

AUDIT COMMITTEE MEETING
NOVEMBER 14, 2024
OPEN MEETING 6:30 P.M. – 8:00 P.M.
CATHOLIC EDUCATION CENTRE – SMALL BOARDROOM
IF YOU ARE UNABLE TO ATTEND IN PERSON, [CLICK HERE TO JOIN VIA VIDEO CONFERENCE](#)

Chairperson: Loretta Durst

Trustees/Members who are unable to attend the meeting
are asked to please notify Sarah Barker,
Administrative Assistant at sbarker@pvnccdsb.on.ca

1. Call to Order

- a. Opening Prayer Kevin MacKenzie
- b. Land Acknowledgement Sean Heuchert
- c. Approval of Agenda
- d. Declarations of Conflict of Interest
- e. Approval of the Minutes of the Meeting of Thursday, October 3, 2024 Page 3
- f. Business Arising from the Minutes

2. Recommended Actions/Presentations

- a. Regional Internal Audit Team Update 2.a.1) Page 7
Amyr Bhayani, Internal Auditor
- b. 2023-2024 Annual Report of the Audit Committee 2.b.1) Page 9
Sean Heuchert, Superintendent
- c. 2023-24 Financial Schedules, Variances and Transfers of Accumulated Surplus 2.c.1) Page 13
Sean Heuchert, Superintendent
- d. Report to the Audit Committee - Baker Tilly KDN LLP 2.d.1) Page 16
Jon Hickey, Auditor with Baker Tilly

e. Consolidated Financial Statements

2.e.1) Page 24

Jon Hickey, Auditor with Baker Tilly

3. Information Items

4. Old Business

5. New Business

6. Next Meeting

- a. Date TBD, 2024, Small Boardroom, 6:45 p.m.

7. Conclusion

- a. Closing Prayer
- b. Adjournment.

John Connolly

The Minutes of the Open Audit Committee Meeting held on October 3, 2024 at 6:30 p.m. in the Small Boardroom and by Google Meet (*).

PRESENT

Trustees: Loretta Durst (Chair), John Connolly, Kevin Mackenzie.
External Member:
Internal Auditor: Aryn Bhanyani(*), Jeff Henderson(*).
External Auditor: Jon Hickey.
Administration: Stephen O’Sullivan, Sean Heuchert, Teri Smith.
Regrets: Trang Nguyen, Joanna Park, Veronica Mason, Deb McRae.
Recorder: Sarah Barker.

1. Call to Order

Loretta Durst called the meeting to order at 6:57 pm.

a. Opening Prayer

John Connolly, led the Audit Committee in Opening Prayer.

b. Land Acknowledgement

Kevin MacKenzie provided a territorial recognition, acknowledging that we are meeting on the traditional territory of the Mississauga Anishinaabeg.

c. Approval of Agenda

Motion: Moved by John Conolly, seconded by Kevin MacKenzie, that the Audit Committee Open Agenda for October 3, 2024 be approved.

Carried.

d. Declarations of Conflicts of Interest

Director Stephen O’Sullivan advised the committee that his brother in law, Jeff Taylor, is still an employee with Baker Tilly. Jon Hickey, our external auditor with Baker Tilly, confirmed this did not cause any conflicts in the past year, and that Jeff has no involvement with audit services provided to PVNC Catholic.

e. Approval of the Minutes of the Audit Committee held on Thursday, June 13, 2024.

Motion: Moved by Kevin MacKenzie, seconded by John Conolly, that the Audit Committee Meeting Open Minutes from Thursday, June 13, 2024 be approved.

Carried.

f. Business Arising from the Minutes

There was no business arising from the Minutes.

2. Recommended Actions/Presentations:

There were no recommended actions/presentations.

3. Information Items:

a. Engagement Letter to the Board

Jon Hickey, from Baker Tilly, reported the engagement letter outlines the responsibilities, and what is necessary to conduct the audit. The audit fees are based on a standard based quote. There were no changes to the terms and conditions that required discussion, and this letter remains standard.

b. Planning Letter Audit Committee

Jon Hickey advised the planning letter is used for PVNC Catholic and Baker Tilly to highlight each party's responsibility, and details of the audit approach and materiality.

c. Baker Tilly: 2024 Audit Plan

Jon Hickey gave a brief summary of the audit plan and the upcoming key dates. The plan shows testing, recommendations, audit procedures and the approach to

sampling. There were questions regarding reporting periods, and how the sampling and benchmarks are chosen.

d. Regional Internal Audit Plan

Amyr Bhanyani, Internal Auditor, advised that the Tech Shop review is now completed. The EA Allocation Audit is still in progress.

Jeff Henderson, Internal Auditor, briefly reviewed the Internal Audit Plan. The development of this process is based on the results of other audits, possible incidents or frauds, management priorities or requests, and topics of common interest from other boards. The internal auditors perform internal audits for 9 school boards total, and it is sometimes useful to do multiple boards as a horizontal audit.

There will be a Principal Risk Assessment Workshop Audit in the 2024-2025 plan, this will help guide new Principals with internal controls and strategies.

The Student Enrollment Audit is planned for the 2024-2025 audit plan, and is based on the Ministry reporting done by boards on October 31st and March 31st annually. This is a huge component that helps fund boards, and is similar to the audit conducted by the Ministry. This helps boards prepare in case they are selected by the Ministry for a similar audit.

The Work Order Process review is planned for the 2025-2026 Audit Plan. This will ensure the process for work orders from schools to the Facilities Department are in compliance.

There will be a Network Penetration Test on the school board network security protocols in the 2025-2026 Audit Plan. This historically has been a vulnerability test conducted internally, but will be done as a penetration test by an outsourced provider.

There were discussions regarding how the audit topics are chosen, and how the auditors collect the information for their audits.

Motion: Moved by Kevin MacKenzie, seconded by John Connolly, that the 2024-2025 Regional Internal Audit Plan be accepted.

Carried.

There was discussion regarding how the External Auditors conduct their investigations remotely.

4. Old Business

There was no old business discussed.

5. New Business

There was no new business discussed.

6. Next Meeting

- a. Date: November 14, 2024, Small Boardroom, 6:45 p.m.

7. Conclusion

- a. Closing Prayer

Teri Smith led the Audit Committee with a closing prayer.

- b. Adjournment

Motion:Moved by John Connolly, seconded by Kevin Mackenzie,
that the Audit Committee meeting be adjourned at 7:35 pm.

Carried.

Loretta Durst
Committee Chairperson
/sb

Sean Heuchert
Superintendent of Business
and Finance



Peterborough Victoria Northumberland Clarington Catholic District School Board

TO: The Chairperson and Members of the PVNCCDSB Audit Committee
 FROM: Regional Internal Audit Manager
 DATE: November 14, 2024
 SUBJECT: Regional Internal Audit Update

1. Purpose

This report provides information on work that the Regional Internal Audit Team (RIAT) has undertaken since the last meeting on October 03, 2024.

2. Content

2.1 PVNCCDSB Regional Internal Audit Plan Status 2024-2025

Audit Entities	Objective and scope	Timelines	Status
Program Delivery/ Student Equity, Inclusiveness and Well-Being	<u>PVNCC 23-2 EA Allocation</u> Description: The objective of the review is to provide management with a fair, independent, and objective assessment of the processes and criteria used for the allocation of Educational Assistants.	Fall/Winter 2024	In progress.
Risk Management	<u>PVNCC 24-1 Principal Risk Assessment</u> Description: To provide principals a structured framework and approach to identify potential risks at the school level and to prioritize and implement risk management efforts and strategies.	Winter 2024/25	Planning.
Enrolment and Attendance	<u>PVNCC 24-2 School Enrolment Audit</u> Description: The objective of the audit is to provide management with a fair, independent, and objective assessment of the controls for recording and reporting of student enrolment through ONSIS on the October 31 st and March 31 st count dates	Spring/ Summer 2025	Not Initiated.
Various services	<u>Consulting support</u> Depending on ad hoc needs (Support related to audit universe risk assessment and risk framework, process review, etc.).	Ad Hoc	N/A
Various services	<u>Follow-ups (previous audits)</u> Follow-up on the implementation of planned action plans in response to recommendations from previous audits conducted by RIAT according to established timelines.	Ad Hoc	N/A



3. Recommendations

1. That the Regional Internal Audit Update, dated November 14, 2024, be received for information.

Respectfully Submitted by: *Jeff Henderson, Regional Internal Audit Manager*

BUSINESS AND FINANCE

Report to the Audit Committee

Meeting: Open ▾

Presented for: Approval ▾

Meeting Date: Thursday, November 14, 2024
Presented by: Sean Heuchert, Superintendent of Business and Finance

Submitted by: Sean Heuchert, Superintendent of Business and Finance
 Teri Smith, Chief Financial Officer

Subject: 2023-2024 Annual Report of the Audit Committee

Recommended Action(s):

- 1) That the Audit Committee Chair be authorized to sign the Annual Report on behalf of the Audit Committee.
- 2) That the Audit Committee recommend to the Board that the 2023/2024 annual report of the Audit Committee be received.

