Consolidated Financial Statements of

GREATER ESSEX COUNTY DISTRICT SCHOOL BOARD

And Independent Auditors' Report thereon

Year ended August 31, 2022

Greater Essex County District School Board

451 Park St. W., P.O. Box 210, Windsor, ON N9A 6K1 · 519-255-3200

MANAGEMENT REPORT

Management's Responsibility for the Consolidated Financial Statements

The accompanying consolidated financial statements of the Greater Essex County District School Board are the responsibility of the Board 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 to the consolidated financial statements.

The preparation of consolidated financial statements necessarily involves the use of estimates based on management's judgement, 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 KPMG LLP, independent external auditors appointed by the Board. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the Board's consolidated financial statements.

Erin Kelly
Director of Education

Shelley Armstrong
Superintendent of Business & Treasurer

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of Greater Essex County District School Board

Opinion

We have audited the consolidated financial statements of the Greater Essex County District School Board (the Board) which comprise:

- the consolidated statement of financial position as at August 31, 2022
- the consolidated statement of operations and accumulated surplus for the year then ended
- the consolidated statement of net debt for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated 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 consolidated financial position of the Board as at August 31, 2022, and its consolidated results of operations, its consolidated net debt and its consolidated 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 "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' 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.

KPMG LLP, an Ontario limited liability partnership and member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.
KPMG Canada provides services to KPMG LLP.

Emphasis of Matter – Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to 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 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 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.

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

Auditors' 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 auditors' 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 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 auditors' 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 auditors' report. However, future events or conditions may cause the board 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group 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.

Chartered Professional Accountants, Licensed Public Accountants

November, 2022

Windsor, Canada

GREATER ESSEX COUNTY DISTRICT SCHOOL BOARD

Consolidated Statement of Financial Position

August 31, 2022, with comparative information for 2021

	2022	2021
Financial assets:		
Cash and cash equivalents (note 2)	$ 39,639,115	$ 54,576,454
Accounts receivable	17,502,987	15,452,350
Accounts receivable - Government of Ontario (note 3)	190,271,006	191,634,667
Assets held for sale (note 4)	530,000	635,000
Total financial assets	247,943,108	262,298,471
Financial liabilities:		
Accounts payable and accrued liabilities	38,748,872	33,223,371
Amounts held in trust (note 5)	5,539,014	5,416,070
Net long-term debt (note 6)	133,732,950	142,777,315
Deferred revenue (note 7)	17,673,188	19,908,831
Employee future benefits (note 8)	43,367,762	55,307,719
Deferred capital contributions (note 9)	493,339,859	448,881,885
Total financial liabilities	732,401,645	705,515,191
Net debt	(484,458,537)	(443,216,720)
Non-financial assets:		
Prepaid expenses	527,079	1,221,417
Inventories of supplies (note 14)	2,452,229	658,046
Tangible capital assets (note 10)	532,940,761	489,236,971
Total non-financial assets	535,920,069	491,116,434
Accumulated surplus (note 11)	$ 51,461,532	$ 47,899,714

Commitments and contingencies (notes 15, 16 and 17)

See accompanying notes to consolidated financial statements.

On behalf of the Board:

_____ Director of Education

_____ Chair of the School Board

GREATER ESSEX COUNTY DISTRICT SCHOOL BOARD

Consolidated Statement of Operations and Accumulated Surplus

Year ended August 31, 2022, with comparative information for 2021

	Budget	2022 Actual	2021 Actual
Revenues:			
Grants for Student Needs (note 12)			
Provincial Legislative Grants	$ 384,487,528	$ 388,178,141	$ 383,120,823
Education Property Tax	74,071,673	65,864,109	68,154,569
Provincial grants - Other	9,841,714	15,820,488	15,028,923
Ministry of Government and Consumer Services (note 14)	-	4,385,569	1,706,552
Ministry of Labour, Training and Skills Development - Ontario Youth Apprenticeship Program	275,031	276,298	231,790
Federal grants and fees	-	416,794	2,571,488
Other fees and revenues	2,587,250	4,093,667	3,780,620
Investment income	500,000	447,293	498,465
School fundraising and other activities	10,000,000	3,905,889	1,384,324
	481,763,196	483,388,248	476,477,554
Expenses:			
Instruction	368,998,587	379,128,484	368,797,471
Administration	11,504,441	10,927,190	10,907,728
Transportation	14,177,638	16,156,687	13,619,640
Pupil accommodation	69,129,218	67,889,783	65,577,119
Other	8,244,196	1,457,130	6,649,096
School funded activities	10,000,000	4,267,156	1,826,676
	482,054,080	479,826,430	467,377,730
Annual surplus	(290,884)	3,561,818	9,099,824
Accumulated surplus, beginning of year	47,899,714	47,899,714	38,799,890
Accumulated surplus, end of year	$ 47,608,830	$ 51,461,532	$ 47,899,714

See accompanying notes to consolidated financial statements.

