Windsor-Essex Catholic District School Board
Consolidated Financial Statements

For the year ended August 31, 2022

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Contents

MANAGEMENT REPORT

Management's Responsibility for the Consolidated Financial Statements

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

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

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

The Audit Committee of the Board meets with 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 BDO Canada LLP, independent external auditors appointed by the Board. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Board's consolidated financial statements.

Director of Education	Penny King Executive Superintendent of Business

November 29, 2022

Tel: 519-944-6993
Fax: 519-944-6116

www.bdo.ca

3630 Rhodes Drive
Building 100
Windsor, Ontario
N8W 5A4

Independent Auditor's Report

To the Board of Trustees of the Windsor-Essex Catholic District School Board

Opinion

We have audited the consolidated financial statements of Windsor-Essex Catholic District School Board and its controlled entities ("the Board"), which comprise:

- the consolidated statement of financial position as at August 31, 2022
- the consolidated statement of operations and accumulated surplus for the year then ended
- the consolidated statement of change in net debt for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Board as at August 31, 2022, and its consolidated results of operations and its consolidated cash flows for the year then ended 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.

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.

Emphasis of Matter - Financial Reporting Framework

We draw attention to Note 1 in the financial statements, which describes the applicable financial reporting framework and the purpose of the financial statements. As a result, the financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

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

Management is responsible for the preparation and fair presentation of the 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, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the 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.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants
Windsor, Ontario
November 29, 2022

Windsor-Essex Catholic District School Board

Consolidated Statement of Financial Position

August 31,	2022	(Note 17) (restated) 2021
Financial assets		
Cash and cash equivalents (Note 2)	**$ 28,649,820**	$ 42,117,210
Accounts receivable (Note 3)	**31,500,270**	25,506,545
Accounts receivable capital - Government of Ontario (Note 3)	**115,985,091**	112,867,050
	176,135,181	180,490,805
Financial liabilities		
Temporary borrowing (Note 8)	**4,639,441**	5,479,441
Accounts payable and accrued liabilities	**25,365,552**	26,200,040
Net debenture debt (Note 7)	**91,727,408**	100,258,247
Deferred revenue (Note 4)	**14,960,746**	11,413,368
Employee benefits payable (Note 6)	**38,444,417**	42,062,899
Deferred capital contributions (Note 5)	**212,699,467**	187,342,899
	387,837,031	372,756,894
Net debt	**(211,701,850)**	(192,266,089)
Non-financial assets		
Tangible capital assets (Note 19)	**241,566,447**	216,922,207
Prepaid expenses	**2,329,103**	1,114,652
Inventories of supplies (Note 20)	**1,859,310**	1,077,226
	245,754,860	219,114,085
Accumulated surplus (Note 12)	**$ 34,053,010**	$ 26,847,996

Signed on Behalf of The Board

Director of Education

Chair for the Board

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Consolidated Statement of Operations

For the year ended August 31,	Unaudited (Note 1) Budget 2022	**2022**	(Note 17) (restated) 2021
Revenues			
Grants for student needs (Note 10)			
Provincial legislative grants	$ 219,599,908	**$ 221,935,740**	$ 216,295,075
Education property tax	28,409,614	**27,594,195**	29,961,572
Amortization of deferred capital contributions including disposals (Note 5)	16,301,583	**16,634,131**	15,680,500
Provincial grants - other	3,904,900	**9,869,900**	8,782,120
School generated funds	8,595,000	**4,121,699**	2,003,427
Other fees and revenues	2,464,678	**2,720,908**	2,106,257
Investment income	240,000	**282,567**	292,517
Federal grants and fees	-	**117,631**	-
	279,515,683	**283,276,771**	275,121,468
Expenses (Note 11)			
Instruction	203,025,523	**204,171,763**	200,068,229
Pupil accommodation	46,644,841	**46,745,802**	47,256,534
Transportation	9,726,348	**10,732,125**	9,153,348
Administration	6,836,119	**6,308,274**	6,797,981
School generated funds	8,235,000	**4,143,150**	2,108,376
Other	5,240,945	**3,970,643**	3,692,523
	279,708,776	**276,071,757**	269,076,991
Annual surplus	(193,093)	**7,205,014**	6,044,477
Accumulated surplus, beginning of year	-	**26,847,996**	20,803,519
Accumulated surplus, end of year	$ -	**$ 34,053,010**	$ 26,847,996

