial statements.

Approved on behalf of the Board

____________________________________, Chair of the Board

____________________________________, Director of Education

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Toronto Catholic District School Board

Consolidated statement of operations and accumulated surplus

Year ended August 31, 2024

(In thousands of dollars)

	Notes	Budget $	2024 Actual $	2023 Actual $
Revenue				
Provincial grants				
Student needs		**1,082,571**	**1,185,848**	1,106,247
Amortization of deferred capital contributions	5	**82,456**	**84,790**	75,639
Other		**15,267**	**136,479**	20,107
School generated funds		**23,925**	**36,919**	32,865
Investment income		**103**	**7,184**	3,485
Other fees and revenue		**29,029**	**43,991**	35,421
		1,233,351	**1,495,211**	1,273,764
Expenses	14			
Instruction		**908,271**	**1,083,162**	953,012
Administration		**31,184**	**38,488**	30,792
Transportation		**46,786**	**48,788**	44,235
Pupil accommodation		**193,531**	**212,143**	191,047
School generated funds		**23,925**	**36,166**	33,017
Labour Provision		**—**	**59,286**	—
Other		**33,293**	**24,011**	32,498
		1,236,990	**1,502,044**	1,284,601
Annual deficit		**(3,639)**	**(6,833)**	(10,837)
Accumulated surplus, beginning of year		**447,152**	**447,152**	457,989
Accumulated surplus, end of year		**443,513**	**440,319**	447,152

The accompanying notes are an integral part of the consolidated financial statements.

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Toronto Catholic District School Board

Consolidated statement of change in net debt

Year ended August 31, 2024

(In thousands of dollars)

	Budget $	2024 Actual $	2023 Actual $
Annual deficit	**(3,639)**	**(6,833)**	(10,837)
Tangible capital asset activities			
Purchase of tangible capital assets and addition of asset retirement obligation	**(99,300)**	**(187,664)**	(127,691)
Amortization of tangible capital assets	**82,514**	**84,178**	72,680
Amortization of tangible capital assets - asset retirement obligation	**—**	**2,919**	2,131
Loss on sale of tangible capital asset	**—**	**670**	3,017
Proceeds on sale of tangible capital assets	**—**	**—**	255
Gain on sale allocated to deferred revenue	**—**	**—**	(255)
Change in estimate of tangible capital asset asset retirement obligation	**—**	**(1,851)**	(7,594)
Disposals of tangible capital assets asset retirement obligation	**—**	**190**	154
	(16,786)	**(101,558)**	(57,303)
Other non-financial asset activities			
Acquisition of prepaid expenses	**—**	**(2,627)**	(2,069)
Use of prepaid expenses	**—**	**2,069**	1,331
	—	**(558)**	(738)
Change in net debt	**(20,425)**	**(108,949)**	(68,878)
Net debt, beginning of year	**(929,824)**	**(929,824)**	(860,946)
Net debt, end of year	**(950,249)**	**(1,038,773)**	(929,824)

The accompanying notes are an integral part of the consolidated financial statements.

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Toronto Catholic District School Board

Consolidated statement of cash flows

Year ended August 31, 2024

(In thousands of dollars)

	Notes	2024 $	2023 $
Operating activities			
Annual deficit		**(6,833)**	(10,837)
Items not involving cash			
Amortization of tangible capital assets		**84,178**	72,680
Amortization of tangible capital assets - asset retirement obligation		**2,919**	2,131
Loss on sale of tangible capital asset		**670**	3,017
Amortization of deferred capital contributions		**(84,790)**	(75,639)
Gain on Disposal		**—**	(255)
Asset retirement obligation liability (excl settlements)		**2,027**	7,272
Purchase of tangible capital assets asset retirement obligation, net of disposals		**(2,267)**	(7,558)
Changes in non-cash assets and liabilities			
Accounts receivable		**(66)**	17,796
Prepaid expenses		**(558)**	(738)
Accounts payable and accrued liabilities		**94,652**	27,269
Deferred revenue – operating		**3,661**	(2,463)
Retirement and other employee future benefits payable		**4,238**	(4,587)
Settlement of asset retirement obligation		**(1,992)**	(735)
		95,839	27,353
Capital activity			
Purchase of tangible capital assets, net of disposals		**(187,058)**	(127,318)
Investing activity			
Redemption of investments, net		**5,000**	—
Financing activities			
Increase in account receivable – Government of Ontario, net		**(8,400)**	(18,763)
Debt repayment		**(21,957)**	(20,899)
Decrease in restricted cash held in joint bank account	13	**—**	60
Additions to deferred capital contributions		**176,578**	95,221
Change in deferred revenue – capital		**20,557**	63,450
		166,778	119,069
Increase in cash and cash equivalents		**80,559**	19,104
Cash and cash equivalents, beginning of year		**106,248**	87,144
Cash and cash equivalents, end of year		**186,807**	106,248
Cash and cash equivalents consist of			
Cash (bank indebtedness)		**3,424**	(357)
Cash equivalents		**183,383**	106,605
		186,807	106,248

The accompanying notes are an integral part of the consolidated financial statements.