GREATER ESSEX COUNTY DISTRICT SCHOOL BOARD

Consolidated Statement of Net Debt

Year ended August 31, 2022, with comparative information for 2021

	2022	2021
Annual surplus	$ 3,561,818	$ 9,099,824
Acquisition of tangible capital assets	(71,653,931)	(60,032,748)
Amortization of tangible capital assets	26,021,723	25,893,755
Loss (gain) on sale of capital assets	1,148,496	(4,476)
Proceeds on sale of capital assets	13,104	4,476
Transfer of assets held for sale	530,000	-
Write-down of tangible capital assets	236,818	-
	(40,141,972)	(25,039,169)
Acquisition of inventories of supplies	(2,450,311)	(656,578)
Acquisition of prepaid expenses	(192,269)	(937,613)
Consumption of inventories of supplies	656,128	480,178
Use of prepaid expenses	886,607	170,675
Change in net debt	(41,241,817)	(25,982,507)
Net debt, beginning of year	(443,216,720)	(417,234,213)
Net debt, end of year	$ (484,458,537)	$ (443,216,720)

See accompanying notes to consolidated financial statements.

GREATER ESSEX COUNTY DISTRICT SCHOOL BOARD

Consolidated Statement of Cash Flows

Year ended August 31, 2022, with comparative information for 2021

	2022	2021
Cash provided by (used in):		
Operating activities:		
Annual surplus	$ 3,561,818	$ 9,099,824
Items not involving cash:		
Amortization of tangible capital assets	26,021,723	25,893,755
Deferred net proceeds on disposal of restricted assets	(731,653)	-
Transfer to financial assets	530,000	-
Net proceeds on sale of assets held for sale	731,653	-
Write-down on transfer to asset held for sale	236,818	-
Gain on sale of capital assets	(13,104)	(4,476)
Decrease in employee future benefits	(11,939,957)	(3,741,657)
Write-down on disposals	1,161,600	-
Change in non-cash assets and liabilities:		
(Increase) decrease in accounts receivable	(686,976)	4,059,703
Decrease in assets held for sale	105,000	1,697,700
Increase in inventories of supplies	(1,794,183)	(176,400)
Decrease (increase) in prepaid expenses	694,338	(766,938)
Increase (decrease) in accounts payable and accrued liabilities	5,525,501	(28,963,080)
Increase in amounts held in trust	122,944	450,299
(Decrease) increase in deferred revenue	(2,235,643)	1,539,243
Increase in deferred capital contributions	44,457,974	34,283,029
Net change in cash from operating activites	65,747,853	43,371,002
Financing activities:		
Debt repayments	(9,044,365)	(8,624,820)
Net change in cash from financing activities	(9,044,365)	(8,624,820)
Capital activities:		
Proceeds on sale of capital assets	13,104	4,476
Purchase of tangible capital assets	(71,653,931)	(60,032,748)
Net change in cash from capital activities	(71,640,827)	(60,028,272)
Net change in cash and cash equivalents	(14,937,339)	(25,282,090)
Cash and cash equivalents, beginning of year	54,576,454	79,858,544
Cash and cash equivalents, end of year	$ 39,639,115	$ 54,576,454

See accompanying notes to consolidated financial statements.

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 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. A directive was provided by the Ontario Ministry of Education within memorandum 2004:B2 requiring school boards to adopt Canadian public sector accounting standards 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 Ontario Regulation 395/11 of the Financial Administration Act. The Regulation 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 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. The regulation 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 Canadian public sector accounting standards which requires that:

- government transfers, 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 public sector accounting standard PS3410;

1. Significant accounting policies (continued):

(a) Basis of accounting (continued):

- 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 public sector accounting standard PS3100; and

- property taxation revenue be reported as revenue when received or receivable in accordance with public sector accounting standard PS3510.

As a result, revenue recognized in the statement of operations and certain related deferred revenues and deferred capital contributions would be recorded differently under Canadian Public Sector Accounting Standards.

(b) Reporting entity:

These consolidated financial statements reflect the assets, liabilities, revenues and expenses of the reporting entity. The reporting entity is comprised of all organizations accountable for the administration of their financial affairs and resources to the Greater Essex County District School Board (the “board”) and which are controlled by the board.

School generated funds, which include the assets, liabilities, revenues and expenses of various entities which 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 entities are eliminated.

(c) Cash and cash equivalents:

Cash and cash equivalents are comprised of 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 less than 90 days.

1. Significant accounting policies (continued):

(d) 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 and transactions. These amounts are recognized as revenue in the fiscal year the related expenses are incurred, or services are performed.

(e) 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, shall be recognized as deferred capital contribution as defined in Ontario Regulation 395/11 of the Financial Administration Act. These amounts are recognized as revenue at the same rate as the related tangible capital asset is amortized. The following items fall under this category:

- Government transfers received or receivable for capital purpose
- Other restricted contributions received or receivable for capital purpose
- Property taxation revenues which were historically used to fund capital assets

(f) Retirement and other employee future benefits:

The Board provides defined retirement and other future benefits to employees of certain employee groups. These benefits include life insurance, health care benefits, dental benefits, retirement/sick plan gratuities, workers' compensation benefits and long-term disability benefits.

1. Significant accounting policies (continued):

(f) Retirement and other employee future benefits (continued):

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 2016-2017: Elementary Teachers' Federation of Ontario (ETFO) and the Ontario Secondary School Teachers' Federation (OSSTF). The following ELHTs were established in 2017-2018: Canadian Union of Public Employees Education Workers' Benefits Trust (CUPE EWBT) and ONE-T for non-unionized employees including Principals and Vice-principals. The ELHTs provide health, dental and life insurance benefits to teachers (excluding daily occasional teachers), education workers (excluding casual staff), and other school board staff. Currently ONE-T ELHTs also provide benefits to individuals who retired prior to the school board's participation date in 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). Funding for the ELHTs is based on existing benefits funding embedded within the Grants for Student Needs (GSN), including additional ministry funding in the form of a Crown contribution and Stabilization Adjustment.