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Windsor-Essex Catholic District School Board

Consolidated Statement of Cash Flows

For the year ended August 31,	2022	(Note 17) (restated) 2021
Operations		
Annual surplus	**$ 7,205,014**	$ 6,044,477
Sources and (uses):		
Non-cash items including amortization, write downs and gain/loss on disposal	**17,387,204**	16,417,751
Deferred capital contributions revenue	**(16,634,131)**	(15,680,500)
Accounts receivable - other	**(3,539,388)**	6,939,680
Accounts receivable - delayed grant payment	**(2,454,337)**	(7,230,871)
Accounts payable and accrued liabilities	**(834,485)**	(2,636,133)
Deferred revenues - operating	**1,571,844**	1,013,947
Employee benefits payable	**(3,618,482)**	1,217,600
Prepaid expenses	**(1,214,481)**	(276,589)
Inventories of supplies	**(782,083)**	(1,077,226)
	(2,913,325)	4,732,136
Capital transactions		
Cash used to acquire tangible capital assets	**(42,031,444)**	(16,542,503)
Financing		
Decrease in temporary borrowing	**(840,000)**	(840,000)
Debt repaid	**(8,530,813)**	(8,109,358)
Change in accounts receivable capital - Government of Ontario	**(3,118,041)**	1,511,798
Net additions to deferred capital contributions	**41,990,699**	15,031,828
Increase in deferred revenues - capital	**1,975,534**	2,159,704
	31,477,379	9,753,972
Change in cash and equivalents	**(13,467,390)**	(2,056,395)
Cash and equivalents, beginning of year	**42,117,210**	44,173,605
Cash and equivalents, end of year	**$ 28,649,820**	$ 42,117,210

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Windsor-Essex Catholic District School Board

Consolidated Statement of Change in Net Debt

For the year ended August 31,	2022	(Note 17) (restated) 2021
Annual surplus	$ **7,205,014**	$ 6,044,477
Tangible capital asset activity		
Amortization of tangible capital assets	**17,387,204**	16,417,751
Acquisition of tangible capital assets	**(42,031,444)**	(16,542,503)
	(24,644,240)	(124,752)
Other non-financial asset activity		
Acquisition of supplies inventories	**(2,307,308)**	(1,077,224)
Acquisition of prepaid expenses	**(2,329,103)**	(1,114,652)
Use of supplies inventories	**1,525,224**	-
Use of prepaid expenses	**1,114,652**	838,060
	(1,996,535)	(1,353,816)
Change in net debt	**(19,435,761)**	4,565,909
Net debt, beginning of year	**(192,266,089)**	(196,831,998)
Net debt, end of year	**$ (211,701,850)**	$ (192,266,089)

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

1. Significant accounting policies

The consolidated financial statements are prepared by the management of Windsor-Essex Catholic District School Board in accordance with the basis of accounting described below.

(a) Basis of accounting

The consolidated financial statements have been prepared in accordance with the Financial Administration Act supplemented by Ontario Ministry of Education memorandum 2004:B2 and Ontario Regulation 395/11 of the Financial Administration Act.

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

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

The accounting policy requirements under Regulation 395/11 are significantly different from the requirements of Canadian Public Sector Accounting Standards which 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 PS 3410;

- 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 PS 3100; and

- property taxation revenue be reported as revenue when received or receivable in accordance with public sector accounting standard PS 3510.

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

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 Windsor-Essex Catholic District School Board ("the Board") and which are controlled by the Board.

Consolidated entities :

1. School Generated Funds
   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.
2. Windsor-Essex Student Transportation Services
   Windsor-Essex Student Transportation Services is jointly controlled and the Board accounts for its interest in this entity using proportionate consolidation (Note 15).

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 the consolidated financial statements as they are not controlled by the Board, with the exception of bursaries funds held in trust as noted in Note 2.

(d) Cash and cash equivalents

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 and transactions. These amounts are recognized as revenue in the fiscal year the related expenses are incurred or services 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 contributions as defined in Ontario Regulation 395/11 of the Financial Administration Act.

