



REPORT TO

REGULAR BOARD

2016/17 DRAFT AUDITED FINANCIAL STATEMENTS

1 Peter 3:14

*"But even if you should suffer for what is right, you are blessed.
Do not fear what they fear; do not be frightened."*

Created, Draft	First Tabling	Review
November 7, 2017	November 13, 2017	November 16, 2017
D. Bilenduke, Senior Coordinator of Finance P. De Cock, Comptroller of Business Services & Finance		
INFORMATION REPORT		

Vision:

At Toronto Catholic we transform the world through witness, faith, innovation and action.

Mission:

The Toronto Catholic District School Board is an inclusive learning community uniting home, parish and school and rooted in the love of Christ.

We educate students to grow in grace and knowledge to lead lives of faith, hope and charity.



Rory McGuckin
Director of Education

D. Koenig
Associate Director
of Academic Affairs

A. Sangiorgio
Associate Director
of Planning and Facilities

T.B.D.
Executive Superintendent
of Business Services and
Chief Financial Officer

A. EXECUTIVE SUMMARY

This report provides the Board of Trustees with the 2016-17 Draft Audited Financial Statements for approval. The audit was performed by Deloitte LLP who are issuing an unqualified audit report for the Toronto Catholic District School Board as at August 31, 2017.

The final unappropriated in-year surplus is \$25.7 million with an accumulated surplus of \$14.4 million at the end of fiscal year 2016-17. This \$25.7 million unappropriated in-year surplus is calculated as the difference between the in-year operating surplus available for compliance (\$27.2 million), and deducting the internally appropriated amounts totalling \$1.5 million. The actual financial results for 2016-17 is better than the budgeted surplus of \$0.8 million by the amount of \$24.9 million.

The Financial Administration Act requires that the financial statements be prepared in accordance with the accounting principles determined by the relevant Ministry of the Province of Ontario. In accordance with the Canadian Public Sector Accounting Standards, the 2016-17 Financial Statements report an in-year Public Sector Accounting Board (PSAB) Surplus of \$58.8 million and an accumulated PSAB Surplus of \$265.6M. PSAB accounting principles provide accounting treatments for land, buildings, fixed assets and deferred revenues through the Statement of Financial Position and the general accounting standards for the public sector do not. This explains why the accumulated surplus for PSAB purposes is \$265.6M and the accumulated surplus on a generally accepted accounting principle basis is \$14.4M

In summary, the TCDSB has fulfilled the Multi-Year Recovery Plan mandate to eliminate the Accumulated Deficit earlier than planned by 2 years.

The cumulative staff time required to prepare this report was 12 hours.

B. PURPOSE

1. The attached draft financial statements for the fiscal year 2016-17 have been audited by Deloitte LLP following their Audit Plan presented to and approved by the Audit Committee during the meeting held on September 20th 2017.