Depending on prior arrangements and employee groups, the Board continues to provide health, dental and life insurance benefits for retired individuals for certain groups and for some retirees who are retired under these plans.

1. Significant accounting policies (continued):

(f) Retirement and other employee future benefits (continued):

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, health care cost trends, disability recovery rates, long-term inflation rates and discount rates. The cost of retirement gratuities is 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.

For self-insured retirement and other employee future benefits that vest or accumulate over the periods of service provided by employees, such as retirement gratuities and 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 benefit costs are recognized over the expected average service life of the 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 costs of multi-employer defined pension plans, such as the Ontario Municipal Employees Retirement System pension, 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.

1. Significant accounting policies (continued):

(g) 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. When historical cost records were not available, other methods were used to estimate the costs and accumulated amortization.

Leases which 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 and construction in progress, are amortized on a straight line basis over their estimated useful lives as follows:

Assets	Estimated Useful Life in Years
Land improvements with finite lives	15
Buildings and building improvements	40
Portable structures	20
First-time equipping of schools	10
Furniture and equipment	5 - 15
Computer hardware	3
Computer software	1 - 5
Vehicles	5 - 10

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.

The useful life for computer hardware was revised from five years to three years based on new information related to the actual life of the assets. As such, additional amortization has been recognized for these assets to approximate the revised net book value in line with this new policy. The impact of this change in estimate is an increase in amortization expense of $nil (2021 - $2,068,361).

1. Significant accounting policies (continued):

(g) 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.

(h) 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 (DCC) and recognized as revenue in the consolidated statement of operations at the same rate and over the same periods as the asset is amortized.

(i) 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, education development charges and special education forms part of the respective deferred revenue balances.

(j) Budget figures:

Budget figures have been provided for comparison purposes and have been derived from the budget approved by the Trustees. The budget approved 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.

1. Significant accounting policies (continued):

(k) Use of estimates:

The preparation of consolidated financial statements in conformity with the basis of accounting described in Note 1a 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 revenues and expenses during the year. Accounts subject to significant estimates include the carrying value of tangible capital assets and employee future benefits. Actual results could differ from these estimates.

(l) Education Property tax revenue:

Under Public Sector Accounting Standards, 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, education property tax revenue received from the municipalities is recorded as part of Grants for Student Needs under Education Property Tax.

2. Cash and cash equivalents:

Cash and cash equivalents include the following:

	2022	2021
Non-restricted funds	$ 31,564,627	$ 46,338,644
Held in trust:		
Four/five deferred salary plans	4,544,944	3,336,536
School funds	3,496,918	4,901,274
Other	32,626	-
	$ 39,639,115	$ 54,576,454

3. Accounts receivable – Government of Ontario:

Accounts receivable from the Government of Ontario consist of:

	2022	2021
Capital [1]	$ 164,965,298	$ 163,880,447
Delayed grant payment [2]	18,427,620	24,079,315
Other operating [3]	6,878,088	3,674,905
	$190,271,006	$ 191,634,667

[1] The Province of Ontario replaced variable capital funding with a one-time debt support grant in 2009-10. 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 receives 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.

[2] The Ministry of Education introduced a cash management strategy effective September 1, 2018. As part of the strategy, the ministry 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.

[3] Other operating grants relate to receivable balances for multiple Priorities and Partnerships Fund (PPF) grants from the Ministry of Education as well as amounts receivable from the Ministry of Children, Community and Social Services and the Ministry of Labour, Training and Skills Development.

4. Assets held for sale:

As of August 31, 2022, $530,000 (2021 - $635,000) relating to Prince Andrew Public School is recorded as assets held for sale. During the year, Harrow District High School was sold. Proceeds of $731,653 (2021 - $1,697,700) were received on the disposition, which had an aggregate carrying value of $635,000 (2021 - $1,697,700), resulting in a gain of $96,653 (2021- $nil) that is deferred for future capital asset purchases according to Ontario Regulation 193/10.

5. Amounts held in trust:

Amounts held in trust consist of:

	2022	2021
Bequests for scholarships and bursaries	$ 2,042,096	$ 2,079,534
Employee four/five plans	3,496,918	3,336,536
	$ 5,539,014	$ 5,416,070

6. Net long-term debt:

Net long-term debt reported on the Consolidated Statement of Financial Position consists of:

	2022	2021
The Canada Life Assurance Company Debenture Bylaw #A2003-001 due October 20, 2023, bearing interest at 6.33% per annum. Blended payments of $253,216 due semi-annually	$ 713,983	$ 1,154,211
The Canada Life Assurance Company Debenture Bylaw #B2003-002 due October 20, 2028, bearing interest at 6.42% per annum. Blended payments of $92,987 due semi-annually	975,765	1,093,402
VersaBank Debenture Bylaw #130100 due May 1, 2026, bearing interest at 5.41% per annum. Blended payments of $122,412 due monthly	4,975,084	6,140,419
The Ontario Financing Authority (OFA) Debenture Bylaw #6 due November 15, 2031, bearing interest at 4.56% per annum. Blended payments of $678,717 due semi-annually	10,371,491	11,226,630
Manulife Financial Corporation Debenture Bylaw #7 due July 3, 2032, bearing interest at 5.398% per annum. Blended payments of $332,485 due semi-annually	5,087,039	5,462,156
The Ontario Financing Authority (OFA) Debenture Bylaw #8 due March 3, 2033, bearing interest at 4.9% per annum. Blended payments of $717,054 due semi-annually	11,912,936	12,733,048
The Ontario Financing Authority (OFA) Debenture Bylaw #11 due November 15, 2030, bearing interest at 5.21% per annum. Blended payments of $447,710 due semi-annually	6,088,886	6,645,243
The Ontario Financing Authority (OFA) Debenture Bylaw #12 due March 13, 2034, bearing interest at 5.062% per annum. Blended payments of $689,939 due semi-annually	12,164,643	12,900,687