1. **Significant accounting policies (continued)**

(f) Deferred capital contributions (continued)

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 purposes;
- Other restricted contributions received or receivable for capital purposes;
- 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 gratuities, worker's compensation and long term disability benefits.

As part of ratified labour collective agreements for unionized employees that bargain centrally, and ratified central discussions with the principals and vice-principals associations, the following Employee Life and Health Trust (ELHT) was 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. Employees represented by UNIFOR were transferred to the OECTA ELHT as of November 1, 2018. 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 ELHT also provides benefits to individuals who retired prior to the school board’s participation date into 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 retired individuals that were previously represented by the following unions/federations: CUPE and UNIFOR.

The Board has adopted the following policies with respect to accounting for these employee benefits:

1. Significant accounting policies (continued)

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

(i)The costs of self-insured retirement and other employee future benefit plans are actuarially determined using management's best estimates 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), 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 benefit lifetime of the group.

For self-insured retirement and other employee future benefits that vest or accumulate over the periods of service provided by employees, such as life insurance and health care benefits for retirees, the cost is actuarially determined using the projected benefits method prorated on service. Under this method, the benefit costs are recognized over the expected average remaining benefit lifetime of the 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 pension, are the employer's contributions due to the plan in the period.

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

(h) Tangible capital assets

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

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

1. Significant accounting policies (continued)

(h) Tangible capital assets (continued)

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

Asset	Estimated useful life in Years
Land improvements with finite lives	15
Buildings and building improvements	40
Portable structures	20
Other buildings	20
First-time equipping of schools	10
Furniture	10
Equipment	5-15
Computer hardware	3
Computer software	5
Vehicles	5-10
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.

(i) 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.

1. Significant accounting policies (continued)

(i) Government transfers (continued)

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.

(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.

(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. Accounts subject to estimates include employee future benefits. In addition, estimates have been made of the historical cost and useful lives of certain tangible capital assets as a result of the implementation of Section 3150 of the Public Sector Accounting Handbook. Actual results could differ from these estimates.

(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.

2. Cash and cash equivalents

Cash and cash equivalents include the following:

	2022	(Note 17) (restated) 2021
Cash in bank	**$ 25,584,285**	$ 39,032,409
School funds	**2,656,559**	2,678,012
Bursary funds, in trust	**380,000**	377,564
Petty cash	**28,975**	29,225
	$ 28,649,820	$ 42,117,210

3. Accounts receivable

(i) Accounts receivable - Government of Ontario

The Province of Ontario (Province) replaced variable capital funding with a one-time debt support grant in 2009-10. The Board received a one-time grant that recognized capital debt as of August 31, 2010 that was 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 $115,985,091 as at August 31, 2022 (2021 - $112,867,050) with respect to capital grants.

(ii) Accounts receivable

The Ministry of Education introduced a cash management strategy effective September 1, 2018. As part of the strategy, the Ministry will delay a portion 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 the delayed grant payments included in accounts receivable at August 31, 2022 is $17,200,802 (2021 - $14,746,465).

4. Deferred revenue

Revenues received and that have been set aside for specific purposes by legislation, regulation or agreement are included in deferred revenue and reported on the Consolidated Statement of Financial Position.

Deferred revenue set aside for specific purposes by legislation, regulation or agreement as at August 31, 2022 is comprised of:

	(Note 17) (restated) Balance as at August 31, 2021	Externally restricted revenue received	Revenue recognized in the period	Transfers (to) deferred capital contributions in the period	**Balance as at August 31, 2022**
Restricted capital grants	$ 3,851,567	$ 15,844,246	$ (11,790,205)	$ (1,953,023)	**$ 5,952,585**
Proceeds of disposition - regular	3,566,023	-	-	-	**3,566,023**
Third party operating grants	1,749,390	3,853,676	(2,297,403)	-	**3,305,663**
Proceeds of disposition Minister Exemptions	2,015,687	-	-	-	**2,015,687**
Legislative grants operating	38,283	30,669,895	(30,602,837)	-	**105,341**
Restricted operating grants	66,934	6,923,657	(6,975,144)	-	**15,447**
Other Ministry of Education Grants - Capital	-	244,608	(48,391)	(196,217)	**-**
Proceeds of disposition - other	125,484	-	(125,484)	-	**-**
Federal Safe Return to Class Fund - Safe Indoor Air Top-Up	-	390,603	(117,631)	(272,972)	**-**
School generated capital funds	-	164,122	-	(164,122)	**-**
Total deferred revenue	$ 11,413,368	$ 58,090,807	$ (51,957,095)	$ (2,586,334)	**$ 14,960,746**