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1. Significant accounting policies

The consolidated financial statements are prepared by management in accordance with the basis of accounting described below.

(a) Basis of accounting

The consolidated financial statements have been prepared in accordance with the Financial Administration Act, supplemented by Ontario Ministry of Education memorandum 2004:B2 and Ontario Regulation 395/11, Accounting Policies and Practices Public Entities ("Regulation 395/11"), of the Financial Administration Act.

The Financial Administration Act requires that the consolidated financial statements be prepared in accordance with the accounting principles determined by the relevant Ministry of the Province of Ontario ("Province"). A directive was provided by the Ontario Ministry of Education within memorandum 2004:B2 requiring school boards to adopt Canadian Public Sector Accounting Standards ("PSAS") commencing with their year ended August 31, 2004 and that changes may be required to the application of these standards as a result of regulation.

In 2011, the government passed Regulation 395/11 of the Financial Administration Act. Regulation 395/11 requires that contributions received or receivable for the acquisition or development of depreciable tangible capital assets and contributions of depreciable tangible capital assets for use in providing services be recorded as deferred capital contributions and be recognized as revenue in the consolidated statement of operations over the periods during which the asset is used to provide service at the same rate that amortization is recognized in respect of the related asset. Regulation 395/11 further requires that if the net book value of the depreciable tangible capital asset is reduced for any reason other than depreciation, a proportionate reduction of the deferred capital contribution along with a proportionate increase in the revenue be recognized. For Ontario school boards, these contributions include government transfers, externally restricted contributions and, historically, property tax revenue.

The accounting policy requirements under Regulation 395/11 are significantly different from the requirements of PSAB, which requires that:

(i) government transfers, including amounts previously recognized as tax revenue, which do not contain a stipulation that creates a liability, be recognized as revenue by the recipient when approved by the transferor and the eligibility criteria have been met in accordance with PSAS PS3410;

(ii) externally restricted contributions be recognized as revenue in the period in which the resources are used for the purpose or purposes specified in accordance with PSAS PS3100; and

(iii) property taxation revenue be reported as revenue when received or receivable in accordance with PSAS PS3510.

As a result, revenue recognized in the consolidated statement of operations and certain related deferred revenue and deferred capital contributions would be recorded differently under PSAS.

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1. Significant accounting policies (continued)

(b) Reporting entity

The consolidated financial statements reflect the assets, liabilities, revenue and expenses of the reporting entity. The reporting entity comprises all organizations which are controlled by the Toronto Catholic District School Board ("Board").

School generated funds, which include the assets, liabilities, revenue and expenses of various organizations that exist at the school level and which are controlled by the Board, are reflected in the consolidated financial statements.

Interdepartmental and inter-organizational transactions and balances between these organizations are eliminated.

(c) Trust funds

Trust funds and their related operations administered by the Board, amounting to $493 ($498 in 2023), have not been included in the consolidated statement of financial position nor have their operations been included in the consolidated statement of operations, as they are not controlled by the Board.

(d) Cash and cash equivalents

Cash and cash equivalents comprise 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 90 days or less.

(e) Investments

Temporary investments consist of marketable securities, which are liquid short-term investments with maturities of between three months and one year at the date of acquisition, and are carried on the consolidated statement of financial position at the lower of cost or fair value.

Long-term investments consist of investments that have maturities of more than one year. Long-term investments are recorded at cost and assessed regularly for permanent impairment.

(f) Deferred revenue

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

(g) Deferred capital contributions

Contributions received or receivable for the purpose of acquiring or developing a depreciable tangible capital asset for use in providing services, or any contributions in the form of depreciable tangible assets received or receivable for use in providing services, are recorded as deferred capital contributions, as defined in Regulation 395/11. These amounts are recognized as revenue in the consolidated statement of operations at the same rate as related tangible capital assets are amortized. The following items fall under this category:

(i) government transfers received or receivable for capital purposes;

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1. Significant accounting policies (continued)

(g) Deferred capital contributions (continued)

(ii) other restricted contributions received or receivable for capital purposes; and

(iii) amounts previously recognized as property taxation revenue which were historically used to fund capital assets.

(h) Retirement and other employee future benefits

The Board provides defined retirement and other future benefits to specified employee groups. These benefits include pension, life insurance and health care benefits, dental benefits, retirement gratuity, worker's compensation, accumulated sick leave and long-term disability benefits.