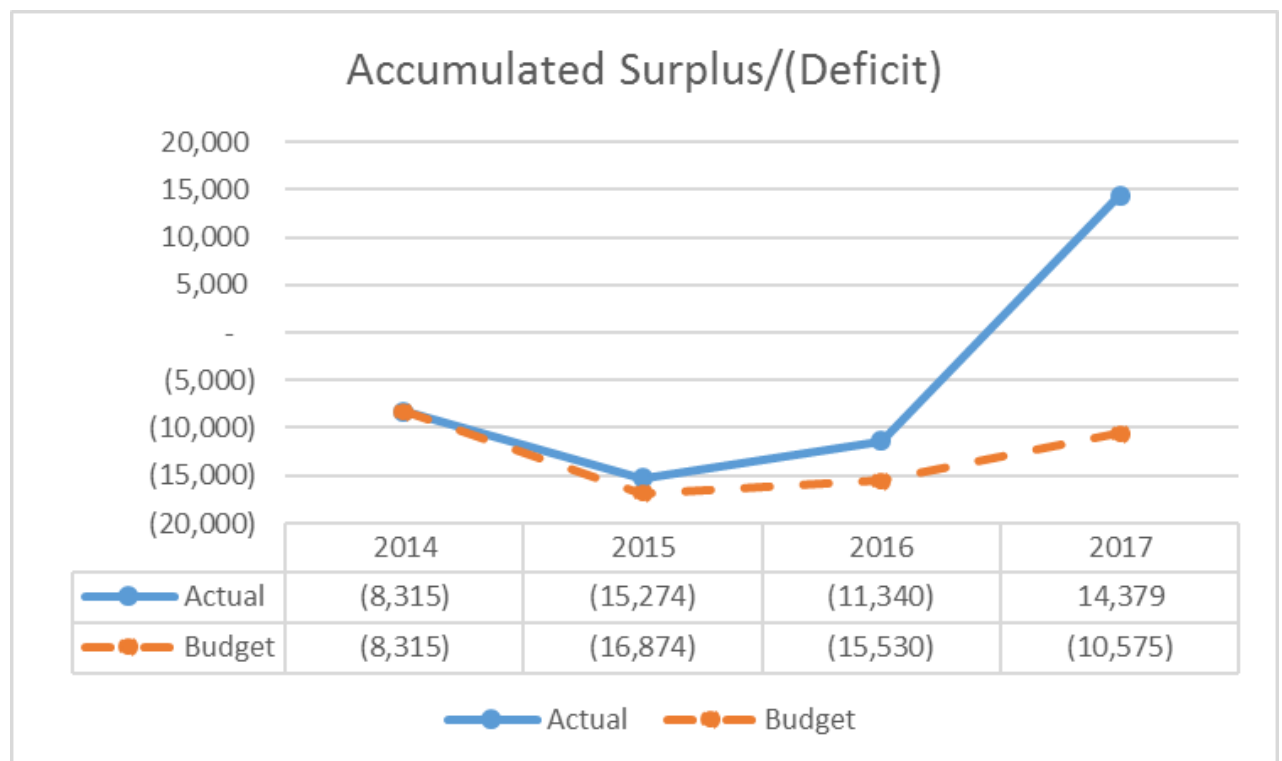
2. The Auditors made available an in-depth presentation of their findings and fielded questions from the Audit Committee members at their meeting held on November 13th 2017.
3. Committee members were given the opportunity to question staff as well as the Auditors with and without staff present.

C. BACKGROUND

1. As per Section 9 of Ontario Regulation 361(10), the Audit Committee reviews the draft annual financial statements prior to tabling before the Board of Trustees for final approval.

D. EVIDENCE/RESEARCH/ANALYSIS

1. Attached to this report as Appendix A are the 2016-17 Draft Audited Financial Statements for the Toronto Catholic District School Board.
2. The Board has exceeded expectations for a budgeted surplus/(deficit) for the third straight year. The following graph depicts the Board's actual accumulated deficit position against forecast:



3. The in-year operating surplus for Ministry reporting purposes is \$25.7 million resulting in an accumulated surplus of \$14.4 million. The operating surplus for 2016-17 is \$24.9 million more than the Revised Estimate budgeted amount of \$0.8 million.
4. An analysis of the PSAB surplus and calculated Operating Surplus appears in Appendix C. The year over year reconciliation of the in-year surplus/(deficit) follows in the table below:

In-Year Unappropriated Surplus/Deficit

‘000’s	2015/16 Actual	2016/17 Budget	2016/17 Actual
In-Year Surplus/(Deficit)	5,744	733	27,234
Current Year Changes to Appropriations	(1,810)	32	(1,515)
Unappropriated In-Year Surplus/(Deficit)	3,934	765	25,719

5. The 2016-17 Draft Financial Statements report an in-year Public Sector Accounting Board (PSAB) surplus of \$58.8M and an accumulated surplus of \$265.6M (Appendix B).

E. CONCLUDING STATEMENT

That the Board of Trustees approve the 2016-17 Audited Financial Statements as recommended by the Audit Committee.