5. Deferred capital contributions

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

	2022	(Note 17) (restated) 2021
Balance, beginning of year	**$ 187,342,899**	$ 187,991,571
Additions to deferred capital contributions	**41,990,699**	15,031,828
Revenue recognized in the period - amortization and write-downs	**(16,634,131)**	(15,680,500)
Revenue recognized in the period - disposals	**-**	-
Balance, end of year	**$ 212,699,467**	$ 187,342,899

6. Retirement and other employee future benefits

Retirement and other employee future benefit liabilities

			2022	(Note 17) (restated) 2021
	Retirement benefits	Other employee future benefits	**Total employee future benefits**	Total employee future benefits
Accrued employee future benefit obligations	$ 25,964,535	$ 2,193,067	**$ 28,157,602**	$ 41,750,443
Unamortized actuarial (gain) loss	(10,286,815)	-	**(10,286,815)**	(312,456)
Employee future benefits liability	**$ 36,251,350**	**$ 2,193,067**	**$ 38,444,417**	$ 42,062,899

6. Retirement and other employee future benefits (continued)

Retirement and other employee future benefit expenses

				(Note 17) (restated)
			2022	2021
	Retirement benefits	Other employee future benefits	**Total employee future benefits**	Total employee future benefits
Current year benefit cost	$ 19,842	$ (350,807)	**$ (330,965)**	$ 695,368
Interest on accrued benefit obligation	671,117	47,021	**718,138**	618,268
Recognition of unamortized actuarial losses (gain)	(566,253)	(61,297)	**(627,550)**	3,571,673
Employee future benefit expenses [1]	$ 124,706	$ (365,083)	**$ (240,377)**	$ 4,885,309

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

6. Retirement and other employee future benefits (continued)

Actuarial assumptions

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

	2022 (%)	2021 (%)
Inflation	2.0	1.5
Wage and salary escalation	0	0
Insurance and health care cost escalation	3.0 - 5.0	4.5 - 7.00
Discount on accrued benefit obligations	3.90	1.80

Retirement benefits

(i) Ontario Teachers' Pension Plan

Teachers and related employee groups are eligible to be members of Ontario Teachers' Pension Plan. Employer contributions for these employees are provided directly by the Province of Ontario. The pension costs and obligations related to this plan are a direct responsibility of the Province. Accordingly, no costs or liabilities related to this plan are included in the Board's consolidated financial statements.

(ii) Ontario Municipal Employees Retirement System

All non-teaching employees of the Board are eligible to be members of the Ontario Municipal Employees Retirement System (OMERS), a multi-employer pension plan. The plan provides defined pension benefits to employees based on their length of service and rate of pay. The Board does not have direct access to information regarding the deficit calculation of the fund nor its impact on the contribution rates, except as disclosed periodically by OMERS. As of December 31, 2021 the funded ratio for the OMERS plan was 97% (2020 - 97%). The Board contributions equal the employee contributions to the plan. During the year ended August 31, 2022, the Board contributed $3,507,688 (2021 - $3,552,042) to the plan. As this is a multi-employer pension plan, these contributions are the Board's pension benefit expenses. No pension liability for this type of plan is included in the Board's consolidated financial statements.

6. Retirement and other future employee benefits (continued)

(iii) Retirement Gratuities

The Board provides retirement gratuities to certain groups of employees hired prior to specified dates. The Board provides these benefits through an unfunded defined benefit plan. The benefit costs and liabilities related to this plan are included in the Board's consolidated financial statements. The amount of gratuities payable to eligible employees at retirement is based on their salary, accumulated sick days, and years of service at August 31, 2012.

(iv) Retirement Life Insurance and Health Care Benefits

The Board provides life insurance, dental and health care benefits to certain employee groups after retirement until the members reach 65 years of age and for certain employee groups for life. The premiums are based on the Board experience and retirees' premiums are subsidized by the Board. The benefit costs and liabilities related to the plan are included in the Board's consolidated financial statements.