As part of ratified labour collective agreements for unionized employees that bargain centrally and ratified central discussions with the principals and vice-principals associations, the following Employee Life and Health Trusts (ELHTs) were established in 2016-17: Elementary Teachers' Federation of Ontario (ETFO), Ontario English Catholic Teachers' Association (OECTA), Education Workers' Alliance of Ontario (EWAO), Canadian Union of Public Employees (CUPE), and Ontario Non-union Education Trust for non-unionized employees including principals, vice-principals, directors and supervisory officers. The ELHTs provide health, dental and life insurance benefits to teachers (excluding daily occasional teachers), education workers (excluding casual and temporary staff), other school board staff and retired individuals up to a school board's participation date into the ELHT. These benefits are being provided through a joint governance structure between the bargaining/employee groups, school board trustees associations and the Government of Ontario. Boards no longer administer health, life and dental plans for their employees and instead are required to fund the ELHTs on a monthly basis based on a negotiated amount per full-time equivalency (FTE) on a monthly basis. Funding for the ELHTs is based on the existing benefits funding embedded within the Grants for Student Needs (GSN) and additional ministry funding in the form of a Crown contribution and Stabilization Adjustment.

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The Board continues to provide health, dental and life insurance benefits for retired individuals in the following employee groups: CUPE and EWAO(APPSP) and continues to have a liability for payment of benefits for those who are on long-term disability and for some who are retired under these plans.

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. The cost of retirement gratuities were actuarially determined using the employee's salary, banked sick days and years of service as at August 31, 2012 and management's best estimate of discount rates. Any actuarial gains and losses arising from changes to the discount rate are amortized over the expected average remaining service life of the employee group.

1. Significant accounting policies (continued)

(h) Retirement and other employee future benefits (continued)

(i) (continued)

For self-insured retirement and other employee future benefits that vest or accumulate over the periods of service provided by employees, such as life insurance and health care benefits for retirees, the cost is actuarially determined using the projected benefits method prorated on service. Under this method, the costs are recognized over the expected average service life of each 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 and long-term disability, the cost is recognized immediately in the period the events occur. Any actuarial gains and losses that are related to these benefits are recognized immediately in the period they arise.

(ii) The cost of multi-employer defined pension plan benefits, such as the Ontario Municipal Employees Retirement System ("OMERS") 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.

(i) Tangible capital assets

Tangible capital assets are recorded at historical cost less accumulated amortization. Historical cost includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset, as well as interest related to financing during construction and legally or contractually required retirement activities. When historical cost records were not available, other methods were used to estimate the costs and accumulated amortization.

Leases that transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as leased tangible capital assets. All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

Tangible capital assets, except land, are amortized on a straight-line basis over their estimated useful lives as follows:

Asset class	Estimated useful life in years
Land improvements with finite lives	15
Buildings and building improvements	40
Portable structures	20
Other buildings	20
First-time equipping of schools	10
Furniture	10
Equipment	5–15
Computer hardware	3
Computer software	5
Vehicles	5–15
Leasehold improvements	Over lease term

Assets under construction and assets that relate to pre-acquisition and pre-construction costs are not amortized until the asset is available for productive use.

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1. Significant accounting policies (continued)

(i) Tangible capital assets (continued)

Land permanently removed from service and held for resale is recorded at the lower of cost and estimated net realizable value. Cost includes amounts for improvements to prepare the land for sale or servicing. Buildings permanently removed from service and held for resale cease to be amortized and are recorded at the lower of carrying value and estimated net realizable value. Tangible capital assets which meet the criteria for financial assets are reclassified as assets held for sale on the consolidated statement of financial position.

Works of art and cultural and historic assets are not recorded as assets in these consolidated financial statements.

(j) 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, any eligibility criteria have been met, and reasonable estimates of the amount can be made. If government transfers contain stipulations which give rise to a liability, they are deferred and recognized in revenue when the stipulations are met.

Government transfers for capital are deferred as required by Regulation 395/11, recorded as deferred capital contributions and recognized as revenue in the consolidated statement of operations at the same rate and over the same periods as the asset is amortized.

(k) Contributed materials

Contributed materials are recognized by the Board at the date of contribution when a fair value can be reasonably estimated.

(l) Investment income

Investment income is reported as revenue in the period earned.

When required by the funding government or related act, investment income earned on externally restricted funds, such as pupil accommodation, educational development charges and special education is added to the deferred revenue and forms part of the respective deferred revenue balances.

(m) Budget figures

Budget figures have been provided for comparison purposes and have been derived from the budget approved by the Board of Trustees (“Trustees”). The budget approved annually 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. The approved operating budget for 2023-2024 is reflected on the consolidated statement of operations. The budget was approved on June 23, 2023.

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1. Significant accounting policies (continued)

(n) Use of estimates

The preparation of consolidated financial statements in conformity with the basis of accounting described in Note 1(a) 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 consolidated financial statements, and the reported amounts of revenue and expenses during the year. Actual results could differ from these estimates. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in the periods in which they become known. Accounts subject to significant estimates include accrued liabilities, retirement and other employee future benefits payable, asset retirement obligation, useful lives of tangible capital assets and the recognition of deferred amounts related to capital contributions.

