Consolidated financial statements of
Halton District School Board

August 31, 2024

Deloitte LLP
Bay Adelaide East
8 Adelaide Street West
Suite 200
Toronto ON M5H 0A9
Canada

Tel: 416-601-6150
Fax: 416-601-6151
www.deloitte.ca

Management Report

Management's responsibility for the consolidated financial statements

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

The consolidated financial statements have been audited by Deloitte LLP, independent external auditors appointed by the Board of Trustees. 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	Superintendent of Business Services And Treasurer

December 3, 2024

Deloitte.

Deloitte LLP
Bay Adelaide East
8 Adelaide Street West
Suite 200
Toronto ON M5H 0A9
Canada

Tel: 416-601-6150
Fax: 416-601-6151
www.deloitte.ca

Independent Auditor's Report

To the Trustees of the
Halton District School Board

Report on the Audit of the Consolidated Financial Statements

Opinion

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

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

Basis for Opinion

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

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

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

Management is responsible for the preparation of the consolidated financial statements in accordance with the basis of accounting described in Note 1 to the consolidated financial statements, 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 GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 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.

Deloitte LLP

Chartered Professional Accountants
Licensed Public Accountants
December 3, 2024

Halton District School Board

Consolidated statement of financial position

As at August 31, 2024

	Notes	2024 $	2023 $ (Restated see Note 2)
Financial assets			
Cash		**111,734,449**	68,745,387
Other deposits		**—**	10,688,801
Other investments	3	**—**	18,750,000
Accounts receivable		**60,984,710**	63,136,564
Accounts receivable – Government of Ontario	4	**251,773,037**	248,500,950
		424,492,196	409,821,702
Liabilities			
Accounts payable and accrued liabilities		**90,196,285**	94,532,658
Net long-term debt	6	**181,169,155**	196,499,039
Deferred revenue	8	**71,610,625**	41,404,257
Employee benefits payable	13	**24,391,394**	21,312,688
Deferred capital contributions	9	**716,828,315**	696,820,941
Asset retirement obligations	11	**70,805,164**	69,159,145
		1,155,000,938	1,119,728,728
Net debt		**(730,508,742)**	(709,907,026)
Non-financial assets			
Prepaid expenses		**4,580,991**	4,139,685
Tangible capital assets	14	**1,071,599,739**	1,049,670,834
		1,076,180,730	1,053,810,519
Contractual obligations and contingent liabilities	21		
Accumulated surplus	15	**345,671,988**	343,903,493

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

Approved by the Board

Holland ________________________, Chair of the Board

________________________, Director of Education

Halton District School Board

Consolidated statement of operations

Year ended August 31, 2024

	Notes	2024 Budget $ (see Note 22)	2024 Actual $	2023 Actual $ (Restated see Note 2)
Revenue				
Grants for Student Needs				
Provincial legislative grants	16	**514,104,449**	**549,454,844**	508,086,836
Education property tax	16	**274,236,351**	**281,973,354**	271,357,627
Provincial grants – other	17	**8,512,516**	**89,701,164**	16,080,462
School generated funds		**20,000,000**	**20,351,701**	17,423,028
Federal grants and fees		**3,094,848**	**3,228,457**	3,256,212
Investment income		**1,370,000**	**4,621,576**	3,577,352
Fees and revenues from other sources		**31,219,193**	**18,989,347**	66,405,326
Amortization of deferred capital contributions				
Provincial legislative grants	9 and 16	**37,722,732**	**39,234,325**	38,263,393
Third parties	9	**1,731,490**	**1,921,317**	1,683,001
		891,991,579	**1,009,476,085**	926,133,237
Expenses				
Instruction		**660,437,814**	**790,077,421**	658,283,916
Administration		**18,350,729**	**21,030,561**	18,919,957
Transportation		**22,167,495**	**21,799,278**	21,404,455
Pupil accommodation		**127,761,430**	**130,624,599**	125,837,993
School generated funds		**20,000,000**	**19,867,076**	16,441,108
Other		**32,821,146**	**24,308,655**	31,705,014
	19	**881,538,614**	**1,007,707,590**	872,592,443
Annual surplus		**10,452,965**	**1,768,495**	53,540,794
Accumulated surplus at beginning of year	2	**329,228,762**	**343,903,493**	290,362,699
Accumulated surplus at end of year	2 and 15	**339,681,727**	**345,671,988**	343,903,493

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

Halton District School Board

Consolidated statement of cash flows

Year ended August 31, 2024

	Notes	2024 $	2023 $ (Restated see Note 2)
Operating transactions			
Annual surplus		**1,768,495**	53,540,794
Non-cash items including			
Amortization and write-downs of tangible capital assets	14	**42,211,248**	40,868,575
Amortization on tangible capital assets – asset retirement obligation	14	**2,385,662**	1,834,910
Net asset retirement obligation liability extinguished	11	**—**	(2,507,149)
Deferred capital contributions revenue	9	**(41,155,642)**	(39,946,394)
Deferred gain on sale of restricted assets		**—**	(179,651)
Other deposits		**10,688,801**	(10,688,801)
Other investments	3	**18,750,000**	6,250,000
Net change in non-cash working capital balances			
Accounts receivable – other		**2,151,854**	(5,237,260)
Assets held for sale	5	**—**	3,725,793
Accounts receivable – delayed grant payment	4	**(15,823,027)**	12,601,586
Accounts payable and accrued liabilities		**(4,336,373)**	8,213,214
Deferred revenues – operating	8	**(269,019)**	(230,414)
Employee benefits payable		**3,078,706**	(1,010,014)
Prepaid expenses		**(441,306)**	36,312
Settlement of asset retirement liability through abatement	11	**(885,204)**	(931,723)
		18,124,195	66,339,778
Capital transaction			
Proceeds on sale of tangible capital assets		**—**	180,104
Cash used to acquire tangible capital assets	14	**(63,994,592)**	(117,020,695)
		(63,994,592)	(116,840,591)
Financing transactions			
Debt repaid		**(15,329,884)**	(14,633,650)
Decrease in accounts receivable – Government of Ontario – Approved capital	4	**12,550,940**	23,131,402
Net additions to deferred capital contributions	10	**61,163,016**	56,333,580
Net increase (decrease) to deferred revenue – capital	8	**30,475,387**	(8,012,227)
		88,859,459	56,819,105
Change in cash		**42,989,062**	6,318,292
Cash, beginning of year		**68,745,387**	62,427,095
Cash, end of year		**111,734,449**	68,745,387