Other employee future benefits

(i) 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. School boards are required to provide salary top-up to a maximum of 4.5 years for employees receiving payments from the Workplace Safety and Insurance Board, where the collective agreement negotiated prior to 2012 included such provision.

(ii) Long-term Disability Salary Compensation

The costs of salary compensation paid to employees on long-term disability leave are fully insured and are not included in the defined benefits plan.

(iii) Sick Leave Top-up Benefits

A maximum of eleven unused sick leave days from the current year may be carried forward into the following year only, to be used to top-up salary for illnesses paid through the short-term leave and disability plan in that year. The benefit costs expensed in the financial statements are $195,285 (2021 – $398,192). For accounting purposes, the valuation of the accrued benefit obligation for the sick leave top-up is based on actuarial assumptions about future events determined as at August 31, 2022, and is based on the average daily salary and banked sick days of employees as at August 31, 2022.

7. Net debenture debt

Net debenture debt reported on the Consolidated Statement of Financial Position is comprised of the following:

	2022	(Note 17) (restated) 2021
BNY Trust Company of Canada Debenture #06-01; 5.70%; maturing April 2031	**$ 22,863,735**	$ 24,825,109
Ontario Financing Authority (OFA) Debenture #09-10; 4.947%; maturing May 2035	**19,846,955**	20,913,436
BNY Trust Company of Canada Debenture #03-05; 5.800%; maturing November 2028	**12,646,678**	14,208,065
BNY Trust Company of Canada Debenture #02-01; 5.900%; maturing October 2027	**11,493,199**	13,215,936
OFA Debenture #13-02; 4.037%; maturing October 2028	**9,654,016**	10,937,949
OFA Debenture #06-03; 4.560%; maturing November 2031	**4,171,355**	4,515,287
OFA Debenture #09-01; 5.062%; maturing March 2034	**3,432,565**	3,640,258
OFA Debenture #12-01; 3.564%; maturing March 2037	**3,400,658**	3,572,339
OFA Debenture #10-01; 5.232%; maturing April 2035	**1,743,018**	1,835,565
OFA Debenture #11-01; 3.97%; maturing November 2036	**1,421,462**	1,492,783
OFA Debenture #13-01; 3.799%; maturing March 2038	**1,053,767**	1,101,520
Net debenture debt	**$ 91,727,408**	$ 100,258,247

Principal and interest payments relating to net debenture liabilities of $91,727,408 outstanding as at August 31, 2022 are due as follows:

	Debenture principal payments	Debenture interest payments	Total
2022-23	$ 8,974,573	$ 4,501,367	$ 13,475,940
2023-24	9,441,838	4,034,102	13,475,940
2024-25	9,933,874	3,542,066	13,475,940
2025-26	10,452,014	3,023,926	13,475,940
2026-27	10,997,666	2,478,275	13,475,941
Thereafter	41,927,443	6,556,570	48,484,013
	$ 91,727,408	$ 24,136,306	$ 115,863,714

Interest on debenture debt amounted to $4,800,168 (2021 - $5,221,465).

8. Temporary borrowing

Temporary borrowing consists of the following:

	2022	(Note 17) (restated) 2021
Demand capital expenditure credit bearing loan interest at the lower of prime minus 0.25% (2021 - prime minus 0.25%) or bankers acceptance plus 0.75% (2021 - 0.75%) stamping fee. Repayable in regular monthly payments of $70,000.	**$ 4,639,441**	$ 5,479,441

The Board has lines of credit available to the maximum of $18 million (2021 - $18 million) to address operating requirements which is unused at year end, and $5.5 million (2021 - $5.5 million) for long term capital projects, for which $910,000 (2021 - $70,000) is unused at year end.

The Board has four additional capital bridge credit loans available for use with loan interest at lower of prime minus 0.25% or bankers acceptance plus 0.75% stamping fee. At year end the loans were not in use.

All loans are unsecured, due on demand and are in the form of bankers' acceptance notes and bank overdrafts.