6. Net long-term debt (continued):

	2022	2021
The Ontario Financing Authority (OFA) Debenture Bylaw #15 due May 15, 2034, bearing interest at 5.384% per annum. Blended payments of $1,363,757 due semi-annually	23,881,314	25,266,863
The Ontario Financing Authority (OFA) Debenture Bylaw #16 due April 13, 2035, bearing interest at 5.232% per annum. Blended payments of $231,038 due semi-annually	4,297,403	4,525,643
The Ontario Financing Authority (OFA) Debenture Bylaw #17 due March 11, 2036, bearing interest at 4.833% per annum. Blended payments of $56,278 due semi-annually	1,125,223	1,181,356
The Ontario Financing Authority (OFA) Debenture Bylaw #18 due November 15, 2036, bearing interest at 3.97% per annum. Blended payments of $374,246 due semi-annually	8,191,573	8,602,581
The Ontario Financing Authority (OFA) Debenture Bylaw #19 due March 9, 2037, bearing interest at 3.564% per annum. Blended payments of $449,733 due semi-annually	10,282,193	10,801,286
The Ontario Financing Authority (OFA) Debenture Bylaw #20 due March 19, 2038, bearing interest at 3.799% per annum. Blended payments of $394,992 due semi-annually	9,337,743	9,760,893
The Ontario Financing Authority (OFA) Debenture Bylaw #22 due March 11, 2039, bearing interest at 4.003% per annum. Blended payments of $6,557 due semi-annually	159,383	165,919
The Ontario Financing Authority (OFA) Debenture Bylaw #26 due March 9, 2040, bearing interest at 2.993% per annum. Blended payments of $274,485 due semi-annually	7,537,679	7,853,930
The Ontario Financing Authority (OFA) Debenture Bylaw #29 due March 15, 2041, bearing interest at 3.242% per annum. Blended payments of $593,510 due semi-annually	16,630,612	17,263,048
	$ 133,732,950	$ 142,777,315

6. Net long-term debt (continued):

Principal and interest payments relating to net long-term debt outstanding as at August 31, 2022 are due as follows:

	Principal Payment	Interest	Total
2022/23	$ 9,484,998	$ 5,897,362	$ 15,382,360
2023/24	9,694,122	5,435,014	15,129,136
2024/25	9,903,188	4,972,741	14,875,929
2025/26	10,010,828	4,497,868	14,508,696
2026/27	9,353,512	4,053,472	13,406,984
Thereafter	85,286,302	17,129,397	102,415,699
Total payments in respect of long-term debt	$ 133,732,950	$ 41,985,854	$ 175,718,804

Interest expense on net long-term debt amounted to $6,239,636 (2021 - $6,624,952).

7. Deferred revenue:

Revenues received 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 set-aside for specific purposes by legislation, regulation or agreement as at August 31, 2022 consists of:

	Balance as at August 31, 2021	Externally restricted additions (dispositions)	Transferred to DCC	Revenue recognized in the period	Balance as at August 31, 2022
Proceeds of Disposition	$ 1,513,286	$ 731,653	$ 700,000	$ -	$ 1,544,939
Assets held for Sale	635,000	(105,000)	-	-	530,000
Education development charges	1,639,687	2,335,949	-	17,872	3,957,764
Restricted grants	16,120,858	108,875,424	14,330,099	99,025,698	11,640,485
	$19,908,831	$ 111,838,026	$15,030,099	$ 99,043,570	$ 17,673,188

Deferred revenue set-aside for specific purposes by legislation, regulation or agreement as at August 31, 2021 consists of:

	Balance as at August 31, 2020	Externally restricted additions (dispositions)	Transferred to DCC	Revenue recognized in the period	Balance as at August 31, 2021
Proceeds of Disposition	$ -	$ 1,513,286	$ -	$ -	$ 1,513,286
Assets held for Sale	2,243,695	(1,608,695)	-	-	635,000
Education development charges	336,934	1,302,957	-	204	1,639,687
Restricted grants	15,788,959	100,917,969	13,986,483	86,599,587	16,120,858
	$18,369,588	$102,125,517	$13,986,483	$ 86,599,791	$ 19,908,831

8. Retirement and other employee future benefits:

The board provides defined post retirement and other future benefits to employees of certain employee groups. These benefits include post retirement life insurance and health care benefits, dental benefits, retirement/sick plan gratuity benefits, future paid sick leave benefits, and workers' compensation benefits. The liabilities associated with these plans are as follows:

	Retirement health benefits	Retirement gratuities	Sick leave/ top-up benefits	Workers' Compensation benefit	2022 Total employee future benefits
Balance at August 31,2021	$ 26,504,838	$ 17,785,287	$ 457,998	$ 10,559,596	$ 55,307,719
Net (gain) expense for the year [(1)]	(7,446,093)	679,844	465,893	233,359	(6,066,997)
Less: benefit payments	(1,467,234)	(2,458,642)	(507,564)	(1,439,520)	(5,872,960)
Balance at August 31,2022	$ 17,591,511	$16,006,489	$ 416,327	$ 9,353,435	$ 43,367,762

	Retirement health benefits	Retirement gratuities	Sick leave/ top-up benefits	Workers' Compensation benefit	2021 Total employee future benefits
Balance at August 31, 2020	$ 28,709,029	$ 19,195,150	$ 239,369	$ 10,905,828	$ 59,049,376
Net (gain) expense for the year [(1)]	(760,995)	701,791	693,116	835,314	1,469,226
Less: benefit payments	(1,443,196)	(2,111,654)	(474,487)	(1,181,546)	(5,210,883)
Balance at August 31, 2021	$ 26,504,838	$ 17,785,287	$ 457,998	$ 10,559,596	$ 55,307,719

8. Retirement and other employee future benefits (continued):

The components of the cost of providing these benefits for the year are as follows:

	Retirement health benefits	Retirement gratuities	Sick leave/ top-up benefits	Workers' Compensation benefits	2022 Total employee future benefits
Current year benefit cost	$ -	$ -	$ 416,327	$ 56,242	$ 472,569
Interest on accrued benefit obligation	463,882	330,642	-	177,117	971,641
	463,882	330,642	416,327	233,359	1,444,210
Amortization of actuarial (gain) loss	(7,909,975)	349,202	49,566	-	(7,511,207)
Net expense for the year [1]	$ (7,446,093)	$ 679,844	$ 465,893	$ 233,359	$ (6,066,997)

	Retirement health benefits	Retirement gratuities	Sick leave/ top-up benefits	Workers' Compensation benefits	2021 Total employee future benefits
Current year benefit cost	$ -	$ -	$ 457,998	$ 686,100	$ 1,144,098
Interest on accrued benefit obligation	391,824	290,205	-	149,214	831,243
	391,824	290,205	457,998	835,314	1,975,341
Amortization of actuarial (gain) loss	(1,152,819)	411,586	235,118	-	(506,115)
Net expense for the year [1]	$ (760,995)	$ 701,791	$ 693,116	$ 835,314	$ 1,469,226

[1] Excluding pension contributions to the Ontario Municipal Employees Retirement System, a multi-employer pension plan described below.

8. Retirement and other employee future benefits (continued):

Actuarial Assumptions

The accrued benefit obligations for employee future benefit plans as at August 31, 2022, are based on actuarial assumptions of future events determined for accounting purposes as at August 31, 2022 and based on updated average daily salary and banked sick days as at August 31, 2022. These valuations take into account the plan changes outlined above and the economic assumptions used in these valuations are the board's best estimates of expected rates of:

	2022	2021
Inflation (excluding health care and dental expenses)	2.0%	1.5%
Wage and salary escalation	0.0%	0.0%
Discount on accrued benefit obligations	3.9%	1.8%

Health care costs were assumed to increase by 7.0% for 2022-23, reducing by 0.1% in each subsequent year to an ultimate rate of increase of 5.0%. Dental costs were assumed to increase by a flat rate of 5.0% per annum.

The principal benefits provided, the costs and liabilities of which are included in the board's consolidated financial statements, are as follows:

(a) 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 of contributions.

8. Retirement and other employee future benefits (continued):

(b) Retirement Gratuities:

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 based on their salary, accumulated sick days, and years of service up to August 31, 2012.

(c) Sick Leave Top-Up Benefits:

A maximum of eleven 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 illnesses paid through the short-term leave and disability plan in that year. The benefit costs expensed in the financial statements are $465,893 (2021 - $693,116).

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, 2022 and is based on the average daily salary and banked sick days of employees as at August 31, 2022.

(d) Long-term Disability – Life Insurance and Health Care Benefits:

The Board provides life insurance, dental and health care benefits to employees on long-term disability leave to employees who are not yet members of an ELHT. The Board is responsible for the payment of life insurance premiums and the costs of dental and health care benefits under this plan. The board provides these benefits through an unfunded defined benefit plan. The costs of salary compensation paid to employees on long-term disability leave are fully insured and not included in this plan.

8. Retirement and other employee future benefits (continued):

(e) Workplace Safety and Insurance Board (WSIB) obligations:

The Board is a Schedule 2 employer under the Workplace Safety and Insurance Act (the Act) and, as such, assumes responsibility for the payment of all claims to its injured workers under the Act. The Board does not fund these obligations in advance of the payments made under the Act. The benefit costs and liabilities related to this plan are included in the Board's consolidated financial statements. School boards are required to provide salary top-up to a maximum of 4 ½ years for employees receiving payments from the Workplace Safety and Insurance Board, where the collective agreement negotiated prior to 2012 included such a provision.

Other benefits

(i) Ontario Teachers' Pension Plan

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

(ii) Ontario Municipal Employees Retirement System

All non-teaching employees of the Board are eligible to be members of the Ontario Municipal Employees Retirement System (OMERS), a multi-employer pension plan. The plan provides defined pension benefits to employees based on their length of service and rates of pay. The Board's contributions equal the employee contributions to the plan. During the year ended August 31, 2022, the Board contributed $6,186,846 (2021 - $5,896,410) to the plan. As this is a multi-employer pension plan, these contributions are the Board's pension benefit expenses. No pension liability for these arrangements is included in the Board's consolidated financial statements.