Background:

Once a year the Audit Committee provides the Board with a detailed Annual Report of the work they have done throughout the previous fiscal year. The report is attached as Appendix A.

School Boards are required under Ontario Regulation 361/10 to report to the Ministry of Education a summary of audit activity annually which must include a summary of the work performed by the Regional Internal Audit Team (RIAT), both completed and planned and if any enrolment audits are planned for the current school year. This report is submitted online and the information is also included in the Annual Report.

Appendix A - Detailed Annual Report of the Audit Committee

Audit Committee Members

The Audit Committee consisted of members listed below:

External Members:

- Trang (Tia) Nguyen - External Member
- Deb McRae - External Member

Trustee Representatives:

- Loretta Durst - Trustee Representative(Chair)
- John Connolly - Trustee Representative
- Kevin MacKenzie - Trustee Representative (Chair of the Board ex-officio)

In addition, regular attendees at the Committee meetings were:

- Stephen O'Sullivan, Director of Education
- Sean Heuchert, Superintendent of Business and Finance
- Teri Smith, Chief Financial Officer
- Sarah Barker, Administrative Assistant to the Superintendent of Business and Finance
- Jeff Henderson, Regional Internal Audit Manager
- Aryn Bhayani, Senior Regional Internal Auditor
- Joanna Park, External Auditor, Baker Tilly KDN LLP
- Jon Hickey, External Auditor, Baker Tilly KDN LLP

Meetings

Three meetings were held throughout the fiscal year.

The members in attendance at the meetings were as follows:

Member's Name	Sep. 28, 2023	Nov. 14, 2023	Jun. 13, 2024
John Connolly	✓		✓
Loretta Durst	✓	✓	✓
Kevin MacKenzie	✓	✓	✓
Trang (Tia) Nguyen	✓	✓	✓
Deb McRae		✓	

Governance

The Audit Committee operated throughout the fiscal year ending August 31, 2024. All of the members satisfied the eligibility requirements in accordance with Ontario Regulation 361/10.

Internal / External Audit

Relationships with both internal and external auditors have been satisfactory and the opportunity for the committee to have private meetings with each was available at every meeting.

External Auditors

The external auditors, Baker Tilly KDN LLP presented the scope and extent of their audit work for the 2022-23 fiscal year to the committee for approval and the committee reviewed those plans at the meeting held on September 28, 2023. The external auditors have confirmed their independence, and fees charged by the external auditors were reviewed in respect of the 2022-2023 audit.

Internal Auditors

The Audit Committee received update reports from the internal auditors, including progress on regional projects, and those planned specifically for the Board for the 2023-24 period and beyond. The audit committee reviewed and endorsed the plan.

Internal Audits completed in 2023-2024:

- Tech Shop Audit
- EA Allocation Audit (still in progress)

Internal Audits planned for 2024-2025:

- Principal Risk Assessment
- School Enrollment Audit

Internal Audits planned for 2025-2026:

- Facilities Work Order Analysis



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and well-being.*

- **Network Penetration Review**

There were no enrolment audits conducted in 2023-2024. There is one scheduled for 2024-2025.

By the signature noted below, we attest that we have discharged our duties and responsibilities respecting Ontario Regulation #361/10.

On behalf of the Audit Committee

Loretta Durst, Audit Committee Chairperson

Thursday, November 14, 2024

BUSINESS AND FINANCE

Audit Committee

Meeting: Open ▾

Presented for: Information ▾

Meeting Date: November 14, 2024
Presented by: Sean Heuchert, Superintendent of Business and Finance

Submitted by: Sean Heuchert, Superintendent of Business and Finance
 Teri Smith, Chief Financial Officer

Subject: 2023-24 Financial Schedules, Variances and Transfers of Accumulated Surplus

Recommended Action(s):

1. It is recommended that the committee receive the financial schedules and variance report for the 2023-2024 fiscal year for information.

Background:

Administration has concluded its preparation of the financial statements for the 2023-2024 fiscal period ending August 31, 2024. These statements are being subjected to audit by the Board's appointed external auditors, Baker Tilly KDN LLP and will be presented to the Audit Committee November 14, 2024. The Audit Committee's recommendations regarding the audited financial statements will be presented to the Board at the November 26, 2024 board meeting.

The attached report and appendices are to provide trustees with the key variances experienced in the Board's operations for the fiscal period. Trustees were previously provided with interim financial reports during the 2023-24 fiscal year.



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Basis of Accounting:

The Board has implemented Public Sector Accounting Board (PSAB) requirements for its audited financial statements. The PSAB established general reporting principles and standards for the disclosure of information in government financial statements.

Operating Results:

The operational results during the year varied from many of the budget estimates prepared and approved by the Board in June 2023.

The original budget approved by the Board in June 2023 was a balanced budget with total expenses of \$211,257,900. Actual enrolment varied from projections, as is generally the case to some degree every year. The revised estimates showed a net decrease of average daily enrolment (ADE) compared to the June budget estimates. The revised budget, presented to trustees in January of 2024 projected a change to Accumulated Surplus Available for Compliance of (\$1,279,241).

At year end, due to a number of factors detailed below, the actual change to Accumulated Surplus Available for Compliance is \$1,648,869 for the period ending August 31, 2024.



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Enrolment for the school year varied from forecast as follows:

	Budget 2023-24	Revised 2023-24	Actual 2023-24
Elementary	10,163.00	10,172.00	10,180.75
Secondary	4,733.50	4,664.00	4,660.01
Total	14,896.50	14,836.00	14,840.76

Actual enrolment had a minimal variation from Revised Estimates. General Operating Revenue was up \$9.0 million primarily a result of Bill 124 and labour settlement funding. We also had higher than expected interest revenue which was a combination of interest rates dropping less quickly than anticipated and the additional cash on hand from the Ministry to fund the labour settlements.

The Board also received a settlement from the provincial "Access Copyright" lawsuit and higher than expected Community Use which also contributed positively to our revenues.

On the expense side, spending in the Textbook/Supplies area was largely in line with our forecast, however we had deferred revenue from the previous year which carried forward and was not spent. We saw significant increases across the Board in salary expenses which are reflected throughout the different areas of the Consolidated Expenses.

November 14, 2024

Members of the Audit Committee
Peterborough Victoria Northumberland and Clarington Catholic District School
Board
1355 Lansdowne St. W
Peterborough, Ontario
K9J 7M3

Baker Tilly KDN LLP
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Re: Audit of the Consolidated Financial Statements of the Peterborough Victoria Northumberland and Clarington Catholic District School Board

Dear Members of the Audit Committee:

We have been engaged to express an audit opinion on the consolidated financial statements of the Peterborough Victoria Northumberland and Clarington Catholic District School Board ("the Board") for the year ended August 31, 2024. We have substantially completed our audit and are pleased to report on the following items.

The purpose of this report is to summarize certain aspects of the audit that we believe to be of interest to the Audit Committee. This report should be read in conjunction with the draft consolidated financial statements and our report thereon, as well as our Audit Planning letter previously forwarded to you.

Auditor Independence

As communicated previously in a separate letter to the Audit Committee, we are not aware of any relationship between the Board and us that, in our professional judgement, may reasonably be thought to bear on our independence.

Accordingly, we hereby re-confirm that our engagement team, our Firm and the other Baker Tilly Canada offices are independent with respect to the Board within the meaning of the Code of Professional Conduct Rule 204 of the Chartered Professional Accountants of Ontario.

Independent Auditor's Report

We anticipate that our Independent Auditor's Report will be issued without modification.

Our Independent Auditor's Report will be dated no earlier than the date on which we have obtained sufficient appropriate audit evidence on which to base our audit opinion on the consolidated financial statements, including evidence that all the statements and disclosures that comprise the consolidated financial statements have been prepared and the Audit Committee has approved the consolidated financial statements.