9. Debt charges and interest

The expenditure for debt charges includes principal and interest payments as follows:

	2022	(Note 17) (restated) 2021
Principal payments on long-term liabilities	**$ 8,530,813**	$ 8,109,358
Interest payments on long-term liabilities	**4,800,169**	5,221,465
	$ 13,330,982	$ 13,330,823

10. 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. 88.1% of the consolidated revenues of the board are directly controlled by the provincial government through the grants for student needs. The payment amounts of this funding are as follows:

	2022	2021
Provincial legislative grants	**$221,935,740**	$216,295,075
Education property tax	**27,594,195**	29,961,572
Grants for student needs	**$249,529,935**	$246,256,647

11. Expenses by object

The following is a summary of the expenses reported on the Consolidated Statement of Operations by object:

	Budget 2022	**Actual 2022**	(Note 17) (restated) Actual 2021
Expenses			
Salary and wages	$ 181,747,729	**$ 184,587,837**	$ 179,425,308
Employee benefits	31,925,731	**30,460,079**	34,071,153
Supplies and services	24,550,570	**21,239,949**	18,350,316
Amortization of tangible capital assets	17,054,657	**17,387,204**	16,417,751
Fees and contractual services	12,689,276	**12,979,795**	11,369,015
Interest charges on capital	4,890,874	**4,896,251**	5,291,137
Other	5,505,931	**3,534,376**	3,186,514
Rental expenditures	741,636	**689,698**	755,098
Staff development	602,372	**296,568**	210,699
	$ 279,708,776	**$ 276,071,757**	$ 269,076,991

12. Accumulated surplus

Accumulated surplus consists of the following:

	2022	(Note 17) (restated) 2021
Non-designated surplus	**$ 17,070,686**	$ 11,592,525
Amounts restricted for future use of the Board:		
Benefit plan	**1,072,446**	1,050,626
Committed sinking fund interest earned	**838,476**	901,996
Committed for employee future benefit phase-in	**5,000,000**	5,000,000
Committed for capital projects	**2,203,651**	2,252,631
Committed for post retirement liability final phase-in	**5,145,461**	5,145,461
School renewal program	**171,786**	171,786
	14,431,820	14,522,500
Amounts to be covered in the future:		
Retirement health, dental, life insurance plans	**(15,065,143)**	(16,718,423)
Employee future benefits - other than retirement gratuity	**(3,556,452)**	(3,556,452)
Interest accrual	**(1,519,552)**	(1,664,511)
	(20,141,147)	(21,939,386)
Other:		
School generated funds	**2,640,699**	2,662,150
Revenues recognized for land	**20,050,952**	20,010,207
	22,691,651	22,672,357
	$ 34,053,010	$ 26,847,996

13. 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. The Board entered into this agreement on January 1, 1987. OSBIE insures public liability, property damage and certain other risks. Liability insurance is available to a maximum of $27,000,000 (2021 - $27,000,000) per occurrence.

The premiums over a five year period are based on the reciprocal's and the Board's actual claims experience. Periodically, the Board may receive a refund or be asked to pay an additional premium based on its pro rata share of claims experience. The current five year term expires December 31, 2026.

Premiums paid to OSBIE for the policy year ending December 31, 2022 amounted to $445,136 (2021 - $512,911).

14. Contractual obligations and contingent liabilities

(a) Contractual obligations:

The Board has ongoing commitments over the next five years as follows:

2021-22	$ 2,290,655
2022-23	1,437,714
2023-24	587,881
2024-25	354,780
2025-26	295,148
Thereafter	1,252,080
	$ 6,218,258

As at August 31, 2022, the Board is committed to capital expenditures in the amount of $15,793,127 (2021 - $35,429,004).

(b) Contingent liabilities:

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

15. Transportation

On July 18, 2013, Service de Transport Des Eleves - Windsor-Essex Student Transportation Services (WESTS) was incorporated under the Corporations Act of Ontario. On August 26, 2013, the Board entered into an agreement with Greater Essex County District School Board, Conseil scolaire catholique Providence and Conseil scolaire Viamonde 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 created at the time WESTS was established, decisions related to financial and operating activities of WESTS are shared. No partner is in a position to exercise unilateral control.