9. 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.

	2022	2021
Balance, beginning of year	$ 448,881,885	$ 414,598,856
Additions to deferred capital contributions	71,401,335	59,203,995
Revenue recognized in the period	(26,413,361)	(24,920,966)
Transfers to deferred revenue	(530,000)	-
Balance, end of year	$ 493,339,859	$ 448,881,885

10. Tangible Capital Assets:

	Cost					Accumulated Amortization					Net Book Value
	Balance at August 31, 2021	Additions	Transfers/ Reclass	Disposals/ Deemed Disposals/ Writedown	Balance at August 31, 2022	Balance at August 31, 2021	Amortization Expense	Transfers/ Reclass	Disposals/ Deemed Disposals/ Writedown	Balance at August 31, 2022	Balance at August 31, 2022
Land	$ 29,443,759	$ (11,316)	$ -	$ -	$ 29,432,443	$ -	$ -	$ -	$ -	$ -	$ 29,432,443
Land improvements	24,668,118	1,409,677	(684,120)	-	25,393,675	11,892,562	1,615,999	(384,879)	-	13,123,682	12,269,993
Buildings	644,332,196	29,816,517	(2,030,896)	(2,917,550)	669,200,267	236,339,930	18,910,362	(1,974,100)	(1,521,602)	251,754,590	417,445,677
Portable structures	9,927,442	1,750,038	-	(607,767)	11,069,713	3,781,152	516,524	-	(607,767)	3,689,909	7,379,804
Buildings 20 Year	181,825	-	-	-	181,825	4,546	9,091		-	13,637	168,188
Construction in progress	19,826,119	33,730,614	956,477	-	54,513,210	-	-	-	-	-	54,513,210
Pre-acquisition costs	1,539,605	359,069	(1,130,439)	-	768,235	-	-	-	-	-	768,235
Furniture and equipment	1,641,292	589,918	-	(98,312)	2,132,898	1,143,807	152,648	-	(98,312)	1,198,143	934,755
First time equipping	6,960,446	2,277,320	-	(1,926,712)	7,311,054	4,649,968	715,703	-	(1,926,712)	3,438,959	3,872,095
Computer hardware	11,149,223	1,284,412	-	(2,331,023)	10,102,612	3,723,150	3,739,767	-	(2,331,025)	5,131,892	4,970,720
Computer software	923,515	191,191	-	169,066	1,283,772	132,965	234,244	-	169,066	536,275	747,497
Vehicles	1,460,758	256,491	-	(157,491)	1,559,758	1,149,247	127,385	-	(155,018)	1,121,614	438,144
Assets Permanently Removed from Service	552,500	-	-	-	552,500	552,500	-	-	-	552,500	-
Total	$ 752,606,798	$ 71,653,931	$ (2,888,978)	$ (7,869,789)	$ 813,501,962	$ 263,369,827	$ 26,021,723	$ (2,358,979)	$ (6,471,370)	$ 280,561,201	$ 532,940,761

(a) Assets under construction:

Assets under construction having a value of $55,281,445 (2021 - $21,365,724) have not been amortized. Amortization of these assets will commence when the asset is put into service.

(b) Deemed disposals of tangible capital assets:

Pooled assets with a gross book value of $4,794,750 (2021 - $7,149,356) and a net book value of $nil (2021 - $nil) are deemed to be disposed of.

(c) Assets Permanently Removed from Service relates to Sun Parlor Jr. Public School (2011).

10. Tangible Capital Assets:

	Cost					Accumulated Amortization					Net Book Value
	Balance at August 31, 2020	Additions	Transfers/ Reclass	Disposals/ Deemed Disposals/ Writedown	Balance at August 31, 2021	Balance at August 31, 2020	Amortization Expense	Transfers/ Reclass	Disposals/ Deemed Disposals/ Writedown	Balance at August 31, 2021	Balance at August 31, 2021
Land	$ 29,386,409	$ 57,350	$ -	$ -	$ 29,443,759	$ -	$ -	$ -	$ -	$ -	$ 29,443,759
Land improvements	24,109,067	559,051	-	-	24,668,118	10,292,757	1,599,805	-	-	11,892,562	12,775,556
Buildings	608,496,467	27,082,248	8,753,481	-	644,332,196	218,114,489	18,225,441	-	-	236,339,930	407,992,266
Portable structures	9,916,289	11,153	-	-	9,927,442	3,285,059	496,093	-	-	3,781,152	6,146,290
Buildings 20 Year	-	181,825	-	-	181,825	-	4,546		-	4,546	177,279
Construction in progress	4,450,261	19,827,993	(4,452,135)	-	19,826,119	-	-	-	-	-	19,826,119
Pre-acquisition costs	1,531,562	4,309,389	(4,301,346)	-	1,539,605	-	-	-	-	-	1,539,605
Furniture and equipment	1,985,047	54,098	-	(397,853)	1,641,292	1,392,555	149,105	-	(397,853)	1,143,807	497,485
First time equipping	7,931,308	333,423	-	(1,304,285)	6,960,446	5,227,811	726,442	-	(1,304,285)	4,649,968	2,310,478
Computer hardware	9,032,972	7,228,452	-	(5,112,201)	11,149,223	4,407,172	4,428,179	-	(5,112,201)	3,723,150	7,426,073
Computer software	959,522	239,828	-	(275,835)	923,515	227,280	181,520	-	(275,835)	132,965	790,550
Vehicles	1,372,002	147,938	-	(59,182)	1,460,758	1,125,805	82,624	-	(59,182)	1,149,247	311,511
Assets Permanently Removed from Service	552,500	-	-	-	552,500	552,500	-	-	-	552,500	-
Total	$ 699,723,406	$ 60,032,748	$ -	$ (7,149,356)	$ 752,606,798	$ 244,625,428	$ 25,893,755	$ -	$ (7,149,356)	$ 263,369,827	$ 489,236,971