Evaluation of Internal Controls

Audits include a review and evaluation of the system of internal controls to assist in determining the level of reliance that may or should be placed on the system in assessing the nature and extent of audit procedures to be undertaken.

There are no internal control matters that we wish to bring to your attention.

Illegal Acts, Fraud, Intentional Misstatements and Errors

Our auditing procedures, including tests of your accounting records, were limited to those considered necessary in the circumstances and will not necessarily disclose all illegal acts should any exist. Under CAS, we consider the Board's control environment, governance structure, circumstances encountered during the audit and the potential likelihood of fraud and illegal acts occurring.

These procedures are not designed to test for fraudulent or illegal acts, nor will they necessarily detect such acts or recognize them as such, even if the effect on the consolidated financial statements is material. However, should we become aware that an illegal or possibly illegal act or act of fraud may have occurred, other than one considered clearly inconsequential, we will communicate directly to the Audit Committee.

It is our responsibility to maintain professional skepticism throughout the audit. This recognizes the possibility that a material misstatement due to fraud could exist, notwithstanding our past experience of the honesty and integrity of the Board's management and the audit committee.

It is management's responsibility to detect and prevent illegal action. If such acts are discovered or the Audit Committee members become aware of circumstances under which the Board may have been involved in fraudulent, illegal or regulatory non-compliance situations, such circumstances must be disclosed to us.

Testing during our audit did not reveal any illegal, improper or questionable payments or acts, nor any acts committed with the intent to deceive, involving either misappropriation of assets or misrepresentation of assets or misrepresentation of financial information.

Related Party Transactions

During our audit, we conduct various tests and procedures to identify transactions considered to involve related parties. Related parties exist when one party has the ability to exercise, directly or indirectly, control, joint control or significant influence over the other. Two or more parties are related when they are subject to common control, joint control or common significant influence. Related parties also include management, members of Council and their immediate family members and companies with which these individual have an economic interest.

All related party transactions that were identified during the audit have been represented by management to have been disclosed in the notes to financial statements, recorded in accordance with the Financial Administration Act supplemented by the Ontario Ministry of Education memorandum 2004:B2 and Ontario Regulation 395/11 of the Financial Administration Act ("the Act"), and have been reviewed with you.

Management has advised that no other related party transactions have occurred that have not been disclosed to us. The Audit Committee is required to advise us if it is aware of or suspects any other related party transactions have occurred, which have not been disclosed in the financial statements.

Significant Accounting Principles and Policies

Management is responsible for the appropriate selection and application of accounting policies. Our role is to review the appropriateness and application as part of our audit. The significant accounting principles and policies are disclosed in the notes to the consolidated financial statements.

The Audit Committee has a responsibility to review the accounting policies adopted by the Board, and where alternative policies are available, make determinations as to the most appropriate policies to be adopted in the circumstances. If members of the Audit Committee believe that the adoption or change in accounting policy may produce an inappropriate or misleading result in financial reporting or disclosure, this concern must be discussed with management and us.

As described in the notes to the consolidated financial statements, the Board has adopted the following:

PSA sections which are now effective under the PSA Handbook: PS 3160 Public Private Partnerships, PS 3400 Revenue, and PSG-8 Purchased Intangibles.

The impact of the adoption of these standards on the Board's consolidated financial statements is disclosed in notes to the financial statements.

Accounting Estimates

Management is responsible for the accounting estimates included in the consolidated financial statements. Estimates and the related judgements and assumptions are based on management's knowledge of the business and past experience about current and future events.

Our responsibility as auditors is to obtain sufficient appropriate evidence to provide reasonable assurance that management's accounting estimates are reasonable within the context of the consolidated financial statements as a whole. An audit includes performing appropriate procedures to verify the:

- Calculation of accounting estimates;
- Analyzing of key factors such as underlying management assumptions;
- Materiality of estimates individually and in the aggregate in relation to the financial statements as a whole;
- Estimate's sensitivity to variation and deviation from historical patterns;
- Estimate's consistency with the entity's business plans; and
- Other audit evidence.

Certain accounting estimates are particularly sensitive because they involve a significant degree of judgement and may have a range of possible outcomes. The most sensitive accounting estimates in order of significance are as follows:

- post-retirement benefits;
- useful lives of tangible capital assets; and
- asset retirement obligations

Significant Matters Discussed With Management

There were no significant matters arising from the audit discussed with management.

Written Representations Requested From Management

As part of our audit, we request that management prepare a letter to us to re-affirm various representations that they have provided to us and we have relied upon. A copy of this letter is attached for your convenience.

Significant Misstatements

In the course of our audit, we have not found any material misstatements or unadjusted items that, in aggregate, exceed materiality thresholds established for the audit, nor have we found significant misstatements that would likely cause future financial statements to be materially misstated.

Uncorrected Misstatements

In the course of our audit, we have not identified any uncorrected financial statement misstatements.

Significant Unusual Transactions

We are not aware of any significant transactions entered into by the Board that you should be informed about.

Disagreements with Management

We are required to communicate any disagreements with management, whether or not resolved, about matters that are individually or in aggregate significant to the Board's financial statements or auditor's report. Disagreements may arise over:

- Selection or application of accounting principles;
- Assumptions and related judgements for accounting estimates;
- Financial statement disclosures;
- Scope of the audit: or
- Wording of the auditor's report.

In the course of our audit, we did not have any significant disagreements with management, nor were we under any significant time pressures or poor working conditions. We are not aware of any cause for concern as to management's attitude, competence or credibility with respect to matters affecting the financial statements.

Difficulties Encountered During the Audit

We encountered no significant difficulties during our audit that should be brought to the attention of the Audit Committee.

Management Letter

During our audit, we did not note any significant issues on internal controls to report to management.

Conclusion

We wish to express our appreciation for the co-operation we received during the audit from the Board's management.

Should any member of the Audit Committee wish to discuss or review any matter addressed in this letter or any other matters related to financial reporting, please do not hesitate to contact us at any time.

Yours truly,

Baker Tilly KDN LLP

per: Joanna Park, CPA, CA
Partner

Peterborough Victoria Northumberland and Clarington Catholic District School Board
1355 Lansdowne St. W
Peterborough, Ontario
K9J 7M3

November 26, 2024

Baker Tilly KDN LLP
272 Charlotte St.
Peterborough, Ontario
K9J 2V4
Canada

Attention: Joanna Park, CPA, CA

Dear Sirs and Mesdames:

This representation letter is provided in connection with your audit of the consolidated financial statements of the Peterborough Victoria Northumberland and Clarington Catholic District School Board (the "Board") for the year ended August 31, 2024 for the purpose of expressing an opinion as to whether the consolidated financial statements are prepared, in all material respects, 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.

We confirm that:

Financial statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated September 16, 2024 for the preparation of the consolidated financial statements 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; in particular, the consolidated financial statements are fairly presented in accordance therewith.
2. We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.
3. We have assessed that the Board is able to continue as a going concern and the consolidated financial statements have been prepared on a going concern basis.
4. The methods, the data, and the significant assumptions used in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework.
5. Related-party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of the Financial Administration Act supplemented by the Ontario Ministry of Education memorandum 2004:B2 and Ontario Regulation 395/11 of the Financial Administration Act ("the Act").
6. There have been no events subsequent to the date of the consolidated financial statements up to the date hereof that would require recognition or disclosure in the consolidated financial statements. Furthermore, there have been no events subsequent to the date of the comparative financial statements that would require adjustment of those consolidated financial statements and the related notes.

7. Unrecorded adjustments at year end are trivial in amount and nature, therefore the effects of unrecorded adjustments are, both individually and in the aggregate, immaterial to the consolidated financial statements.
8. The accounting policies selected and the application thereof is appropriate, including those for complex areas of accounting and areas involving management's judgement and estimates, for example, revenue recognition, fair value measurements, transfers of receivables, hedging relationships and consolidation of variable interest entities.
9. We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities reflected in the consolidated financial statements.
10. We are aware of the environmental laws and regulations that impact on our Board and we are in compliance. There are no known environmental liabilities, including liabilities under sections PS3260 - Liability for Contaminated Sites and PS3280 - Asset Retirement Obligations that have not been accrued for or disclosed in the consolidated financial statements.
11. We are aware of the environmental laws and regulations that impact on our Board and we are in compliance. There are no known environmental liabilities that have not been accrued for or disclosed in the consolidated financial statements.
12. The nature of all material measurement uncertainties has been appropriately disclosed in the consolidated financial statements, including all estimates where it is reasonably possible that the estimate will change in the near term and the effect of the change could be material to the consolidated financial statements.
13. We have informed you of all outstanding and possible claims, whether or not they have been discussed with legal counsel.
14. There are no derivative or off-balance sheet financial instruments held at year end.
15. We have made the appropriate determination, accounting and disclosure in the consolidated financial statements of the costs, assets and obligations associated with employee future benefits.
16. All liabilities and contingencies, including those associated with guarantees, whether written or oral, have been disclosed to you and are appropriately reflected in the consolidated financial statements.
17. The Board has satisfactory title to all assets, and there are no liens or encumbrances on the Board's assets.