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

Halton District School Board

Consolidated statement of change in net debt

Year ended August 31, 2024

	Notes	2024 $	2023 $ (Restated see Note 2)
Annual surplus	2	**1,768,495**	53,540,794
Tangible capital asset activities			
Acquisition of tangible capital assets and addition of TCA-ARO capital asset disposals	14	**(63,994,592)**	(120,624,844)
Amortization of tangible capital assets	14	**44,596,910**	42,703,485
Net book value of tangible capital asset disposals		**—**	453
Revaluation of TCA-ARO due to inflation	11	**(2,531,223)**	(8,619,585)
		(21,928,905)	(86,540,491)
Other non-financial asset activities			
Acquisition of prepaid expenses		**(4,816,822)**	(4,424,429)
Use of prepaid expenses		**4,375,516**	4,460,741
		(441,306)	36,312
Change in net debt		**(20,601,716)**	(32,963,385)
Net debt at beginning of year		**(709,907,026)**	(676,943,641)
Net debt at end of year	2	**(730,508,742)**	(709,907,026)

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

1. Significant accounting policies

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

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, including amounts previously recognized as tax revenue, which do not contain a stipulation that creates a liability, be recognized as revenue by the recipient when approved by the transferor and the eligibility criteria have been met in accordance with 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
- 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 consolidated statement of operations and certain related deferred revenues and deferred capital contributions would be recorded differently under Canadian Public Sector Accounting Standards.

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 Halton District School Board ("the Board") and which are controlled by the Board.

- Halton Student Transportation Services ("HSTS"); and
- 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.

1. Significant accounting policies (continued)

Reporting entity (continued)

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

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.

Financial instruments

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

Financial Instrument	Measurement Method
Cash	Amortized cost
Other deposits	Amortized cost
Guaranteed Investment Certificates	Amortized cost
Accounts receivable	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Accrued vacation pay	Amortized cost
Net long-term debt	Amortized cost

Amortized cost: Amounts are measured using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial asset or 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.

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. The Board does not have any financial instruments in the fair value category.

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.

1. Significant accounting policies (continued)

Financial instruments (continued)

Fair value hierarchy

The following 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 – fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 – fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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.

Cash and cash equivalents

Cash and cash equivalents are comprised of cash on hand and demand deposits.

Investments

Portfolio investments are investments in organizations that do not form part of the government reporting entity. These are normally in equity instruments or debt instruments issued by the investee. Portfolio investments in equity instruments that are quoted in an active market must be recorded at fair value. Unrealized gains and losses are recorded in the Statement of Remeasurement Gains and Losses, if any.

Since school boards are generally not allowed to hold stocks, mutual funds or other equity instruments per Ontario Regulation 41/10: Board Borrowing, Investing and Other Financial Matters, the board does not have equity instruments that are quoted in an active market that must be recorded at fair value.

The Board previously held Other Investments in guaranteed investment certificates.

Deferred revenue

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

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, is recognized as deferred capital contribution as defined in Ontario Regulation 395/11 of the *Financial Administration Act*.

1. Significant accounting policies (continued)

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; and
- Property taxation revenues which were historically used to fund capital assets

Asset Retirement Obligations

Asset retirement obligations (ARO's) are provisions for legal obligations for the retirement of the Board's tangible capital assets that are either in productive use or no longer in productive use.

An ARO liability is recognized when, as at the financial reporting date:

(a) there is a statutory, contractual, or legal obligation to incur retirement costs in relation to a tangible capital asset;

(b) the past transaction or event giving rise to the liability has occurred;

(c) it is expected that future economic benefits will be given up; and

(d) a reasonable estimate of the amount can be made.

Liabilities are recognized by the Board in the period in which an obligation arises for statutory, contractual, or legal obligations associated with the retirement of tangible capital assets when those obligations result from the acquisition, construction, development, or normal operation of the tangible capital assets. The obligations are measured initially at management's best estimate of the present value of the estimated future cash flows required to settle the retirement obligation. For tangible capital assets that are still in productive use, there is a corresponding increase to the carrying value of the related tangible capital asset. For assets that are not recorded or are no longer in productive use, the liability is expensed in the period. The capitalized asset retirement costs are amortized on the same basis as the related asset and is included in the Statement of Operations.

Public private partnerships

Public Private Partnerships (P3) are an alternate financing and procurement model available to the board to use private sector partners to design, build, acquire or better new or existing infrastructure projects with higher risk, multi-year construction period and significant investments. Assets procured via P3s are recognized as tangible capital assets, and the related obligations are recognized as other long-term financing liabilities for financial liability models and/or deferred revenue for P3 performance obligations arising from user pay obligations in the financial statements as the assets are constructed. At initial recognition, the total liability reflects the cost of the tangible capital asset. The total liability for combined consideration arrangements is allocated between a financial liability and performance obligation based on the portion of the asset cost financed through the respective models. Financial liabilities are measured at amortized cost using the implicit contract rate.