(o) Property tax revenue

Under PSAS, the entity that determines and sets the tax levy records the revenue in the financial statements, which in the case of the Board, is the Province of Ontario. As a result, property tax revenue received from the municipalities is recorded as part of Provincial Grants.

2. Change in Accounting Policy - adoption of new accounting standards

The Board adopted the following standards concurrently beginning September 1, 2023 retroactively with restatement: PS 3160 Public Private Partnerships, PS3400 Revenue and, adopted PSG-8 Purchased intangibles prospectively. There was no impact to the financial statements as a result of the adoption of these new standards.

PS 3400 – Revenue

PS3400 *Revenue* establishes standards on how to account for and report on revenue, specifically differentiating between transactions that include performance obligations (i.e., the payor expects a good or service from the public sector entity), referred to as exchange transactions, and transactions that do not have performance obligations, referred to as non-exchange transactions. For exchange transactions, revenue is recognized when a performance obligation is satisfied. For non-exchange transactions, revenue is recognized when there is authority to retain an inflow of economic resources and a past event that gave rise to an asset has occurred.

PSG-8 – Purchased Intangibles

PSG-8 *Purchased Intangibles* provides guidance on the accounting and reporting for purchased intangible assets that are acquired through arm's length exchange transactions between knowledgeable, willing parties that are under no compulsion to act.

PS 3160 – Public Private partnerships (P3s)

PS 3160 *Public Private Partnerships* (P3s) provides specific guidance on the accounting and reporting for P3s between public and private sector entities where the public sector entity procures infrastructure using a private sector partner.

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(In thousands of dollars)

3. Account receivable – Government of Ontario

The Province replaced variable capital funding with a one-time debt support grant in 2009-2010. The Board received a one-time grant that recognizes capital debt as of August 31, 2010 that is supported by the existing capital programs. The Board will receive this grant in cash over the remaining term of the existing capital debt instruments. The Board may also receive yearly capital grants to support capital programs which would be reflected in this account receivable.

The Board has an account receivable from the Province of $392,747 as at August 31, 2024 ($366,307 in 2023) with respect to operating and capital grants.

The Ministry of Education introduced a cash management strategy effective September 1, 2018. As part of the Strategy, the Ministry of Education delays part of the grant payment to school boards where the adjusted accumulated surplus and deferred revenue balances are in excess of certain criteria set out by the Ministry of Education. The balance of delayed grant payments included account receivable – Government of Ontario as at August 31, 2024 is $52,333 ($70,373 in 2023).

4. Deferred revenue

Revenues received and that have been set aside for specific purposes by legislation, regulation or agreement are included in deferred revenue and reported on the consolidated statement of financial position.

Deferred revenue externally restricted for specific purposes by legislation, regulation or agreement as at August 31, 2024 is comprised of:

	Balance, August 31, 2023 $	**Externally restricted revenue and investment income $**	**Revenue recognized during the year $**	**Transfers to deferred capital contributions $**	**Balance, August 31, 2024 $**
Pupil accommodation	50,644	**17,118**	**(4,342)**	**(24,287)**	**39,133**
Education development charges	119,905	**47,996**	**(10,666)**	**(3,945)**	**153,290**
Proceeds of disposition	55,228	**—**	**—**	**(13)**	**55,215**
Financial contributions	2,305	**—**	**—**	**—**	**2,305**
Other	26,071	**232,774**	**(221,201)**	**(9,216)**	**28,428**
	254,153	**297,888**	**(236,209)**	**(37,461)**	**278,371**

5. Deferred capital contributions

Deferred capital contributions include grants and contributions received that are used for the acquisition of tangible capital assets in accordance with Regulation 395/11 that have been expended by year end. The contributions are amortized into revenue over the life of the asset acquired.

	2024 $	2023 $
Balance, beginning of year	**885,795**	842,683
Transfers from deferred revenue	**37,461**	23,530
Additions to deferred capital contributions	**139,117**	95,221
Revenue recognized in the year	**(84,790)**	(75,639)
Balance, end of year	**977,583**	885,795

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(In thousands of dollars)

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6. Temporary borrowing

The Board has an operating line of credit available to a maximum of $65,000 to address operating requirements. No amounts have been drawn as at August 31, 2024 (nil in 2023).

Interest on the operating facility is at the bank's prime lending rate minus 0.65%, which is due on demand.