Information provided

18. We have provided you with:
 - Access to all information of which we are aware that is relevant to the preparation of the consolidated financial statements such as records, documentation and other matters;
 - Additional information that you have requested from us for the purpose of the audit; and
 - Unrestricted access to persons within the Board from whom you determined it necessary to obtain audit evidence.
19. All transactions have been recorded in the accounting records and are reflected in the consolidated financial statements.
20. We have disclosed to you the results of our assessment of the risk that the consolidated financial statements may be materially misstated as a result of fraud.

21. We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the Board and involves:
 - Management;
 - Employees who have significant roles in internal control; or
 - Others where the fraud could have a material effect on the financial statements.
22. We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the Board's financial statements communicated by employees, former employees, analysts, regulators or others.
23. We have disclosed to you, and the Board has complied with, all aspects of contractual agreements that could have a material effect on the consolidated financial statements in the event of non-compliance, including all covenants, conditions or other requirements of all outstanding debts.
24. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements.
25. We have disclosed to you the identity of the Board's related parties and all the related-party relationships and transactions of which we are aware.
26. The minute books of the Board are a complete record of all meetings and resolutions of the Board throughout the year and to the present date.

Yours very truly,

Signature

Position

Signature

Position

**PETERBOROUGH VICTORIA NORTHUMBERLAND AND
CLARINGTON CATHOLIC DISTRICT SCHOOL BOARD**

CONSOLIDATED FINANCIAL STATEMENTS

AUGUST 31, 2024

Draft November 8, 2024

**PETERBOROUGH VICTORIA NORTHUMBERLAND AND
CLARINGTON CATHOLIC DISTRICT SCHOOL BOARD**

CONSOLIDATED FINANCIAL STATEMENTS

AUGUST 31, 2024

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Draft November 8, 2024

**PETERBOROUGH VICTORIA NORTHUMBERLAND AND CLARINGTON CATHOLIC
DISTRICT SCHOOL BOARD**

For The Year Ended August 31, 2024

MANAGEMENT REPORT

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

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 meets with 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 Baker Tilly KDN LLP in accordance with Canadian generally accepted auditing standards on behalf of the Board. Baker Tilly KDN LLP has full and free access to the Board of Trustees.

November 26, 2024

Director of Education / Secretary
Treasurer

Superintendent of Business and
Finance

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of Peterborough Victoria Northumberland and Clarington Catholic District School Board

Opinion

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

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Board as at August 31, 2024, and the results of its consolidated operations and its consolidated cash flows for the year then ended in accordance with the Financial Administration Act supplemented by the Ontario Ministry of Education memorandum 2004:B2 and Ontario Regulation 395/11 of the Financial Administration Act ("the Act").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated 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 consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Financial Administration Act supplemented by the Ontario Ministry of Education memorandum 2004:B2 and Ontario Regulation 395/11 of the Financial Administration Act ("the Act"), and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated 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 consolidated 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 consolidated 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 consolidated financial information of the entities or business activities within the Board to express an opinion on the consolidated 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

Peterborough, Ontario
November 26, 2024

PETERBOROUGH VICTORIA NORTHUMBERLAND AND CLARINGTON CATHOLIC DISTRICT SCHOOL BOARD

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At August 31, 2024

	2024	2023
	\$	\$
FINANCIAL ASSETS		
Cash and cash equivalents	28,889,430	22,472,866
Accounts receivable		
Government of Ontario - Approved Capital (note 2)	25,880,703	34,522,588
Local government	2,433,869	2,458,198
Other (note 3)	11,334,669	8,254,523
TOTAL FINANCIAL ASSETS	68,538,671	67,708,175
LIABILITIES		
Temporary borrowing (note 4)	6,876,142	3,116,000
Accounts payable and accrued liabilities	21,527,497	14,171,479
Net debenture debt and capital loans (note 7)	22,653,163	26,621,345
Deferred revenue (notes 6 and 9)	2,593,209	6,356,760
Deferred capital contributions (note 5)	177,059,180	180,621,798
Employee benefits payable (note 10)	7,845,574	8,089,801
Asset retirement obligation (note 16)	9,113,799	11,078,419
TOTAL LIABILITIES	247,668,564	250,055,602
NET DEBT	(179,129,893)	(182,347,427)
NON-FINANCIAL ASSETS		
Tangible capital assets (schedule 1)	211,063,918	208,004,563
Prepaid expenses and other non-financial assets	477,381	774,438
TOTAL NON-FINANCIAL ASSETS	211,541,299	208,779,001
ACCUMULATED SURPLUS (note 15)	32,411,406	26,431,574

Approved on behalf of the Board:

Director of Education / Secretary Treasurer

Chair of School Board

The accompanying notes are an integral part of these financial statements

PETERBOROUGH VICTORIA NORTHUMBERLAND AND CLARINGTON CATHOLIC DISTRICT SCHOOL BOARD

CONSOLIDATED STATEMENT OF OPERATIONS For the Year Ended August 31, 2024

	Budget 2024 \$ (Unaudited)	Actual 2024 \$	Actual 2023 \$
REVENUES			
Grants for student needs (note 13)	190,427,138	218,239,481	187,645,854
Provincial grants - other	4,112,799	4,185,676	4,263,908
Federal grants and fees	258,192	269,642	285,961
Investment income	480,000	1,627,521	820,662
Other fees and revenues	994,383	1,839,364	1,510,258
School generated funds	4,650,759	5,285,747	4,742,536
Amortization of deferred capital contributions related to Provincial Legislative Grants	10,000,365	9,696,718	9,231,671
Amortization of deferred capital contributions related to Third Parties	-	552,545	521,663
Education development charges	-	4,481,294	4,597
TOTAL REVENUES	210,923,636	246,177,988	209,027,110
EXPENSES			
Instruction	156,123,601	174,282,867	154,412,066
Administration	5,910,641	6,445,717	5,990,384
Transportation	14,437,370	14,744,065	14,208,098
Pupil accomodation	27,714,171	30,105,818	28,428,221
School generated funds	4,650,759	5,006,080	4,783,031
Other	2,421,358	9,613,609	2,730,261
TOTAL EXPENSES	211,257,900	240,198,156	210,552,061
ANNUAL SURPLUS/(DEFICIT)	(334,264)	5,979,832	(1,524,951)
ACCUMULATED SURPLUS - beginning of year		26,431,574	27,956,525
ACCUMULATED SURPLUS - end of year		32,411,406	26,431,574

The accompanying notes are an integral part of these financial statements

**PETERBOROUGH VICTORIA NORTHUMBERLAND AND CLARINGTON
CATHOLIC DISTRICT SCHOOL BOARD**

**CONSOLIDATED STATEMENT OF CHANGE IN NET DEBT
For the Year Ended August 31, 2024**

	Budget 2024 \$ (Unaudited)	Actual 2024 \$	Actual 2023 \$
ANNUAL SURPLUS/(DEFICIT)	(334,264)	5,979,832	(1,524,951)
Amortization of tangible capital assets	10,489,634	10,837,837	10,302,526
Purchase of tangible capital assets	(8,601,907)	(15,618,731)	(16,207,383)
Gain on disposal of tangible capital assets	-	(6,926)	(62,797)
Proceeds on sale of tangible capital assets	-	6,926	26,847
Addition to tangible capital asset - asset retirement obligation	-	(321,788)	(1,328,819)
Change in prepaid expenses and other non-financial assets	-	297,057	1,182,669
Disposal of tangible capital asset - asset retirement obligation	-	2,043,327	-
CHANGE IN NET DEBT	1,553,463	3,217,534	(7,611,908)
NET DEBT - beginning of year	(182,347,427)	(182,347,427)	(174,735,519)
NET DEBT - end of year	(180,793,964)	(179,129,893)	(182,347,427)