1. Significant accounting policies (continued)

Retirement and other future benefits

The Board provides defined retirement, post-retirement and workers' safety insurance benefits to specified employee groups. These benefits include pension, retirement gratuity, health and dental, workers' safety insurance benefits, carry-over sick leave and long-term disability benefits.

(a) Employee Life and Health Trusts

As part of ratified labour collective agreements for unionized employees that bargain centrally and ratified central discussions with the Principals and Vice-Principals Associations, a number of Employee Life and Health Trusts (ELHTs) were established. The ELHTs provide health, life and dental benefits to teachers, education workers and other school board staff and retired individuals starting with a school board's participation date into the ELHT. These benefits are being provided through a joint governance structure between the bargaining/employee groups, school board trustees associations and the Government of Ontario.

The Board's employees belong to the following ELHTs: Elementary Teachers' Federation of Ontario (ETFO), Elementary Teachers' Federation of Ontario Education Workers (ETFO-EW), Ontario Secondary School Teachers' Federation (OSSTF), Ontario Secondary School Teachers' Federation Education Workers (OSSTF-EW), Education Workers' Alliance of Ontario (EWAO), Canadian Union of Public Employees (CUPE), Education Council of Associations for Benefits (ECAB), and ONE-T for non-unionized employees including Principals and Vice-Principals.

The Board is no longer responsible to provide these benefits to ETFO, OSSTF, OCTU (under OSSTF-EW), PSSP (under OSSTF-EW), DECE (under ETFO-EW), CUPE, HDEAA (under EWAO), Principals and Vice-Principals and non-unionized employees.

Funding for the ELHTs is based on the existing benefits funding embedded within the Grants for Student Needs (GSN) and additional ministry funding in the form of a Crown contribution and Stabilization Adjustment. School boards are required to remit the negotiated amount per full-time equivalency (FTE) on a monthly basis.

The Board continues to provide health and dental benefits for retired individuals in certain employee groups and continues to have a liability for payment of benefits for individuals who are retired under these plans.

(b) Retirement gratuity plan, sick leave plan, and post-retirement health and dental plan

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 benefits are actuarially determined using management's best estimate of salary escalation, accumulated sick days at retirement, insurance and health care costs trends, disability recovery rates, long-term inflation rates and discount rates.

1. Significant accounting policies (continued)

Retirement and other future benefits (continued)

(b) *Retirement gratuity plan, sick leave plan, and post-retirement health and dental plan (continued)*

(ii) In prior years, the cost of retirement gratuities that vested or accumulated over the periods of service provided by the employee were actuarially determined using management's best estimate of salary escalation, accumulated sick days at retirement and discount rates. As a result of the plan change, the cost of retirement gratuities were actuarially determined using the employee's salary, banked sick days and years of service as at August 31, 2012 and management's best estimate of discount rates. The changes resulted in a plan curtailment and any unamortized actuarial gains and losses were recognized as at August 31, 2012. Any actuarial gains and losses arising from changes to the discount rate are amortized over the expected average remaining service life of the employee group.

For self-insured retirement and other employee future benefits that vest or accumulate over the periods of service provided by employees, such as post-retirement health and dental benefits, the cost is actuarially determined using the projected benefit method prorated on service. Under this method, the benefit costs are recognized over the expected average service life of the employee group. The changes to the post-retirement health and dental plan resulted in a plan curtailment and any unamortized actuarial gains and losses associated with the employees impacted by the change were recognized as at August 31, 2012.

For those self-insured benefit obligations that arise from specific events that occur periodically, such as obligations for workers' compensation, 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.

(iii) The costs of multi-employer defined pension benefits, such as the Ontario Municipal Employees Retirement System pensions, are the employer's contributions due to the plan in the period.

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

Tangible capital assets

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

Leases 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)

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	40
Other buildings	20
Portable structures	20
First-time equipping of schools	10
Furniture	10
Equipment	5-15
Computer software	5
Leasehold improvements – buildings	5
Computer hardware	3

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.

Purchased intangibles

Purchased Intangibles (PI) are identifiable non-monetary economic resources without physical substance that:

- Are held for use in the production or supply of goods and services, for rental to others, for administrative purposes or for the development, construction, maintenance or repair of other intangible assets or tangible capital assets;
- Have useful economic lives extending beyond one year;
- Are to be used on a continuing basis;
- Are purchased through an arm's length exchange transaction between knowledgeable, willing parties that are under no compulsion to act;
- Are not for sale in the ordinary course of operations; and
- Are not held as part of a collection.

A purchased intangible asset is recognized and capitalized on its acquisition date and is recorded at acquisition cost as a non-financial asset.

1. Significant accounting policies (continued)

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.

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 obligations, for example, fines and penalties, 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.

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.

Budget figures

Budget figures have been provided for comparison purposes and have been derived from the budget approved by the Trustees of the Halton District School Board. 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. Budget figures in the consolidated statement of change in net debt have not been provided.

Use of estimates

The preparation of consolidated financial statements in conformity with the basis of accounting described in Note 1 requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the year. Significant estimates include employee future benefits, certain accruals, useful lives of tangible capital assets and asset retirement obligations. Actual results could differ from these estimates.

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 on the consolidated statement of operations.

2. Adoption of new accounting 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*

This 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 this standard had no impact on the financial statements of the Board.

PSG-8 *Purchased Intangibles*

This 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 this standard had no impact on the financial statements of the Board.

PS 3160 *Public Private Partnerships (P3s)*

This 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.