7. Net long-term debt

Net long-term debt reported on the consolidated statement of financial position comprises the following:

	Interest rate %	Maturity date	**2024 $**	2023 $
Debenture CIBC Mellon Trust Series 2002-A2	5.900	October 11, 2027	**24,163**	30,210
Debenture CIBC Mellon Trust Series 2003-A2	5.800	November 7, 2028	**14,995**	17,835
Debenture Ontario Financing Authority ("OFA") Series 2009-A2	5.347	November 15, 2023	**12,807**	13,818
Debenture OFA Series 2009-A4	5.105	May 15, 2029	**7,696**	9,016
Debenture OFA Series 2007	4.560	November 17, 2031	**6,129**	6,800
Debenture OFA Series 2009-A3	5.062	March 13, 2034	**7,042**	7,583
Debenture OFA Series 2010-A345	5.232	April 13, 2035	**6,905**	7,365
Debenture OFA Series 2008	4.900	March 3, 2033	**5,866**	6,389
Debenture OFA Series 2009-A5	4.672	May 15, 2024	**—**	494
Debenture CIBC Mellon Trust Series 2000-A1	7.200	June 9, 2025	**532**	1,028
Debenture OFA Series 2010-A1	4.762	November 15, 2029	**1,550**	1,791
Debenture OFA Series 2009-A1	4.766	November 15, 2024	**177**	517
Debenture OFA Series 2010-A2	4.337	November 15, 2024	**74**	217
Debenture OFA Series 2013	3.663	June 25, 2038	**39,369**	41,467
Debenture OFA Series 2014	4.037	October 30, 2028	**11,333**	13,609
Debenture OFA Series 2014B	4.033	March 11, 2039	**24,883**	26,093
Debenture OFA Series 2015	2.993	March 9, 2040	**17,568**	18,425
Debenture OFA Series 2016	3.242	November 16, 2040	**8,664**	9,046
Debenture OFA Series 2017	3.594	March 14, 2042	**198**	205
Balance, end of year			**189,951**	211,908

Principal contributions and interest payments on the debenture debt due over the next five years and thereafter are as follows:

	Principal contributions $	Interest payments $	Total $
Fiscal year			
2024/2025	22,298	8,212	30,510
2025/2026	22,599	7,092	29,691
2026/2027	23,740	5,951	29,691
2027/2028	21,070	4,750	25,820
2028/2029	14,687	3,832	18,519
Thereafter	85,557	15,494	101,051
	189,951	45,331	235,282

Interest on net long-term debt amounted to $8,977 ($10,036 in 2023).

8. Debt repayment

The expenditure for debt charges, capital loans and capital leases include principal payments.

	2024	2023
	$	$
Principal payments on net debt, including contributions to sinking funds	**21,957**	20,899
Interest payments on net debt	**8,977**	10,036
	30,934	30,935

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(In thousands of dollars)

9. Tangible capital assets

	Balance, September 1, 2023	Additions and transfers	Disposals	**Cost balance, August 31, 2024**	Balance, September 1, 2023	Amortization	Disposals	**Accumulated amortization balance, August 31, 2024**	Balance August 31, 2023	**Net book value August 31, 2024**
	$	$	$	**$**	$	$	$	**$**	$	**$**
Land	455,227	3,414	—	**458,641**	—	—	—	**—**	455,227	**458,641**
Land improvements	65,025	21,078	—	**86,103**	25,740	5,783	(3,547)	**27,976**	39,285	**58,127**
Buildings	1,619,282	81,078	4,336	**1,704,696**	886,344	66,492	(10,290)	**942,546**	732,938	**762,150**
Furniture and equipment	62,204	7,745	(10,291)	**59,658**	30,465	11,903	—	**42,368**	31,739	**17,290**
Contruction in progress	92,663	73,743	(8,552)	**157,854**	—	—	—	**—**	92,663	**157,854**
ARO	61,033	2,457	(430)	**63,060**	37,978	2,919	(240)	**40,657**	23,055	**22,403**
	2,355,434	189,515	(14,937)	**2,530,012**	980,527	87,097	(14,077)	**1,053,547**	1,374,907	**1,476,465**

Assets under construction

Assets under construction of $157,854 ($92,663 in 2023) have not been amortized. Amortization of these assets will commence when the asset is put into service.

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(In thousands of dollars)

10. Asset retirement obligation

The Board has recorded ARO's as of the September 1, 2022 implementation date on a modified retroactive basis, with a simplified restatement of prior year amounts.

As at August 31, 2024, all liabilities for asset retirement obligations are reported at current costs without discounting.

A reconciliation of the beginning and ending aggregate carrying amount of the ARO liability is below:

	2024	2023
	$	$
Balance, beginning of year	**60,298**	53,761
Increase in liabilities reflecting changes in the estimate of liabilities	**2,457**	7,712
Estimated liabilities settled	**(1,992)**	(735)
Estimated liabilities disposed	**(430)**	(440)
	35	6,537
Balance, end of year	**60,333**	60,298

As a result of recent high levels of inflation, liability balances based on previous cost estimates, the Board has made an inflation adjustment increase in estimates of 3.66% between April 1, 2023, and March 31, 2024, in line with the Provincial government fiscal year end, to reflect costs as at that date. This s rate represents the percentage increase in the Canada Building Construction Price Index (BCPI) information.