11. Accumulated surplus:

Accumulated surplus consists of the following:

	2022	2021
Surplus:		
Operating	$ 31,954,012	$ 35,073,609
Employee future benefits	(26,518,238)	(31,386,847)
Interest accruals	(1,418,899)	(1,517,254)
School generated funds	4,302,614	4,663,880
Revenues recognized for land	29,521,447	29,532,763
Amounts restricted for future use by board motion:		
School budgets	365,822	622,210
Campbell Public School	773,088	800,214
LaSalle Public School	2,186,169	2,318,664
Better Places	5,000,110	5,658,025
Administrative buildings – capitalized assets	1,587,083	1,740,286
School buildings	581,229	372,574
Technology	10,795	21,590
Kingsville JK-12	3,116,300	-
	$ 51,461,532	$ 47,899,714

Amounts restricted for future use by board motion – School budgets represents the current year's unspent school allocated budget.

Amounts restricted for future use by board motion – Campbell Public School represents amounts used to pay for the capital costs of Campbell Public School, net of amortization. This amount will be applied against the operating surplus on the same basis as the related assets are amortized.

Amounts restricted for future use by board motion – LaSalle Public School represents amounts to be used to pay for the construction cost of LaSalle Public School, net of amortization. This amount will be applied against the operating surplus on the same basis as the related assets are amortized.

Amounts restricted for future use by board motion – Better Places represents amounts used to pay for the capital costs of the Better Places renewal initiative, net of amortization. This amount will be applied against the operating surplus on the same basis as the related assets are amortized.

11. Accumulated surplus (continued):

Amounts restricted for future use by board motion – Administrative buildings – capitalized assets represent additions to Administrative buildings. This amount will be applied against the operating surplus on the same basis as the related assets are amortized.

Amounts restricted for future use by board motion – School buildings represent capitalized additions and betterments to school buildings. This amount will be applied against the operating surplus on the same basis as the related assets are amortized.

Amounts restricted for future use by board motion – Technology represent capitalized laptop additions. This amount will be applied against the operating surplus on the same basis as the related assets are amortized.

Amounts restricted for future use by board motion – Kingsville JK-12 represents amounts to be used to pay for the Minor Tangible Capital Asset (MTCA) costs of the construction of the new Kingsville JK-12 school. When expenditures are incurred in future years, this amount will be applied against the operating surplus on the same basis as the related assets are amortized.

12. Grants for Student Needs:

School boards in Ontario receive the majority of their funding from the provincial government. This funding comes in two forms: provincial legislative grants and local taxation in the form of education property tax. The provincial government sets the education property tax rate. Municipalities in which the board operates collect and remit education property taxes on behalf of the Province of Ontario. The Province of Ontario provides additional funding up to the level set by the education funding formulas. Seventy-six (76) percent of the consolidated revenues of the Board are directly controlled by the provincial government through the grants for student needs. The payment amounts of this funding are as follows

	2022	2021
Provincial Legislative Grants	$ 20,475,647	$ 17,109,026
Education Property Tax	65,864,109	68,154,569
Grants for Student Needs	362,933,096	358,057,018
Other	34,115,396	33,156,941
Balance, end of year	$ 483,388,248	$ 476,477,554

13. Expenses by object:

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

	2022 Budget	2022 Actual	2021 Actual
Current expenses:			
Salary and wages	$ 322,819,818	$ 334,756,436	$ 327,384,562
Employee benefits	56,356,235	47,947,092	52,222,631
Staff development	903,892	1,059,576	864,116
Supplies and services	43,017,172	40,108,309	32,190,687
Interest	6,399,653	6,275,508	6,672,665
Rental expenses	145,416	429,845	398,628
Fees and contract services	19,276,973	20,901,062	16,990,305
Other	5,957,401	2,090,068	4,760,378
Amortization and write downs of tangible capital assets	27,177,520	26,258,534	25,893,758
	$ 482,054,080	$ 479,826,430	$ 467,377,730

14. In-kind transfers from the Ministry of Government and Consumer Services (MGCS):

To support school boards in implementing health and safety measures in response to COVID-19, the Ministry, through the Ministry of Government and Consumer Services provided personal protective equipment, critical supplies and equipment to school boards at no cost. For purposes of the financial statements, in-kind transfers are recorded to recognize the value of the contribution. The amounts recorded were calculated based on the weighted average cost of the personal protective equipment and critical supplies and equipment, as determined by the MGCS, and quantities received based on the Board's records. The in-kind revenues and expenses recorded in the Statement of Operations for these transfers totals $4,385,569 (2021 - $1,706,552).