Each board participates in the shared costs associated with this service for the transportation of their respective students through WESTS. This entity is proportionately consolidated in the Board's consolidated financial statements whereby they include the assets it controls, the liabilities it has incurred, and its pro-rata share of revenues and expenses of the consortium. The Board's pro-rata share for 2022 is 31.3% (2021- 31.0%). Inter-organizational transactions and balances have been eliminated.

	2022		2021	
	Total	Board portion	Total	Board portion
Financial position:				
Financial assets	**$ 843,929**	**$ 473,183**	$ 266,789	$ 77,718
Financial liabilities	**843,929**		266,789	-
Accumulated (deficit) surplus	**$ -**	**$ 473,183**	$ -	$ 77,718
Operations:				
Revenues	**$ 30,914,669**	**$ 9,684,785**	$ 26,592,866	$ 8,250,611
Expenses	**30,914,669**	**9,684,785**	26,592,866	8,250,611
Annual surplus	**$ -**	**$ -**	$ -	$ -

16. Financial instruments

(a) Interest rate risk:

Interest rate risk represents the risk to the Board's operations that arises from fluctuations in interest rates and the degree of volatility of these rates. The Board is exposed to interest rate risk since the interest on the bank short-term borrowings is at variable rates.

(b) Fair value:

Fair values approximate amounts at which financial assets and liabilities would be exchanged between willing parties based on current markets for instruments of the same risk and materiality. The fair value of financial assets and liabilities approximate their carrying values.

17. Comparative figures and prior period adjustment

Certain of the prior year figures, provided for the purpose of comparison, have been restated and/or reclassified to conform with the current year presentation.

18. Repayment of "55 School Board Trust" funding

On June 1, 2003, the Board received $21,647,375 from the 55 School Board Trust for its capital related debt eligible for provincial funding support pursuant to a 30 year agreement entered into with the Trust. The 55 School Board Trust was created to refinance the outstanding not permanently financed (NPF) debt of participating boards who are beneficiaries of the Trust. Under the terms of the agreement, the 55 School Board Trust repaid the Board's debt in consideration for the assignment by the Board to the Trust of future provincial grants payable in respect of the NPF debt. As a result of this agreement, the liability in respect of the NPF debt is no longer reflected in the Board's financial position.

19. Tangible capital assets

Cost	(Note 17) (restated) Balance at August 31, 2021	Additions and transfers	Disposals and transfers	**Balance at August 31, 2022**
Land	$ 20,010,207	$ 40,745	$ -	$ **20,050,952**
Land improvements	16,114,478	3,038,159	-	**19,152,637**
Buildings	338,453,805	17,486,647	-	**355,940,452**
Other buildings	374,981	-	-	**374,981**
Portable structures	3,397,188	1,823,146	-	**5,220,334**
Construction in progress	6,019,700	17,711,506	-	**23,731,206**
Leasehold improvements	76,120	-	-	**76,120**
First time equipping	916,321	72,188	(258,423)	**730,086**
Furniture	168,566	6,071	(15,650)	**158,987**
Equipment	524,608	111,972	(19,666)	**616,914**
Computer software and hardware	4,477,851	1,532,860	(721,057)	**5,289,654**
Vehicles	714,284	208,150	-	**922,434**
	$ 391,248,109	$ 42,031,444	$ (1,014,796)	$ **432,264,757**

Accumulated amortization	(Note 17) (restated) Balance at August 31, 2021	Amortization and transfers	Disposals and transfers	**Balance at August 31, 2022**
Land improvements	$ 10,531,919	$ 2,778,472	$ -	$ **13,310,391**
Buildings	158,497,482	12,586,336	-	**171,083,818**
Other buildings	62,991	18,913	-	**81,904**
Portable structures	1,439,783	295,690	-	**1,735,473**
Leasehold improvements	76,120	-	-	**76,120**
First time equipping	694,930	82,320	(258,423)	**518,827**
Furniture	76,437	16,876	(15,650)	**77,663**
Equipment	176,864	61,764	(19,666)	**218,962**
Computer software and hardware	2,298,169	1,433,971	(721,057)	**3,011,083**
Vehicles	471,207	112,862	-	**584,069**
	$ 174,325,902	$ 17,387,204	$ (1,014,796)	$ **190,698,310**