As a result of applying the Public Private Partnerships accounting standard, a P3 asset of $3,511,453 was recognized as an asset and a performance obligation of $3,432,522 was recognized as a liability in the Consolidated Statement of Financial Position in 2023. The impact to opening accumulated surplus as at September 1, 2022 was nil. The Board has restated the prior period to reflect the P3 liabilities and assets on the Consolidated Statement of Financial Position as at August 31, 2023, and to reflect the impact to the Consolidated Statement of Operations for the amortization expense and P3 rental revenue for the year ended August 31, 2023.

The adoption of PS 3160 P3 was applied to the comparative period as follows:

2023	As previously reported $	Adjustments $	As restated $
Consolidated statement of financial position			
Tangible capital assets	1,046,159,381	3,511,453	1,049,670,834
Deferred revenue	(37,971,735)	(3,432,522)	(41,404,257)
Accumulated surplus as at August 31, 2023	343,824,562	78,931	343,903,493
Consolidated statement of change in net debt			
Change in net debt	(29,530,863)	(3,432,522)	(32,963,385)
Net debt as at August 31, 2023	(29,530,863)	(3,432,522)	(32,963,385)
Consolidated statement of operations			
Fees and revenues from other sources	—	171,627	171,627
Pupil accomodation	(40,775,879)	(92,696)	(40,868,575)
Annual surplus	53,461,863	78,931	53,540,794

3. Investments

There are no Other investments held as at August 31, 2024. The composition of Other investments as at August 31, 2023 are as follows:

	Issue date $	Maturity date $	Interest rate %	2023 Principal amount $
Guaranteed investment certificate	January 16, 2023	January 16, 2024	5.24	6,250,000
Guaranteed investment certificate	January 16, 2023	January 16, 2024	5.24	6,250,000
Guaranteed investment certificate	January 16, 2023	July 15, 2024	5.00	6,250,000
				18,750,000

4 Accounts receivable – Government of Ontario

Capital grants

The Province of Ontario (the “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 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 $207,909,450 as at August 31, 2024 ($220,460,390 in 2023) with respect to capital grants.

Operating grants

The Ministry of Education (the “Ministry”) 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 the receivable balance from the Government of Ontario at August 31, 2024 is $43,863,587 ($28,040,560 in 2023).

5. Temporary borrowing

The Board’s banking resolutions allow aggregate borrowings to the maximum of $135 million. The Board has credit facilities available to the maximum of $100 million with a Canadian chartered bank to address operating requirements, bridge capital expenditures and education development charges outstanding. As at August 31, 2024, the amount drawn was nil (nil in 2023).

6. Net long-term debt

Net long-term debt reported on the consolidated statement of financial position is comprised of Ontario Financing Authority (OFA) and Ontario School Boards Financing Corporation (OSBFC) debentures as follows:

	2024	2023
	$	$
Debentures		
OSBFC, Series 2003-A2, 5.800%, maturing November 2028	**8,402,615**	9,994,015
OSBFC, Series 2004-A1, 5.483%, maturing November 2029	**14,057,945**	16,194,250
OSBFC, Series 2005-A1, 4.789%, maturing August 2030	**4,294,086**	4,898,544
	26,754,646	31,086,809
OFA, Bylaw 06090, 4.560%, maturing November 2031	**8,591,325**	9,532,667
OFA, Bylaw 08012, 4.900%, maturing March 2033	**19,117,683**	20,819,637
OFA, Bylaw 09037, 5.062%, maturing March 2034	**664,064**	715,133
OFA, Bylaw 09036, 5.062%, maturing March 2034	**3,591,930**	3,868,162
OFA, Bylaw 09125, 5.384%, maturing May 2034	**5,612,969**	6,027,202
OFA, Bylaw 10052, 5.232%, maturing May 2035	**7,841,995**	8,363,719
OFA, Bylaw 10107, 4.947%, maturing May 2035	**12,356,512**	13,184,437
OFA, Bylaw 11034, 4.833%, maturing March 2035	**12,353,842**	13,113,305
OFA, Bylaw 11155, 3.970%, maturing November 2036	**10,015,571**	10,623,977
OFA, Bylaw 12024, 3.564%, maturing March 2037	**12,381,408**	13,132,183
OFA, Bylaw 13030, 3.799%, maturing March 2038	**33,234,274**	35,030,309
OFA, Bylaw 13120, 4.037%, maturing October 2028	**6,350,562**	7,625,577
OFA, Bylaw 14025, 4.003%, maturing March 2039	**20,137,863**	21,117,121
OFA, Bylaw 15010, 2.993%, maturing March 2040	**887,280**	930,586
OFA, Bylaw 16024, 3.242%, maturing March 2041	**128,584**	134,251
OFA, Bylaw 17020, 3.594%, maturing March 2042	**1,148,647**	1,193,964
	154,414,509	165,412,230
Net long-term debt	**181,169,155**	196,499,039

Of the net long-term debt outstanding of $181,169,155, principal plus interest payable over the next five years and subsequent payments to maturity are as follows:

	Principal	Interest	Total
	$	$	$
2024/25	16,060,023	7,977,653	24,037,676
2025/26	16,825,748	7,211,928	24,037,676
2026/27	17,628,833	6,408,842	24,037,675
2027/28	18,471,140	5,566,536	24,037,676
2028/29	17,432,361	4,683,162	22,115,523
Total	86,418,105	31,848,121	118,266,226
Thereafter	94,751,050	15,936,927	110,687,977
Net long-term debt	181,169,155	47,785,048	228,954,203

Interest on long-term debt amounted to $8,707,791 ($9,404,028 in 2023) (Note 7).