Included in the inventory balance of $2,452,229 (2021 - $658,046) in the Statement of Financial Position is $2,449,590 (2021 - $655,648) related to supplies and equipment received from MGCS.

15. Ontario School Board Insurance Exchange (OSBIE):

The Board is a member of the Ontario School Board Insurance Exchange (OSBIE), a reciprocal insurance company licensed under the Insurance Act. OSBIE insures general public liability, property damage and certain other risks. Liability insurance is available to a maximum of $27,000,000 per occurrence.

The premiums over a five-year period are based on the reciprocal's 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 current five-year term expires in 2026.

16. Commitments:

At August 31, 2022, the Board is committed to capital expenditures in the amount of $90,624,104 (2021 - $45,748,126) to be funded by Ministry of Education capital grant programs.

17. Contingent liabilities:

In the normal course of operations, the Board becomes involved in various claims and legal proceedings. While the final outcome with respect to claims and legal proceedings pending at August 31, 2022 cannot be predicted with certainty, it is the opinion of the Board that their resolution will not have a material adverse effect on the Board's financial position or results of operations.

18. Transportation consortium:

On January 20, 2003, the Board entered into an agreement with the Windsor-Essex Catholic District School Board and Conseil scolaire catholique Providence, formerly named Conseil Scolaire de district des écoles catholiques du Sud-Ouest, in order to provide common administration of student transportation within the combined jurisdictions of the current member school boards. On September 10, 2009, a new agreement was entered into and included the Conseil scolaire Viamonde. The consortium agreement was executed in an effort to increase delivery efficiency and cost effectiveness of student transportation for each of the Boards.

On July 18, 2013 the consortium incorporated and became a separate legal entity known as Service de transport des élèves - Windsor-Essex Student Transportation Services. Under the formal agreement, decisions related to the financial and operating activities are shared. No partner is in a position to exercise unilateral control.

18. Transportation consortium (continued):

Each board participates in the shared costs associated with this service for the transportation of their respective students through Windsor-Essex Student Transportation Services. The Board's consolidated financial statements reflect proportionate consolidation, whereby they include the assets it controls, the liabilities that it has incurred, and its pro-rata share of revenue and expenses. The board's pro-rata share for 2022 is 53.1% (2021 – 53.0%).

The following provides condensed financial information:

	2022		2021	
	Total	Board Portion	Total	Board Portion
Financial Position:				
Financial assets	$ 843,929	$ 118,322	$ 266,789	$ 2,476
Financial liabilities	843,929	744,494	266,789	209,429
Accumulated (deficit) surplus	-	(626,172)	-	(206,953)
Operations:				
Revenues	30,914,669	16,460,196	26,592,866	14,145,899
Expenses	30,914,669	16,460,196	26,592,866	14,145,899
Annual surplus	$ -	$ -	$ -	$ -

19. Repayment of "55 School Board Trust" Funding:

On June 1, 2003, the Board received $1,779,682 from The 55 School Board Trust for its capital related debt eligible for provincial funding support pursuant to a 30 year agreement it entered into with the Trust. The 55 School Board Trust was created to refinance the outstanding not permanently financed (NPF) debt of participating boards who are beneficiaries of the Trust. Under the terms of the agreement, The 55 School Board 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.

As a result of the above agreement, the liability in respect of the NPF debt is no longer reflected in the Board's financial position.

20. Impact of COVID-19:

On March 11, 2020 the COVID-19 outbreak was declared a pandemic by the World Health Organization. Since this time, the pandemic has had significant financial, market and social impacts, due to government imposed lockdowns and social distancing requirements. The Board has experienced physical closure of schools based on public health recommendations, implemented temporary virtual schooling, implemented mandatory working from home requirements for those able to do so, and cancelled fundraising events and other programs.

The duration and ongoing impact of the COVID-19 pandemic remains unclear at this time. Although all 2021-22 financial impacts were managed, the full extent of the financial impact on the financial position and results of the Board for future periods is not possible to reliably estimate.

21. Future accounting standard adoption:

The Board is in the process of assessing the impact of the upcoming new standards and the extent of the impact of their adoption on its financial statements.

While the timing of standard adoption can vary, certain standards must be adopted concurrently. The requirements in PS 1201 *Financial Statement Presentation*, PS 2601 *Foreign Currency Translation*, PS 3041 *Portfolio Investments* and PS 3450 *Financial Instruments* must be implemented at the same time. The board has not adopted any new accounting standards for the year ended August 31, 2022.

(i) Standards applicable for fiscal years beginning on or after April 1, 2022 (in effect for the board as of September 1, 2022 for the year ending August 31, 2023):

PS1201 *Financial Statement Presentation* replaces PS 1200 *Financial Statement Presentation*. This standard 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. Requirements in PS 2601 *Foreign Currency Translation*, PS 3450 *Financial Instruments*, and PS 3041 *Portfolio Investments*, which are required to be adopted at the same time, can give rise to the presentation of gains and losses as remeasurement gains and losses.

21. Future accounting standard adoption (continued):

PS 2601 *Foreign Currrency 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.

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.

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.

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.

(ii) Standards applicable for fiscal years beginning on or after April 1, 2023 (in effect for the board for as of September 1, 2023 for the year ending August 1, 2024):

PS 3400 *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.

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.

21. Future accounting standard adoption (continued):

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