11. Accumulated Surplus

	2024	2023
	$	$
Accumulated Surplus		
Working funds	**(9,270)**	10,311
Internal reserves and reserve funds	**14,776**	17,346
Employee future benefits	**(13,931)**	(18,939)
Interest accrual	**(3,416)**	(3,416)
School generated funds	**14,654**	13,900
Capital grants used on land purchases	**476,160**	465,679
Asset retirement obligation	**(38,655)**	(37,729)
Total	**440,319**	447,152

Internal reserves and reserve funds set aside for specific purposes by the Board of Trustees consist of the following :

Catholic School Parent Council	**2,869**	2,883
Administrative Facilities Reserve	**4,659**	5,000
Unified Telephone System	**3,967**	5,000
Student Information System	**2,961**	4,000
Other	**320**	463
Total	**14,776**	17,346

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(In thousands of dollars)

12. Retirement and other employee future benefits

	Pension benefits $	Retirement benefits $	Other employee future benefits $	2024 Total $	2023 Total $
Accrued benefit obligation					
Balance, beginning of year	**3,421**	**27,729**	**17,722**	**48,872**	52,955
Employer current service cost	**—**	**—**	**10,142**	**10,142**	4,024
Interest on accrued benefit obligation	**141**	**1,092**	**867**	**2,100**	1,986
Benefits paid	**(431)**	**(3,246)**	**(4,604)**	**(8,281)**	(10,756)
Change due to Plan Amendment	**—**	**—**	**—**	**—**	—
Actuarial, losses	**297**	**—**	**—**	**297**	(618)
Balance, end of year	**3,428**	**25,575**	**24,127**	**53,130**	47,591
Unamortized actuarial gain (losses)	**—**	**(20)**	**—**	**(20)**	1,281
Accrued benefit liability	**3,428**	**25,555**	**24,127**	**53,110**	48,872
Retirement and other employee future benefits expense[(i)]					
Current year benefit costs	**—**	**—**	**10,142**	**10,142**	4,024
Interest on accrued benefit obligation	**141**	**1,092**	**867**	**2,100**	1,986
Change due to Plan Amendment	**—**	**—**	**—**	**—**	—
Amortization of actuarial (gains) losses	**297**	**(20)**	**—**	**277**	158
Employee future benefits expense[(i)]	**438**	**1,072**	**11,009**	**12,519**	6,168

(i) Excluding pension contributions to OMERS, a multi-employer pension plan described below.

The amounts of the employee future benefit liabilities for the other post-employment benefits are based on actuarial valuations for accounting purposes as at August 31, 2024. These actuarial valuations were based on assumptions about future events. The economic assumptions used in these valuations and the Board's best estimates of expected rates are as follows:

	Retirment benefits		Other employee future benefits	
	2024	2023	**2024**	2023
Discount on accrued benefit obligations	**3.80%**	4.40%	**3.80%**	4.40%
Wage and salary escalation	**—**	—	**—**	—
Dental costs escalation	**5.00%**	5.00%	**5.00%**	5.00%
Insurance and health care cost escalation	**5.00%**	5.00%	**5.00%**	5.00%

(a) Retirement gratuity plans

The Board provides retirement gratuities to certain groups of employees hired prior to specified dates. The Board provides these benefits through an unfunded defined benefit plan. The benefit costs and liabilities related to this plan are included in the Board's consolidated financial statements.

The amount of the gratuities payable to eligible employees at retirement is now based on their salary, accumulated sick days and years of service at August 31, 2012.

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12. Retirement and other employee future benefits (continued)

(b) *Long-term disability benefits*

The Board provides long-term disability benefits including partial salary compensation and payment of life insurance premiums and health care benefits during the period an employee is unable to work or until their normal retirement date to employees up to the transition to the ELHT or to employees who are not yet members of an ELHT. The Board provides these benefits through an unfunded defined benefit plan. The benefit costs and liabilities related to this plan are included in the Board's consolidated financial statements.

(c) *Retirement life insurance and health care benefits*

The Board provides life insurance, dental and health care benefits to certain employee groups after retirement until the members reach 65 years of age. The premiums are based on the Board experience and retirees' premiums may be subsidized by the Board. The benefit costs and liabilities related to the plan are provided through an unfunded defined benefit plan and are included in the Board's consolidated financial statements. Effective September 1, 2013, employees retiring on or after this date, do not qualify for board subsidized premiums or contributions.

(d) *Life insurance benefits*

The Board provides a separate life insurance benefits plan for certain retirees. The premiums are based on the Board experience or the rate for active employees. Depending on the year in which a retiree has retired and the board's prior arrangements, retirees' premiums could be subsidized by the Board. The benefit costs and liabilities related to the subsidization of these retirees under this group plan are included in the Board's consolidated financial statements.