7. Debt charges and capital loan interest

Debt charges and capital loan interest includes principal and interest payments as follows:

	2024 $	2023 $
Principal payments on long-term debt	**15,329,884**	14,633,650
Interest payments on long-term debt	**8,707,791**	9,404,028
Interest payments on temporary financing of capital projects	**209,407**	191,604
	24,247,082	24,229,282

8. 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 as at August 31, 2023 $ (as restated)	Externally restricted revenue $	Revenue recognized in the period $	Transfers to deferred capital contributions $	Balance as at August 31, 2024 $
Special education	1,477,612	105,639,761	106,425,005	—	**692,368**
Legislative grants	1,431,523	43,421,637	40,872,898	2,325,562	**1,654,700**
Other provinical grants	—	1,011,418	958,326	—	**53,092**
Other Ministry of Education grants	466,639	10,436,938	10,495,582	—	**407,995**
School renewal	5,562,502	10,596,045	3,315,700	8,894,903	**3,947,944**
Education development charges	—	41,247,701	5,991,767	—	**35,255,934**
Performance Obligation - P3	3,432,522	—	171,627	—	**3,260,895**
Other third party	15,494	8,761,913	6,399,741	1,380,207	**997,459**
Proceeds (costs) of disposition	29,017,965	—	—	3,677,727	**25,340,238**
Total deferred revenue	41,404,257	221,115,413	174,630,646	16,278,399	**71,610,625**

9. Deferred capital contributions

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

	2024 $	2024 $
Balance, beginning of year	**696,820,941**	680,433,755
Net additions to deferred capital contributions	**61,163,016**	56,333,580
Revenue recognized in the period	**(41,155,642)**	(39,946,394)
Balance, end of year	**716,828,315**	696,820,941

10. Public private partnerships

A public private partnership has been entered into with a third party to provide a seasonal dome structure from October to May and an artificial turf field available year-round for paid use by the school community during designated hours. This arrangement, effective December 2022, is valued at $3,604,149 based on the original construction costs incurred by the third party. This is a user pay-performance obligation public private partnership. Under the terms of the arrangement, the third party is responsible for the maintenance and operation of the asset, with no costs to the Board for its use, and the third party is not required to pay rent to the Board.

In recording this public private partnership, the Board has recorded an asset value equivalent to the actual construction costs incurred by the third party. Correspondingly, the performance liability has been set at the same value, which will be amortized over the life of the 21-year arrangement.

11. Asset retirement obligations

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.

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

	2024 **$**	2023 $
Liabilities for asset retirement obligations at beginning of year	**69,159,145**	63,978,432
Liabilities incurred during the year	**—**	46,806
Revaluation of ARO liability due to inflation	**2,531,223**	8,619,585
Liabilities settled during the year due to abatement	**(885,204)**	(931,723)
Liabilities settled during the year due to sale of asset held for sale	**—**	(2,553,955)
Liabilities for asset retirement obligations at end of year	**70,805,164**	69,159,145

Revaluation of asset retirement obligations liability

The Board made an inflation adjustment increase in estimates of 3.66% as at March 31, 2024, to reflect costs as at that date based on updated information from the Building Construction Price Indexes (BCPI). Further evaluation was done on the Board’s liability balances as at August 31, 2024, and no further adjustments were recorded as at August 31, 2024.

12. Financial instruments

The Board does not measure any financial instruments at fair value.

Risks arising from financial instruments and risk management

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 Statement of Financial Position represent the Board's maximum credit exposure as at the Statement of Financial Position date.

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.

Market risk

The Board is exposed to interest rate risk on its long-term debt, which is regularly monitored.

It is the Board's opinion that the Board is not exposed to significant interest rate or currency risks arising from these financial instruments except as otherwise disclosed.

13. Retirement and other employee future benefits

	Retirement gratuities $	**Post retirement benefits $**	**Work place safety insurance board %**	**Sick leave top-up benefits $**	**2024 Total employee future benefits %**	2023 Total employee future benefits %
Accrued employee future benefit obligation	**7,456,153**	**215,876**	**15,555,196**	**685,397**	**23,912,622**	20,956,755
Unamortized actuarial gains	**478,772**	**—**	**—**	**—**	**478,772**	355,933
Employee future benefits liability	**7,934,925**	**215,876**	**15,555,196**	**685,397**	**24,391,394**	21,312,688
Recognition of unamortized actuarial losses (gains)	**(9,025)**	**1,973**	**—**	**(263,992)**	**(271,044)**	(164,512)
Current year benefit cost	**—**	**—**	**7,421,778**	**685,397**	**8,107,175**	3,889,976
Interest on accrued benefit obligation	**340,674**	**10,572**	**427,072**	**—**	**778,318**	734,203
Employee future benefits expense	**331,649**	**12,545**	**7,848,850**	**421,405**	**8,614,449**	4,459,667

13. Retirement and other employee future benefits (continued)

Above amounts exclude 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 actuarial assumptions of future events determined for accounting purposes as at August 31, 2024. These valuations take into account any plan changes and the economic assumptions used in these valuations are the Board's best estimates of expected rates of:

	2024 %	2023 %
Inflation		
Retirement gratuities	**2.00**	2.00
Healthcare cost escalation		
Dental	**5.00**	5.00
Health	**5.00**	5.00
Discount on accrued benefit obligations	**3.80**	4.40

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.

During the year ended August 31, 2024, the employee contributions to this plan were $60,782,147 ($48,993,048 in 2023).

Ontario Municipal Employees Retirement System

All non-teaching employees of the Board are eligible to be members of Ontario Municipal Employees Retirement System (OMERS), a multi-employer pension plan. The plan provides defined pension benefits to employees based on their length of service and rates of pay. The Board contributions equal the employee contributions to the plan. During the year ended August 31, 2024, the Board contributed $12,226,215 ($10,127,821 in 2023) to the plan. As this is a multi-employer pension plan, these contributions are the Board's pension benefit expenses. No pension liability for this type of plan is included in the Board's consolidated financial statements, as these obligations are a direct responsibility of OMERS.