The accompanying notes are an integral part of these financial statements

PETERBOROUGH VICTORIA NORTHUMBERLAND AND CLARINGTON CATHOLIC DISTRICT SCHOOL BOARD

CONSOLIDATED STATEMENT OF CASH FLOWS For the Year Ended August 31, 2024

	2024	2023
	\$	\$
CASH PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Annual surplus/(deficit)	5,979,832	(1,524,951)
Items not involving cash		
Amortization of tangible capital assets	10,521,528	10,032,327
Gain on disposal of tangible capital assets	(6,926)	(26,847)
Amortization on tangible capital asset - asset retirement obligation	316,309	270,199
Increase (decrease) of asset retirement obligation liabilities excluding settlements	(1,964,621)	1,328,819
Decrease (increase) of tangible capital asset - asset retirement obligation asset excluding amortization on tangible capital asset - asset retirement obligation	1,721,538	(1,364,769)
Amortization of deferred capital contributions	(10,249,270)	(9,753,335)
Change in non-cash assets and liabilities		
Accounts receivable	(3,055,817)	2,126,001
Prepaid expenses and other non-financial assets	297,057	1,182,668
Accounts payable and accrued liabilities	7,356,018	1,008,268
Deferred revenue	(205,918)	(1,074,254)
Employee benefits payable	(244,227)	(609,814)
Net change in cash from operating activities	10,465,503	1,594,312
CAPITAL ACTIVITIES		
Purchase of tangible capital assets	(15,618,729)	(16,207,383)
Proceeds on disposal of tangible capital assets	6,926	26,847
Net change in cash from capital activities	(15,611,803)	(16,180,536)
FINANCING ACTIVITIES		
Debt repayments	(3,968,182)	(3,718,111)
Government of Ontario - approved capital	8,641,885	3,626,969
Additions to deferred capital contributions	6,686,652	16,207,383
Deferred revenues - capital	(3,557,633)	(313,582)
Increase in temporary borrowing	3,760,142	3,116,000
Net change in cash from financing activities	11,562,864	18,918,659
NET CHANGE IN CASH	6,416,564	4,332,435
CASH - beginning of year	22,472,866	18,140,431
CASH - end of year	28,889,430	22,472,866

The accompanying notes are an integral part of these financial statements

PETERBOROUGH VICTORIA NORTHUMBERLAND AND CLARINGTON CATHOLIC DISTRICT SCHOOL BOARD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended August 31, 2024

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 amortization, 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 require 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;
- 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
- education 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 may be recorded differently under Canadian Public Sector Accounting Standards.

PETERBOROUGH VICTORIA NORTHUMBERLAND AND CLARINGTON CATHOLIC DISTRICT SCHOOL BOARD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended August 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES, continued

(b) Reporting Entity

The 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 Board and which are controlled by the Board.

School generated funds, which include the assets, liabilities, revenues 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 are not included in these consolidated financial statements as they are not controlled by the Board.

(d) Cash

Cash and cash equivalents comprise 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.

(e) 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 expenditures are incurred or services are performed.

(f) 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; and
- Property taxation revenues which were historically used to fund capital assets.

(g) 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, health care benefits, dental benefits, retirement gratuity, worker's compensation and long-term disability benefits.

PETERBOROUGH VICTORIA NORTHUMBERLAND AND CLARINGTON CATHOLIC DISTRICT SCHOOL BOARD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended August 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES, 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: Ontario English Catholic Teachers' Association (OECTA). The following ELHTs were established in 2017-2018: Canadian Union of Public Employees (CUPE), and Ontario Non-union Education Trust (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 and temporary 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 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 the 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 individuals who retired prior to August 31, 2013.

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 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 (if applicable) 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 accumulated 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 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 worker's 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 plan benefits, such as the Ontario Municipal Employees Retirement System pensions, are the employer's contributions due to the plan in the period.

PETERBOROUGH VICTORIA NORTHUMBERLAND AND CLARINGTON CATHOLIC DISTRICT SCHOOL BOARD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended August 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES, continued

(iii) The costs of insured benefits are the employer's portion of insurance premiums owed for coverage of employees during the period.

(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) Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all 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. Initial costs for tangible capital assets that were acquired or developed prior to 2009 were obtained using historical cost information or using current fair market values discounted by a relevant inflation factor to the point of acquisition. The cost, less residual value, if any, of tangible capital assets is amortized on a straight-line basis, over the expected useful life of the asset, as follows:

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	5-10
Leasehold improvements	Over the 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.

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.

PETERBOROUGH VICTORIA NORTHUMBERLAND AND CLARINGTON CATHOLIC DISTRICT SCHOOL BOARD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended August 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES, continued

(j) 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.

(k) 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. The budget figures presented have been adjusted to reflect the same accounting policies that were used to prepare the consolidated financial statements. The budget figures are unaudited.

(l) 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 revenues and expenses during the year. The principal estimates used in the preparation of these financial statements are the determination of the liability for post-retirement benefits and the estimated useful life of tangible capital assets. Actual results could differ from these estimates, as additional information becomes available in the future.

There is measurement uncertainty surrounding the estimation of liabilities for asset retirement obligations. These estimates are subject to uncertainty because of several factors including but not limited to incomplete information on the extent of controlled materials used (e.g. asbestos included in inaccessible construction material), indeterminate settlement dates, the allocation of costs between required and discretionary activities and/or change in the discount rate.

(m) Education Property Tax Revenue

Under Canadian 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.

(n) Other Revenues

Other revenues from transactions with performance obligations, for example, fees or royalties from the sale of goods or rendering of services, are recognized as the Board satisfies a performance obligation by providing the promised goods or services to the payor. Other revenue from transactions with no performance obligation are recognized when the Board has the authority to claim or retain an inflow of economic resources and when a past transaction or event is an asset. Amounts received prior to the end of the year that will be recognized in subsequent fiscal year are deferred and reported as a liability. The majority of Board revenues do not fall under the new PS 3400 accounting standard.

PETERBOROUGH VICTORIA NORTHUMBERLAND AND CLARINGTON CATHOLIC DISTRICT SCHOOL BOARD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended August 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES, continued

(o) Financial Instruments

Financial instruments are classified as either cost, fair value or amortized cost. The following chart shows the measurement method for each type of financial instrument.

Financial Instrument	Measurement Method
Cash and cash equivalents	Cost
Accounts receivable	Amortized Cost
Temporary borrowing	Amortized Cost
Accounts payable and accrued liabilities	Amortized Cost
Net debenture debt and capital loans	Amortized Cost

Fair value category: The Board manages and reports performance for groups of financial assets on a fair-value basis. Investments traded in an active market are reflected at fair value as at the reporting date. Sales and purchases of investments are recorded on the trade date. Transaction costs related to the acquisition of investments are recorded as an expense. Unrealized gains and losses on financial assets are recognized in the Statement of Remeasurement Gains and Losses until such time that the financial asset is derecognized due to disposal or impairment. At the time of derecognition, the related realized gains and losses are recognized in the Statement of Operations and Accumulated Surplus and related balances reversed from the Statement of Remeasurement Gains and Losses.

Amortized cost is measured using the effective interest rate method. The effective interest method is a method of calculating the amortized cost of a financial asset or a financial liability (or a group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period, based on the effective interest rate. It is applied to financial assets or financial liabilities that are not in the fair value category and is now the method that must be used to calculate amortized cost.

Cost category: Amounts are measured at cost less any amount for valuation allowance. Valuation allowances are made when collection is in doubt.

Establishing fair value:

The fair value of guarantees and letters of credit are based on fees currently charged for similar agreements or on the estimated cost to terminate them or otherwise settle the obligations with the counterparties at the reported borrowing date. In situations in which there is no market for these guarantees, and they were issued without explicit costs, it is not practicable to determine their fair value with sufficient reliability (if applicable).

The following hierarchy provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which fair value is observable:

- Level 1 - Unadjusted quoted market prices in active markets for identical assets or liabilities;
- Level 2 - Observable or corroborated inputs, other than level 1, such as quoted prices for similar assets or liabilities in inactive markets or market data for substantially the full term of the assets or liabilities; and

PETERBOROUGH VICTORIA NORTHUMBERLAND AND CLARINGTON CATHOLIC DISTRICT SCHOOL BOARD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended August 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES, continued

- Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets and liabilities.

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value.