19. Tangible capital assets (continued)

Net book value	(Note 17) (restated) Balance at August 31, 2021	Balance at August 31, 2022	**Change**
Land	$ 20,010,207	$ 20,050,952	$ **40,745**
Land improvements	5,582,559	5,842,246	**259,687**
Buildings	179,956,323	184,856,634	**4,900,311**
Other buildings	311,990	293,077	**(18,913)**
Portable structures	1,957,405	3,484,861	**1,527,456**
Construction in progress	6,019,700	23,731,206	**17,711,506**
Leasehold improvements	-	-	**-**
First time equipping	221,391	211,259	**(10,132)**
Furniture	92,129	81,324	**(10,805)**
Equipment	347,744	397,952	**50,208**
Computer software and hardware	2,179,682	2,278,571	**98,889**
Vehicles	243,077	338,365	**95,288**
	$ 216,922,207	$ 241,566,447	$ **24,644,240**

(i) Construction in progress

Construction in progress having a value of $23,731,206 (2021 - $6,019,700) has not been amortized. Amortization of these assets will commence when the assets are put in service.

(ii) Write-down of tangible capital assets

The write-down of tangible capital assets during the year was $nil (2021 - $nil).

20. 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 MPBSD and quantity information based on the Board's records. The in-kind revenue recorded for these transfers is $1,652,478 with expenses based on use of $1,652,478. Additionally, in-kind deferred revenue was recorded in the amount of $1,859,310 with an equal offset amount in PPE/CSE supply inventory on hand.

21. Related Party Disclosures

The Board pays semi-annual debenture payments to the Ontario Financing Authority (OFA) comprised of the principal of $3,285,314 (2021 - $3,143,726) and the interest of $2,154,593 (2021 - $2,296,181). Further details relating to OFA debentures are disclosed on Note 7.

22. Impact of COVID-19

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

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

23. Future accounting standard adoptions

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

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

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

PS 1201 Financial Statement Presentation replaces *PS 1200 Financial Statement Presentation*. This standard establishes general reporting principles and standards for the disclosure of information in government financial statements. The standard introduces the Statement of Remeasurement Gains and Losses separate from the Statement of Operations. Requirements in *PS 2601 Foreign Currency Translation*, *PS 3450 Financial Instruments*, and *PS 3041 Portfolio Investments*, which are required to be adopted at the same time, can give rise to the presentation of gains and losses as remeasurement gains and losses.

PS 2601 Foreign Currency Translation replaces *PS 2600 Foreign Currency Translation*. The standard requires monetary assets and liabilities denominated in a foreign currency and non-monetary items denominated in a foreign currency that are reported as fair value, to be adjusted to reflect the exchange rates in effect at the financial statement date. Unrealized gains and losses arising from foreign currency changes are presented in the new Statement of Remeasurement Gains and Losses.

23. Future accounting standard adoptions (continued)

PS 3401 Portfolio Investments replaces *PS 3040 Portfolio Investments*. The standard provides revised guidance on accounting for, and presentation and disclosure of, portfolio investments to conform to *PS 3450 Financial Instruments.* The distinction between temporary and portfolio investments has been removed in the new standard, and upon adoption, *PS 3030 Temporary Investments* will no longer apply.

PS 3280 Asset Retirement Obligations (ARO) establishes the accounting and reporting requirements for legal obligations associated with the retirement of tangible capital assets controlled by a government or government organization. A liability for a retirement obligation can apply to tangible capital assets either in productive use or no longer in productive use.

PS 3450 Financial Instruments establishes accounting and reporting requirements for all types of financial instruments including derivatives. The standard requires fair value measurement of derivatives and portfolio investments in equity instruments that are quoted in an active market. All other financial instruments will generally be measured at cost or amortized cost. Unrealized gains and losses arising from changes in fair value are presented in the Statement of Remeasurement Gains and Losses.

ii. Standards applicable for fiscal years beginning on or after April 1, 2023 (in effect for the Board for as of September 1, 2023 for the year ending August 31, 2024):

PS 3400 Revenue establishes standards on how to account for and report on revenue, specifically differentiating between transactions that include performance obligations (i.e. the payor expects a good or service from the public sector entity), referred to as exchange transactions, and transactions that do not have performance obligations, referred to as non-exchange transactions.

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

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