Retirement gratuities

The Board provides retirement gratuities to certain groups of employees hired prior to specified dates. The Board provides these benefits through an unfunded defined benefit plan. The benefit costs and liabilities related to this plan are included in the Board's Consolidated financial statements. The amount of the gratuities payable to eligible employees at retirement is based on their salary, accumulated sick days, and years of service at August 31, 2012. Retirement gratuities expensed amounted to $331,649 ($442,594 in 2023).

13. Retirement and other employee future benefits (continued)

Post-retirement benefits

The Board continues to provide post-retirement health and dental benefits to certain employee groups after retirement until the members reach 65 years of age. The premiums are based on the Board experience and retirees' premiums are 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. Employees retiring on or after August 12, 2021, no longer qualify for board subsidized premiums or contributions.

Healthcare spending account

The Board also provides additional supplemental benefits in the form of a healthcare spending account ("HCSA") of $3,000 per year for all eligible members of the Senior Officers group who retired before August 13, 2021, until age 65.

Other employee future benefits

Workplace Safety Insurance Board

The Board is a Schedule 2 employer under the *Workplace Safety and Insurance Act* ("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 4½ years for employees receiving payments from the Workplace Safety and Insurance Board, where the collective agreements negotiated prior to 2012 included such provisions.

Occurrences between $1,000,000 and $25,000,000 are insured under third party insurance coverage. The Board participates in the Workers' Compensation Assistance Program with the School Boards' Co-operative Inc. (SBCI). For an annual fee, this program provides funds to Participating Members that incur claim costs on any workers' compensation incident between $500,000 and $1,000,000. The Board is self-insured for all other occurrences.

As of August 31, 2024, these obligations, as actuarially determined, amounted to $15,555,196 ($11,706,015 in 2023) and are included in Employee future benefits payable.

The change in this amount from the previous year has been reflected in the consolidated statement of operations.

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 benefit plan.

Sick leave top-up benefits

A maximum of 11 unused sick leave days from the current year may be carried forward into the following year only, to be used to top-up salary for illnesses paid through the short-term leave and disability plan in that year. The benefit recoveries recorded in the consolidated statement of operations are $50,314 (benefit recoveries of $118,822 in 2023).

For accounting purposes, the accrued benefit obligation for the sick leave top-up is based on an actuarial assumption 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.

14. Tangible capital assets

	Cost August 31, 2023 $ (as previously reported)	**Adjustment for PS3160 $**	**Cost August 31, 2023 as adjusted $**	**Additions and betterments $**	**Disposals $**	**Revaluation of TCA-ARO $**	**Cost August 31, 2024 $**
Land	311,463,358	**—**	**311,463,358**	**1,845,381**	**—**		**313,308,739**
Land improvements	69,070,492	**311,146**	**69,381,638**	**6,628,202**	**—**	**8,317**	**76,018,157**
Buildings (40 yrs)	1,081,635,916	**—**	**1,081,635,916**	**31,170,404**	**—**	**2,522,906**	**1,115,329,226**
Other buildings	112,268	**3,293,003**	**3,405,271**	**—**	**—**		**3,405,271**
Portable structures	8,945,239	**—**	**8,945,239**	**21,149**	**—**		**8,966,388**
Construction in progress	17,954,134	**—**	**17,954,134**	**18,717,567**	**—**		**36,671,701**
Pre-acquisition costs - land	208,399	**—**	**208,399**	**591,107**	**—**		**799,506**
Pre-acquisitions costs - buildings	1,239,260	**—**	**1,239,260**	**1,143,379**	**—**		**2,382,639**
Equipment (5 years)	758,081	**—**	**758,081**	**70,680**	**(92,082)**		**736,679**
Equipment (10 years)	4,644,743	**—**	**4,644,743**	**359,399**	**(514,629)**		**4,489,513**
Equipment (15 years)	2,267,594	**—**	**2,267,594**	**—**	**(43,417)**		**2,224,177**
First time equipping	9,517,449	**—**	**9,517,449**	**931,841**	**(2,137,580)**		**8,311,710**
Furniture	691,646	**—**	**691,646**	**10,160**	**(113,316)**		**588,490**
Computer hardware	11,761,848	**—**	**11,761,848**	**1,885,323**	**(7,284,725)**		**6,362,446**
Computer software	—	**—**	**—**	**—**	**—**		**—**
Leasehold improvements buildings	2,011,590	**—**	**2,011,590**	**620,000**	**—**		**2,631,590**
	1,522,282,017	**3,604,149**	**1,525,886,166**	**63,994,592**	**(10,185,749)**	**2,531,223**	**1,582,226,232**