2. ACCOUNTS RECEIVABLE

The Province of Ontario replaced variable capital funding with a one-time debt support grant in 2009-10. Peterborough Victoria Northumberland and Clarington Catholic District School 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.

The Board has an account receivable from the Province of Ontario of \$25,880,703 as at August 31, 2024 (2023 - \$34,522,588) with respect to capital grants.

3. ACCOUNTS RECEIVABLE - OTHER

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. The balance of delayed grant payments included in Accounts Receivable - other at August 31, 2024 is \$1,859,587 (2023 - \$683,859).

4. TEMPORARY BORROWING

The Board has three credit facilities available for use at any time.

Credit facility #1 is a demand operating credit available in the amount of \$10,000,000 for use for current expenditures only and bears interest at prime. At August 31, 2024 the board had not drawn on this credit facility (2023 - \$nil)

Credit facility #2 is a demand bridge loan in the amount of \$10,893,071 to finance various capital projects under the School Conditioning Improvement (SCI) Program and bears interest at the CORRA rate plus 1.16%. At August 31, 2024 the balance is \$2,087,000.

Credit facility #3 is a demand bridge loan in the amount of \$5,000,000 to finance EDC site purchases and related soft costs associated with the Northglen site and bears interest at the CORRA rate plus 1.16%. At August 31, 2024 the balance is \$4,789,142.

PETERBOROUGH VICTORIA NORTHUMBERLAND AND CLARINGTON CATHOLIC DISTRICT SCHOOL BOARD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended August 31, 2024

5. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions (DCC) 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.

Amortization of deferred capital contributions reported on the Consolidated Statement of Operations has been modified to remove the reporting from the Provincial Legislative Grants line and identify the split between Amortization of DCC Related to Provincial Legislative Grants and Amortization of DCC related to Third Parties (for example, Federal Government capital funding).

	2024	2023
	\$	\$
Provincial Legislative Grants:		
Balance, beginning of year	172,899,732	166,548,112
Additions to deferred capital contributions	6,365,908	15,583,291
Revenue recognized in the period	(9,696,725)	(9,231,671)
Total Provincial Legislative Grants	169,568,915	172,899,732
Third Parties:		
Balance, beginning of year	7,722,066	7,619,637
Additions to deferred capital contributions	320,744	624,092
Revenue recognized in the period	(552,545)	(521,663)
Total Third Parties Grants	7,490,265	7,722,066
	177,059,180	180,621,798

6. IN-KIND TRANSFERS FROM THE MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY

The Board has recorded entries, both revenues and expenses, associated with centrally procured in-kind transfers of personal protective equipment (PPE) and critical supplies and equipment (CSE) received from the Ministry of Public and Business Service Delivery (MPBSD). The amounts recorded were calculated based on the weighted average cost of the supplies as determined by MGCS and quantity information based on the Board's records. The in-kind revenue recorded for these transfers is \$274,771 with expenses based on use of \$274,771 for a net impact of \$Nil. At August 31, 2024 there was no PPE or CSE on hand and therefore, no amounts recorded on the Consolidated Statement of Financial Position.

PETERBOROUGH VICTORIA NORTHUMBERLAND AND CLARINGTON CATHOLIC DISTRICT SCHOOL BOARD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended August 31, 2024

7. NET DEBENTURE DEBT AND CAPITAL LOANS

- (a) The balance of net debenture debt and capital loans reported on the Consolidated Statement of Financial Position is made up of the following:

	2024	2023
	\$	\$
Debtenture payable - Bylaw #117 - for permanent improvements, 7.342% per annum, repayable \$292,226 per month principal and interest, due July 2026, redeemable in whole but not in part of the principal amount outstanding, at the option of the School Board on any date prior to July 2026	6,251,932	9,181,813
Ontario Financing Authority term installment loans, for permanent improvements, 3.564% - 5.232% per annum, repayable \$885,762 semi-annually principal and interest, due November 2031 - March 2039	16,401,231	17,439,532
	22,653,163	26,621,345

- (b) The net debenture debt and capital loans reported in (a) of this note is repayable as follows:

	Principal	Interest	Total
	\$	\$	\$
2025	4,235,875	1,042,369	5,278,244
2026	4,230,243	755,774	4,986,017
2027	1,179,983	591,541	1,771,524
2028	1,231,465	540,060	1,771,525
2029	1,285,235	486,290	1,771,525
2030 and subsequent years	10,490,362	2,295,807	12,786,169
	22,653,163	5,711,841	28,365,004

8. DEBT CHARGES AND CAPITAL LOAN INTEREST

	2024	2023
	\$	\$
Principal payments on long-term liabilities	3,968,182	3,718,111
Interest payments on long-term liabilities	1,310,062	1,560,133
	5,278,244	5,278,244

PETERBOROUGH VICTORIA NORTHUMBERLAND AND CLARINGTON CATHOLIC DISTRICT SCHOOL BOARD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended August 31, 2024

9. 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 set-aside 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 2024 \$	Revenue Recognized in the Period 2024 \$	Transferred to DCC 2024 \$	Balance August 31, 2024 \$
Capital					
School Renewal	86,812	2,290,992	119,173	1,579,045	679,586
Minor Tangible Capital					
Assets	-	4,992,829	3,796,634	1,196,195	-
Proceeds of Disposition	70,157	-	-	-	70,157
Education Development					
Charges	4,348,357	405,371	4,481,294	-	272,434
Rural and Northern					
Education Fund	-	379,982	379,982	-	-
Retrofit for Child Care	183,851	-	-	-	183,851
Temporary Accommodation	-	85,898	85,898	-	-
Interest on Capital	-	1,569,518	1,569,518	-	-
Experiential Learning	101,736	1,642,666	1,637,150	-	107,252
Other	80,000	240,744	-	320,744	-
	4,870,913	11,608,000	12,069,649	3,095,984	1,313,280
Operating					
Special Education	597,301	28,312,869	28,173,600	-	736,570
Targeted Student Supports	133,004	693,778	736,541	-	90,241
Indigenous Language, FNMI					
Studies, and Board Action					
Plan	375,964	1,067,549	1,206,444	-	237,069
Student Mental Health	39,560	571,320	560,161	-	50,719
FSL Areas of Intervention	-	119,908	83,150	-	36,758
Other (Note 5)	340,018	474,564	686,010	-	128,572
	1,485,847	31,239,988	31,445,906	-	1,279,929
	6,356,760	42,847,988	43,515,555	3,095,984	2,593,209

PETERBOROUGH VICTORIA NORTHUMBERLAND AND CLARINGTON CATHOLIC DISTRICT SCHOOL BOARD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended August 31, 2024

10. EMPLOYEE BENEFITS PAYABLE

Liability	Retirement Gratuities \$	Retirement Benefits \$	Other Employee Future Benefits \$	2024 Total \$	2023 Total \$
Accrued employee benefit obligations at August 31	6,303,424	56,287	1,456,696	7,816,407	8,128,766
Unamortized actuarial gains (losses) at August 31	29,167	-	-	29,167	(38,965)
	6,332,591	56,287	1,456,696	7,845,574	8,089,801

Change in liability	Retirement Gratuities \$	Retirement Benefits \$	Other Employee Future Benefits \$	2024 Total \$	2023 Total \$
Current year benefit cost (recovery)	-	-	400,788	400,788	386,165
Interest on accrued benefit obligation	275,398	2,852	-	278,250	321,602
Amortization of actuarial (gains) losses	232,131	(2,293)	-	229,838	218,555
Benefit payments ¹	(790,048)	(18,186)	(344,869)	(1,153,103)	(1,536,136)
	(282,519)	(17,627)	55,919	(244,227)	(609,814)

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

Actuarial Assumptions

The accrued benefit obligations for employee future benefit plans as at August 31, 2024 are based on the most recent actuarial valuations completed for accounting purposes as at August 31, 2024. The economic assumptions used in these valuations are the School Board's best estimates of expected rates of:

	2024	2023
Inflation	2.0%	2.0%
Wage and salary escalation	n/a	n/a
Insurance and health care cost escalation	5.00%	3.00- 5.00%
Discount on accrued benefit obligations	3.8%	4.4%

PETERBOROUGH VICTORIA NORTHUMBERLAND AND CLARINGTON CATHOLIC DISTRICT SCHOOL BOARD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended August 31, 2024

10. EMPLOYEE BENEFITS PAYABLE, continued

Retirement Benefits

(a) Ontario Teacher's 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 School Board's consolidated financial statements.