(e) *Sick leave top-up benefits*

A maximum of 11 unused sick leave days from the current year may be carried forward into the following year only to be used to top-up salary for illness paid through the short-term leave and disability plan in that year. The benefit costs expensed in the consolidated financial statements are $27 ($32 in 2023).

For accounting purposes, the valuation of the accrued benefit obligation for the sick leave top-up is based on actuarial assumptions about future events determined as at August 31, 2018 (the date at which probabilities of usage were determined) and is based on the average daily salary and banked sick days of employees as at August 31, 2024.

(f) *Workplace Safety and Insurance Board ("WSIB")*

The Board is a Schedule 2 employer under the Workplace Safety and Insurance Act ("WSI Act") and, as such, assumes responsibility for the payment of all claims to its injured workers under the WSI Act. The Board does not fund these obligations in advance of payment made under the WSI Act. School boards are required to provide salary top-up to a maximum of 41/2 years for employees receiving payments from the Workplace Safety and Insurance Board, where the collective agreement negotiated prior to 2012 included such a provision. The benefit costs and liabilities related to this plan are included in the Board's consolidated financial statements. WSIB amounts paid in the year were $4,604 ($3,737 in 2023).

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12. Retirement and other employee future benefits (continued)

(g) Post-employment benefits

Certain senior staff who retire or leave under a voluntary exit plan may elect, if their contractual arrangements permit, to continue coverage of health insurance and/or dental insurance and life insurance. The Board will pay 100% of the cost and the coverage terminates when the employee reaches age 65. In addition, supervisory office, non-union, office, clerical, technical and custodial staff are eligible for a $5 life insurance benefit if they retire on or after age 65. Post-employment benefits paid in the year were $431 ($440 in 2023). The benefit costs and liabilities related to this plan are included in the Board's consolidated financial statements.

(h) Ontario Teachers' Pension Plan

Teachers and related employee groups are eligible to be members of the Ontario Teachers' Pension Plan. Employer contributions for these employees are provided directly by the Province. 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 consolidated financial statements.

(i) Ontario Municipal Employees Retirement System ("OMERS")

All non-teaching employees of the Board are eligible to be members of OMERS, a multi-employer pension plan. The plan provides defined pension benefits to employees based on their length of service and rates of pay. Employees contribute up to 8.8% of their earnings and the Board matches the employee contributions to the plan. During the year ended August 31, 2024, the Board contributed $20,521 ($16,515 in 2023) 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 consolidated financial statements.

13. Restricted cash

The Board has restricted cash in a Joint bank account with the Toronto District School Board for nil (nil in 2023) (See Note 19).

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(In thousands of dollars)

14. Expenses by object

The following is a summary of the expenses reported on the consolidated statement of operations by object:

	Budget 2024 $	**Actual 2024 $**	Actual 2023 $
Salaries and wages	**800,079**	**1,039,171**	842,713
Employee benefits	**162,342**	**179,246**	155,050
Staff development	**1,545**	**1,058**	966
Supplies and services	**81,435**	**96,694**	102,990
Debt charges and interest	**9,318**	**8,977**	10,036
Rental	**3,218**	**4,881**	4,862
Fees and contract services	**72,621**	**80,168**	77,250
Other	**21,109**	**4,082**	15,923
Amortization of tangible capital assets	**82,514**	**84,848**	72,680
Amortization and net loss - asset retirement obligation	**2,809**	**2,919**	2,131
	1,236,990	**1,502,044**	1,284,601

15. Commitments and contingencies

(a) Commitments

(i) Construction commitments

Commitments on incomplete construction contracts for various school building projects amounted to approximately $144,027 ($115,871 in 2023) as at August 31, 2024.

(ii) Letters of credit

The Board has 71 (72 in 2023) bank letters of credit outstanding in favour of the local government totaling $19,574 ($16,168 in 2023) as at August 31, 2024, pertaining to construction projects. The latest expiry date is October 5, 2025.

(iii) Operating leases and maintenance contracts

The Board has operating leases and maintenance contracts with the following annual payments:

	$
2024/2025	11,119
2025/2026	8,276
2026/2027	5,159
2027/2028	8,539
2028/2029	8,476
Thereafter	38,145
	79,714

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15. Commitments and contingencies (continued)

(b) Contingencies

(i) Legal claims

The Board has been named as the defendant in certain legal actions, in which damages have been sought. Any losses arising from these actions are recorded in the year that the related litigation is settled or when any likely amounts are measurable. Where the outcomes of actions are not determinable as at August 31, 2024, no provision is made in the consolidated financial statements.

16. Ontario School Board Insurance Exchange ("OSBIE")

The Board is a member of OSBIE, a reciprocal insurance company licensed under the Insurance Act that is funded by the member boards across Ontario. OSBIE insures general public liability, property damage and certain other risks. Liability insurance is available to a maximum of $24,000 per occurrence.