14. Tangible capital assets (continued)

	Accumulated amortization 'August 31, 2023 as previously reported $	Adjustment for PS3160 $	Cost August 31, 2023 as adjusted $	Additions and betterments $	Disposals, write downs, revaluation of TCA-AROs, additions and transfers $	Accumulated amortizat ion August 31, 2024 $	Net book value 2024 $	Net book value 2023, as adjusted $
Land	**—**	**—**	**—**	**—**	**—**	**—**	**313,308,739**	311,463,358
Land improvements	**31,633,970**	**10,371**	**31,644,341**	**4,594,793**	**—**	**36,239,134**	**39,779,023**	37,737,297
Buildings (40 yrs)	**422,546,439**	**—**	**422,546,439**	**34,320,736**	**—**	**456,867,175**	**658,462,051**	659,089,477
Other buildings	**53,325**	**82,325**	**135,650**	**170,263**	**—**	**305,913**	**3,099,358**	3,269,621
Portable structures	**3,737,485**	**—**	**3,737,485**	**452,181**	**—**	**4,189,666**	**4,776,722**	5,207,754
Construction in progress	**—**	**—**	**—**	**—**	**—**	**—**	**36,671,701**	17,954,134
Pre-acquisition costs - land	**—**	**—**	**—**	**—**	**—**	**—**	**799,506**	208,399
Pre-acquisitions costs - buildings	**—**	**—**	**—**	**—**	**—**	**—**	**2,382,639**	1,239,260
Equipment (5 years)	**354,380**	**—**	**354,380**	**149,476**	**(92,082)**	**411,774**	**324,905**	403,701
Equipment (10 years)	**2,723,486**	**—**	**2,723,486**	**456,713**	**(514,629)**	**2,665,570**	**1,823,943**	1,921,257
Equipment (15 years)	**1,083,027**	**—**	**1,083,027**	**149,726**	**(43,417)**	**1,189,336**	**1,034,841**	1,184,567
First time equipping	**4,846,839**	**—**	**4,846,839**	**891,458**	**(2,137,580)**	**3,600,717**	**4,710,993**	4,670,610
Furniture	**392,514**	**—**	**392,514**	**64,007**	**(113,316)**	**343,205**	**245,285**	299,132
Computer hardware	**7,781,496**	**—**	**7,781,496**	**3,020,715**	**(7,284,725)**	**3,517,486**	**2,844,960**	3,980,352
Computer software	**—**	**—**	**—**	**—**	**—**	**—**	**—**	—
Leasehold improvements buildings	**969,675**	**—**	**969,675**	**326,842**	**—**	**1,296,517**	**1,335,073**	1,041,915
	476,122,636	**92,696**	**476,215,332**	**44,596,910**	**(10,185,749)**	**510,626,493**	**1,071,599,739**	1,049,670,834

14. Tangible capital assets (continued)

(a) Assets under construction

Assets under construction which include construction in progress, pre-acquisition costs – land and pre-acquisition costs – building for a total value of $39,853,846 ($19,401,793 in 2023) have not been amortized. Amortization of these assets will commence when the asset is put into service.

(i) Write-down of tangible capital assets

The write-down of tangible capital assets during the year was nil ($200,822 in 2023).

15. Accumulated surplus

Accumulated surplus consists of the following:

	2024 $	2023 $ (restated see Note 2)
Non-designated surplus	**12,058,610**	13,106,449
Amounts internally restricted for future use of the Board		
Other operating	**17,376,233**	18,576,598
Accommodation	**32,234,613**	32,661,913
Committed capital projects and sinking fund interest	**7,336,989**	7,812,113
	56,947,835	59,050,624
Unavailable for compliance	**(40,804,633)**	(39,304,175)
Asset retirement obligation	**(2,336,175)**	(2,537,917)
Interest accrual	**(43,140,808)**	(41,842,092)
Revenue recognized for land		
Land (Note 14)	**313,308,739**	311,463,358
Pre-acquisition costs land (Note 14)	**799,506**	208,399
Education development charges outstanding (i)	**—**	(3,296,726)
	314,108,245	308,375,031
School generated funds	**5,698,106**	5,213,481
Total accumulated surplus	**345,671,988**	343,903,493

(i) The Education Act, Part IX, Division E and Ontario Regulation 20/98 (amended by Ontario Regulation 95/02) provide requirements for determining a board's eligibility to impose Education Development Charges ("EDC") on new development, and the calculation of these charges. The accumulated eligible education development charge expenditures may be financed through cash and cash equivalents or temporary borrowing on the consolidated statement of financial position. Interest on education development charges outstanding amounted to nil (nil in 2023).

16. 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. Approximately 86.25% (88.29% in 2023) 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	**588,689,169**	546,350,229
Education property tax	**281,973,354**	271,357,627
Grants for student needs	**870,662,523**	817,707,856

17. Ministry of Labour, Immigration, Training and Skills Development funding

The Board has a transfer payment agreement with the Ministry of Labour, Immigration, Training and Skills Development ("MLITSD") to provide Adult Non-Credit Language Training in the form of English as a Second Language ("ESL") and French as a Second Language ("FSL").

A requirement of the agreement with MLITSD is to provide audited financial statements for the funding year, including a schedule of revenue and expenses related to the agreement. The following is a breakdown of the revenue and expenses related to the Adult Non-Credit Language Training Program for the year ended August 31, 2024:

	2024	2023
	$	$
Program revenue		
Funds received	**511,495**	524,571
Program expenses		
Salaries and benefits	**593,946**	464,969
Classroom resources	**7,944**	7,661
Cleaning, phone and other expenses	**12,361**	9,065
Administration fee	**65,238**	76,724
	679,489	558,419
Deficiency of revenue over expenses	**(167,994)**	(33,848)

18. Ministry of Labour, Immigration, Training and Skills Development funding – Asylum Claimants

The Board has a transfer payment agreement with the Ministry of Labor, Immigration, Training and Skills Development (MLITSD) to provide Adult Non-Credit Language Training in the form of English as a Second Language (ESL) and French as a Second Language (FSL) to support asylum claimants.