(b) 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 is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay. The OMERS Administration Corporation Board of Directors, representing plan members and employers, is responsible for overseeing the management of the pension plan, including investment of the assets and administration of benefits. OMERS provides pension services to over 500,000 active and retired members and approximately 1,000 employers.

Each year an independent actuary determines the funding status of the OMERS Primary Pension Plan (the Plan) by comparing the actuarial value of invested assets to the estimated present value of all pension benefits that members have earned to date. The most recent actuarial valuation of the Plan was conducted at December 31, 2023. The results of this valuation disclosed total actuarial liabilities of \$136,185 million in respect of benefits accrued for service with actuarial assets at that date of \$131,983 million indicating an actuarial deficit of \$4,202 million. Because OMERS is a multi-employer plan, any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. During the year ended August 31, 2024, the Board contributed \$3,463,882 (2023 - \$2,934,127) to the plan.

(c) Retirement Life Insurance and Health Care Benefits

The Board continues to provide life insurance, dental and health care benefits to certain employee groups after retirement until the members reach 65 years of age. The premiums for certain classes of retirees are based on the School Board's experience and retirees' premiums may be subsidized by the Board. The premiums for retiree groups that have transitioned to the One-T ELHT are based on the trust retiree premium and 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, will no longer qualify for School Board subsidized premiums or contributions.

PETERBOROUGH VICTORIA NORTHUMBERLAND AND CLARINGTON CATHOLIC DISTRICT SCHOOL BOARD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended August 31, 2024

10. EMPLOYEE BENEFITS PAYABLE, continued

Other Employee Future Benefits

(a) Workplace Safety and Insurance Board Obligations

The Board is a Schedule 2 employer under the Workplace Safety and Insurance 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 payments made under the Act. The benefit costs and liabilities related to this plan are included in the Board's consolidated financial statements. Plan changes made in 2012 require school Boards 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 previously negotiated collective agreement included such provision. As at August 31, 2024 the liability included in employee future benefits for this obligation is \$1,335,801 (2023 - \$1,268,008).

(b) Sick Leave Top-Up Benefits

A maximum of eleven unused sick 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 consolidated financial statements are \$75,180 (2023 - \$77,595).

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, 2024 and is based on the average daily salary and banked sick days of employees as at August 31, 2024.

11. CONTINGENT LIABILITIES

The Board has an excess of loss (catastrophe) Workplace Safety and Insurance Board (WSIB) insurance policy of \$27,000,000 per accident, per employee, aggregate for disease, with a \$1,000,000 deductible per employee, per accident. The School Board brings this deductible down to \$500,000 by participating in the School Boards' Cooperative Assistance Program.

Due to the nature of the School Board's operations, the organization is periodically subject to litigation. In the opinion of management, the resolution of any current litigation would not have a material effect on the financial position or results of operations, as the Board has valid defences and appropriate insurance coverages in place.

PETERBOROUGH VICTORIA NORTHUMBERLAND AND CLARINGTON CATHOLIC DISTRICT SCHOOL BOARD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended August 31, 2024

12. EXPENSES BY OBJECT

The expenses for the year reported on the Consolidated Statement of Operations and Accumulated Surplus by object are as follows:

	Budget 2024 \$ (Unaudited)	Actual 2024 \$	Actual 2023 \$
Salaries	134,239,053	162,312,731	134,257,622
Benefits	26,210,234	28,276,525	26,036,796
Staff development	1,437,993	646,571	804,028
Supplies and services	15,407,638	15,333,606	15,335,195
Interest	1,286,186	1,799,739	1,546,414
Rental	23,953	20,963	22,723
Fees and contract services	19,500,626	20,366,011	19,286,304
Other	2,662,583	604,173	2,960,453
Amortization of TCA	10,272,631	10,521,528	10,032,327
Amortization and net loss ARO	217,003	316,309	270,199
	211,257,900	240,198,156	210,552,061

13. 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. 88.65% 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:

	2024 \$	2023 \$
Provincial Legislative Grants	180,572,763	168,281,450
Education Property Tax	19,764,349	19,364,404
Grant adjustment	17,204,015	-
PVP accrual 2023-24	698,354	-
Grants for Student Needs	218,239,481	187,645,854

14. TRUST FUNDS

Trust funds administered by the School Board amounting to \$222,295 (2023 - \$222,868) have not been included in the Consolidated Statement of Financial Position nor have their operations been included in the Consolidated Statement of Operations and Accumulated Surplus.

PETERBOROUGH VICTORIA NORTHUMBERLAND AND CLARINGTON CATHOLIC DISTRICT SCHOOL BOARD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended August 31, 2024

15. ACCUMULATED SURPLUS

Accumulated surplus consists of the following:

	2024	2023
	\$	\$
Available for Compliance - Unappropriated		
Operating accumulated surplus	8,206,413	6,358,550
Surplus	8,206,413	6,358,550
Available for Compliance - Internally Appropriated		
School activities	230,554	276,159
Program capital	497,472	523,625
Committed capital projects	2,718,498	2,990,761
Facilities and sites	121,952	871,952
IT infrastructure and software	144,138	166,000
Joint field agreement	120,000	90,000
Northglen Catholic Elementary School	750,000	-
Total Internally Appropriated	4,582,614	4,918,497
Unavailable for Compliance		
Invested in tangible capital assets	22,082,754	17,845,213
School generated funds	2,189,758	1,910,090
Interest to be accrued	(49,535)	(73,405)
Asset retirement obligations	(4,600,598)	(4,527,371)
Total Unavailable for Compliance	19,622,379	15,154,527
Total Accumulated Surplus	32,411,406	26,431,574

PETERBOROUGH VICTORIA NORTHUMBERLAND AND CLARINGTON CATHOLIC DISTRICT SCHOOL BOARD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended August 31, 2024

16. ASSET RETIREMENT OBLIGATION

The Board discounts significant obligations where there is a high degree of confidence on the amount and timing of cash flows and the obligation will not be settled for at least five years from the reporting date. The discount and inflation rate is reflective of the risks specific to the asset retirement liability.

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

	2024	2023
	\$	\$
Liabilities for Asset Retirement Obligations at Beginning of year	11,078,419	9,749,598
Change in estimate during the year	(2,286,408)	-
Increase in liabilities reflecting changes in estimate of liabilities	321,788	1,328,821
Liabilities for Asset Retirement Obligations at End of Year	9,113,799	11,078,419

The Board made an inflation adjustment increase in estimates of 3.66% as at March 31, 2024, in line with the Provincial government fiscal year end, to reflect costs as at that date. The Board did not make any further inflation adjustments at August 31, 2024.

17. STUDENT TRANSPORTATION SERVICES OF CENTRAL ONTARIO TRANSPORTATION CONSORTIUM

On March 30, 2007, the Board entered into an agreement with Kawartha Pine Ridge District School Board and Conseil Scolaire De District Catholique Centre-Sud in order to provide common administration of student transportation in the Region. This agreement was executed in an effort to increase delivery efficiency and cost effectiveness of student transportation for each of the Boards. Under the agreement, decisions related to the financial and operating activities of Student Transportation Services of Central Ontario are shared. No partner is in a position to exercise unilateral control.

Through the Student Transportation Services of Central Ontario the Board shares the costs for the service in the following manner: operational administrative cost - 29.696% (2023 - 29.516%); shared contractual services 30.565% (2023 - 30.675%); and non shared Board direct costs 100% (2023 - 100%).

The following provides condensed financial information:

	2024		2023	
	Total	Board Portion	Total	Board Portion
	\$	\$	\$	\$
Expenses	43,480,884	13,290,066	40,084,558	12,817,553

PETERBOROUGH VICTORIA NORTHUMBERLAND AND CLARINGTON CATHOLIC DISTRICT SCHOOL BOARD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended August 31, 2024

18. 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 of Ontario. OSBIE insures general liability, property damage and certain other risks. Liability insurance is available to a maximum of \$27M per occurrence. Premiums paid to OSBIE for the policy year ending December 31, 2024 were \$257,081 (2023 - \$220,724).

Any school board wishing to join OSBIE must execute a reciprocal insurance exchange agreement whereby every member commits to a five-year subscription period, the current one of which will end on December 31, 2026.

OSBIE exercises stewardship over the assets of the reciprocal, including the guarantee fund. While no individual school board enjoys any entitlement to access the assets of the reciprocal, the agreement provides for two circumstances when a school board, that is a member of a particular underwriting group, may receive a portion of the accumulated funds of the reciprocal.