The ultimate premiums over a five year period are based on both the reciprocals and the Board's actual claims experience. Periodically, the Board may receive a refund or be asked to pay an additional premium based on its pro rata share of claims experience. The Board has renewed its insurance agreement with OSBIE for a new five year term commencing on January 1, 2022.

17. Repayment of The "55 School Board Trust" funding

On June 1, 2003, the Board received $50,415 from The "55 School Board Trust" (the "Trust") for its capital-related debt eligible for provincial funding support pursuant to a 30-year agreement it entered into with the Trust. The Trust was created to refinance the outstanding not permanently financed ("NPF") debt of participating boards that are beneficiaries of the Trust. Under the terms of the agreement, the Trust repaid the Board's debt in consideration for the assignment by the Board to the Trust of future provincial grants payable to the Board in respect of the NPF debt.

The flow-through of $3,765 ($3,765 in 2023) in grants in respect of the above agreement for the year ended August 31, 2024, is recorded in these consolidated financial statements.

18. Toronto Transportation Group

On September 21, 2011, the Toronto Transportation Group was created as a Membership Agreement between the Board and the Toronto District School Board ("TDSB") in order to provide common administration of student transportation in the City. This agreement was executed in an effort to increase delivery efficiency and cost effectiveness of student transportation for each of the school boards. Under the agreement, decisions related to the financial and operating activities of the Toronto Transportation Group are shared. No party is in a position to exercise unilateral control.

The Board's portion of transportation expenses has been included in the consolidated statement of operations.

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19. Financial contribution agreements

During 2001-2002, the Board established three joint trust accounts with the TDSB pertaining to Education Development Levy Agreements. These Agreements pertain to building developments that pre-date the passing of the Education Development Charges provisions of the Education Act. The total levy amount in these joint trust accounts as at August 31, 2024 is $37,393 ($31,540 in 2023). These funds must be used for construction of school facilities in specific designated areas of the City of Toronto once funds are allocated by the Ministry of Education. On June 26, 2017 the Ministry of Education approved a capital funding allocation from the joint trust of $19,625 for the construction of an elementary school. As at August 31, 2024 $19,625 ($21,414 in 2023) of the allocated funds has been spent and included in construction in progress and deferred capital contributions, the remaining nil balance owing ($1,789 in 2023) has remained in restricted cash in joint trust accounts. The remaining Board's financial interest in these joint trust accounts has not been reflected in the consolidated financial statements, as the amounts are determined jointly and will be apportioned at the time the funds are required for school construction.

20. Monetary Resolution to Bill 124, the Protecting a Sustainable Public Sector for Future Generations Act

A monetary resolution to Bill 124 was reached between the Crown and the following education sector unions *Elementary Teachers' Federation of Ontario (ETFO), Ontario Secondary School Teachers' Federation (OSSTF), Ontario English Catholic Teachers' Association (OECTA), and Association des Enseignantes et Enseignants Franco-Ontariens (AEFO) <Canadian Union of Public Employees (CUPE), Elementary Teachers' Federation of Ontario- Education Workers (ETFO-EW), Ontario Secondary School Teachers' Federation- Education Workers (OSSTF-EW), Education Workers' Alliance of Ontario (EWAO), Ontario Council of Education Workers (OCEW).* This agreement provides a 0.75% increase for salaries and wages on September 1, 2019, a 0.75% increase for salaries and wages on September 1, 2020, and a 2.75% increase in salaries and wages on September 1, 2021, in addition to the original 1% increase applied on September 1 in each year during the 2019-22 collective agreements. The same increases also apply to non-unionized employee groups [excluding Principals and Vice-Principals and school board executives].

The Crown has funded the monetary resolution for these employee groups to the applicable school boards though the appropriate changes to the Grants for Student Needs (GSN) benchmarks and additional Priorities and Partnerships Funding (PPF).

Subsequent to the financial statement date, a monetary resolution to Bill 124 was reached between the Crown and the associations representing principals and vice-principals (Ontario Principals' Council, Catholic Principals' Council of Ontario and Association des directions et directions adjointes des écoles franco-ontariennes). This agreement provides a 0.75% increase for salaries and wages on September 1, 2020, a 2.75% increase for salaries and wages on September 1, 2021, and a 2.00% increase in salaries and wages on September 1, 2022, in addition to the original 1% increase applied on September 1 in each year during the 2020-23 collective agreements. The memorandum of settlement was reached on August 10, 2024 and was ratified on September 30, 2024.

The Crown intends to fund the monetary resolution for principals and vice-principals to the applicable school boards through the appropriate changes to the GSN benchmarks.

Due to this resolution, there is an impact on salary and wages expenses of $141,665 in the 2023-24 fiscal year. The portion related to 2019-20 to 2022-23 is $99,787, with the remainder of $41,878 related to 2023-24.

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