1) In the event that the Board of Directors determines, in its absolute discretion, that the exchange has accumulated funds in excess of those required to meet the obligations of the Exchange, in respect of claims arising in prior years in respect of the underwriting group, the Board of Directors may reduce the actuarially determined rate for policies of insurance or may grant premium credits or policyholder dividends for that underwriting group in any subsequent underwriting year.

2) Upon termination of the exchange of reciprocal contracts of insurance within an Underwriting Group, the assets related to the Underwriting Group, after payment of all obligations, and after setting aside an adequate reserve for further liabilities, shall be returned to each Subscriber in the Underwriting Group according to its subscriber participation ratio and after termination the reserve for future liabilities will be reassessed from time to time and when all liabilities have been discharged, any remaining assets returned as the same basis upon termination.

In the event that a board or other board organization ceases to participate in the exchange of contracts of insurance within an Underwriting Group or within the Exchange, it shall continue to be liable for any Assessment(s) arising during or after such ceased participation in respect of claims arising prior to the effective date of its termination of membership in the Underwriting Group or in the exchange, unless satisfactory arrangements are made with in the Board of Directors to buy out such liability.

19. COMMITMENTS

As part of the Board's capital plan, schools are reconstructed over a number of years. As part of this process the Board has committed to Northglen Catholic elementary school with an approved amount of \$26,997,733 and a remaining commitment of \$26,997,733.

These amounts presented include the non-refundable portion of any commodity taxes.

PETERBOROUGH VICTORIA NORTHUMBERLAND AND CLARINGTON CATHOLIC DISTRICT SCHOOL BOARD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended August 31, 2024

20. CHANGE IN ACCOUNTING POLICY-ADOPTION OF NEW STANDARDS

The Board adopted the following standards concurrently beginning September 1, 2023 retroactively with restatement: PS 3160 Public Private Partnerships, PS 3400 Revenue and adopted PSG-8 Purchased Intangibles prospectively.

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. 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.

The adoption of PS 3400 did not have any impact on the financial statements.

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.

The adoption of PSG-8 did not have any impact of the financial statements.

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.

The adoption of PS 3160 did not not have any impact on the financial statements.

PETERBOROUGH VICTORIA NORTHUMBERLAND AND CLARINGTON CATHOLIC DISTRICT SCHOOL BOARD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended August 31, 2024

21. FINANCIAL INSTRUMENTS

The Board is exposed to a variety of financial risks including credit risk, liquidity risk and market risk. The Board's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Board's financial performance.

Credit risk

The Board's principal financial assets are cash and accounts receivable, which are subject to credit risk. The carrying amounts of financial assets on the Consolidated Statement of Financial Position represent the Board's maximum credit exposure as at the Consolidated Statement of Financial Position date.

Market risk

The Board is exposed to interest rate risk on its long-term debt and temporary borrowing, all of which are regularly monitored.

Liquidity risk

Liquidity risk is the risk that the Board will not be able to meet all cash flow obligations as they come due. The Board mitigates the risk by monitoring cash activities and expected outflows through extensive budgeting and maintaining sufficient cash on hand if unexpected cash outflows arise.

The Board's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities, temporary borrowing and long-term debt. It is the Board's opinion that the Board is not exposed to significant interest rate or currency risks arising from these financial instruments.

22. COMPARATIVE FIGURES

Certain comparative figures were restated, where required, to conform with the current year presentation.

23. 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.

The following are applicable for fiscal years beginning on or after April 1, 2026 (in effect for the Board for the year ending August 31, 2027). Standards must be implemented at the same time:

New Public Sector Accounting Standards (PSAS) Conceptual Framework

This new model is a comprehensive set of concepts that underlie and support financial reporting. It is the foundation that assists:

- preparers to account for items, transactions and other events not covered by standards; ;
- auditors to form opinions regarding compliance with accounting standards;

PETERBOROUGH VICTORIA NORTHUMBERLAND AND CLARINGTON CATHOLIC DISTRICT SCHOOL BOARD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended August 31, 2024

23. FUTURE ACCOUNTING STANDARD ADOPTION, continued

- users in interpreting information in financial statements; and
- Public Sector Accounting Board (PSAB) to develop standards grounded in the public sector environment

The main changes are:

- Additional guidance to improve understanding and clarity;
- Non-substantive changes to terminology/definitions;
- Financial statement objectives foreshadow changes in the Reporting Model;
- Relocation of recognition exclusion to the Reporting Model; and
- Consequential amendments throughout the Public Sector Accounting Handbook

The framework is expected to be implemented prospectively

Reporting Model - PS 1202 - Financial Statement Presentation:

This reporting model provides guidance on how information should be presented in the financial statements and will replace PS 1201- Financial Statement Presentation. The model is expected to be implemented retroactively with restatement of prior year amounts.

The main changes are

- Restructured Statement of Financial Position
 - Introduction of financial and non-financial liabilities
 - Amended non-financial asset definition
 - New components of net assets-accumulated other and issued share capital
 - Renamed the net debt indicator
 - Revised the net debt calculation
 - Removed the Statement of Change in Net Debt
 - New Statement of Net Financial Assets/Liabilities
 - New Statement of Changes in Net Assets Liabilities
 - Isolated financing transaction in the Cash Flow Statement
-

PETERBOROUGH VICTORIA NORTHUMBERLAND AND CLARINGTON CATHOLIC DISTRICT SCHOOL BOARD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended August 31, 2024

24. 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 through the appropriate changes to the Grants for Student needs benchmarks and additional Priorities and Partnerships Funding (PPF).

Due to this resolution, there is an impact on salary and wages expenses of \$21,531,522 in the 2023-24 fiscal year. The portion related to 2019-20 to 2022-23 is \$15,377,821, with the remainder of \$6,153,701 related to 2023-24.

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.

PETERBOROUGH VICTORIA NORTHUMBERLAND AND CLARINGTON CATHOLIC DISTRICT SCHOOL BOARD

**CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
For the Year Ended August 31, 2024**

	Cost			Accumulated Amortization			Net Book Value			
	Opening Balance	Additions	Disposals	Revaluation of TCA-ARO	Closing Balance	Opening Balance	Amortization	Closing Balance	2024	2023
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Tangible Capital Assets										
Land	17,840,961	8,932,085	-	-	26,773,046	-	-	-	26,773,046	17,840,961
Land Improvements	18,702,160	394,813	-	12,269	19,109,242	8,420,339	1,170,096	9,590,435	9,518,807	10,281,821
Buildings	302,410,716	4,917,638	1,066,074	309,519	306,571,799	134,603,327	7,730,278	243,082	164,481,276	167,807,389
Portable Structures	10,172,740	-	1,220,335	-	8,952,405	2,226,171	447,620	-	6,278,614	7,946,569
Other Buildings	206,005	-	-	-	206,005	63,809	10,571	-	131,625	142,196
Computer Hardware	2,939,447	830,463	1,275,945	-	2,493,965	1,621,226	905,569	1,275,945	1,243,115	1,318,221
Computer Software	398,068	26,970	9,794	-	415,244	113,833	81,331	9,794	229,874	284,235
Equipment - 5 year	93,807	-	7,919	-	85,888	51,217	17,970	7,919	24,620	42,590
Equipment - 10 year	3,353,561	434,245	316,987	-	3,470,819	1,602,798	341,219	316,987	1,843,789	1,750,763
Equipment - 15 year	606,114	-	-	-	606,114	535,784	9,969	-	60,361	70,330
Furniture	562,706	26,153	23,326	-	565,533	194,679	56,412	23,326	337,768	368,027
First-time Equipping	538,303	-	284,721	-	253,582	446,722	39,594	284,721	51,987	91,581
Vehicles	310,981	56,364	-	-	367,345	251,101	27,208	-	89,036	59,880
Total	358,135,569	15,618,731	4,205,101	321,788	369,870,987	150,131,006	10,837,837	2,161,774	211,063,918	208,004,563

a) Assets under construction

Assets under construction have a value of \$Nil (2023 - \$Nil) have not been amortized. Amortization of these assets will commence when the asset is put into service.

b) Write-down of tangible capital assets

The write-down of tangible capital assets during the year was \$Nil (2023 - \$Nil)

c) Asset inventories for resale (assets permanently removed from service)

The Board has not identified any properties that qualify as "assets permanently removed from service".