A requirement of the agreement with MLITSD is to provide audited financial statements for the funding year, including a schedule of revenue and expenses related to the agreement. The following is a breakdown of the revenue and expenses related to the Adult Non-Credit Language Training Program for the year ended August 31, 2024:

	2024 **$**	2023 $
Program revenue		
Funds received	**235,865**	—
Program expenses		
Salaries and benefits	**142,383**	—
Classroom resources	**3,722**	—
Cleaning, phone and other expenses	**1,288**	—
Administration fee	**35,380**	—
	182,773	—
Excess of revenue over expenses	**53,092**	—

19. Expenses by object

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

	Budget, as adjusted $ (Note 22)	**2024 Actual $**	2023 Actual $ (restated see Note 2)
Salary and wages	**568,305,666**	**695,646,476**	568,783,841
Employee benefits	**104,411,693**	**121,524,232**	102,013,562
Staff development	**4,150,828**	**5,649,928**	5,376,489
Supplies and services	**67,291,219**	**64,938,762**	64,069,614
Interest charges on capital	**11,556,499**	**8,715,455**	9,399,720
Rental expenses	**147,600**	**148,809**	592,672
Fees and contract services	**49,928,285**	**48,234,449**	47,078,263
Other	**33,431,480**	**18,252,569**	32,574,797
Amortization and write-downs of tangible capital assets and tangible capital assets-asset retirement obligations	**42,315,344**	**44,596,910**	42,703,485
	881,538,614	**1,007,707,590**	872,592,443

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

The school 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 $27 million per occurrence. Premiums paid to OSBIE for the policy year ending December 31, 2023, were $1,413,964 ($1,307,396 in 2022).

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 within the board of directors to buy out such liability.

21. Contractual obligations and contingent liabilities

(a) The Board has the following annual lease and contract commitments over the next 5 years with respect to furniture, equipment, computer hardware and software, construction, and portables, totaling $24,869,398 ($45,771,969 in 2023).

	$
2025	11,366,974
2026	8,143,448
2027	2,989,433
2028	1,334,157
2029	688,706
Thereafter	346,680
	24,869,398

(b) As of August 31, 2024, the Board had guarantees outstanding of $1,402,365 ($2,222,970 in 2023) relating to construction projects in progress.

21. Contractual obligations and contingent liabilities (continued)

(c) 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, 2024 cannot be predicted with certainty, it is in the opinion of the Board that their resolution will not have a material adverse effect on the Board's financial position or results of operations.

(d) The Board has entered into a multiple-year Public Private Partnership contract for the construction of assets and delivery of services as at August 31, 2024. P3s are an alternative finance and procurement model where the school board uses a private sector partner to design, build, acquire or better infrastructure.

In exchange, the school board provides a contractual right to the private partner to earn revenue from third-party users or access to another revenue-generating asset, resulting in a performance obligation. See Note 10 for details on this performance obligation.

22. Budget reconciliation

The budget data presented in these consolidated financial statements is based upon the 2024 budgets approved by the board. The budget was prepared prior to the implementation of the PS 3160 Public Private Partnerships standard.

The chart below reconciles the approved budget to the budget figures reported in the Consolidated Statement of Operations.

Where amounts were not budgeted for rental revenue and P3 amortization expenses, the actual amounts for 2024 were used to adjust the budget numbers to reflect the same accounting policies that were used to report the actual results.

As school boards only budget the Statement of Operations, the budget figures in the Consolidated Statement of Change in Net Debt have not been provided. The adjustments do not represent a formal amended budget as approved by the board. This is an amendment to make the 2024 budget information more comparable.

	Budget, as approved $	**Adjustments $**	**2024 Budget, as adjusted $**
Revenues	**891,819,952**	**171,627**	**891,991,579**
Expenses	**881,353,221**	**185,393**	**881,538,614**
Annual surplus	**10,466,731**	**(13,766)**	**10,452,965**
Accumulated surplus at beginning of year	**329,228,762**	**—**	**329,228,762**
Accumulated surplus at end of year	**339,695,493**	**(13,766)**	**339,681,727**

23. Partnership in Halton Student Transportation Services

On February 10, 2009, Halton Student Transportation Services ("HSTS") was incorporated under the Corporations Act of Ontario. On September 1, 2021, the Board renewed the agreement with Halton Catholic District School Board to provide common administration of student transportation in the region. This agreement, originally entered into in 2009, 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 HSTS was established, decisions related to the financial and operating activities of HSTS 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 HSTS. This entity is proportionately consolidated in the Board's consolidated financial statements whereby the Board's pro-rata share of assets, liabilities, revenues and expenses of the consortium are included in the Board's consolidated financial statements. The Board's pro-rata share of the assets and liabilities for 2024 is 62.38% (62.17% in 2023). Inter-organizational transactions and balances have been eliminated.

The following provides condensed financial information:

		2024		2023
	Total	**Board portion**	Total	Board portion
	$	**$**	$	$
Financial position				
Financial assets	**251,384**	**156,813**	330,613	205,542
Liabilities	**263,189**	**164,177**	342,642	213,021
Non-financial assets	**12,565**	**7,838**	12,789	7,951
Accumulated surplus	**760**	**474**	760	472
Operations				
Revenue	**32,215,525**	**20,096,044**	31,137,053	19,357,906
Expenses	**32,215,525**	**20,096,044**	31,137,053	19,357,906
Annual surplus	**—**	**—**	—	—

24. Repayment of "55 School Board Trust" funding

On June 1, 2003, the Board received $7,294,000 from the 55 School Board Trust (the "Trust") for its capital related debt eligible for provincial funding support pursuant to a 30-year agreement it entered with the Trust. The Trust was created to refinance the outstanding not permanently financed debt of participating boards who are beneficiaries of the Trust. Under the terms of the agreement, The Trust repaid the Board's debt in consideration for the assignment by the Board to the Trust of future provincial grants payable to the Board in respect of the not permanently financed debt.

As a result of the above agreement, the liability in respect of the not permanently financed debt is no longer reflected in the Board's financial position. The flow-through of $543,389 ($543,389 in 2023) in grants in respect of the above agreement for the year ended August 31, 2024, is recorded in these consolidated financial statements.

25. Related party disclosures

Ontario Regulation 41/10 under the Education Act requires school boards to borrow money for permanent improvements from the Ontario Financing Authority (OFA) when the initial maturity is more than one year. The OFA is a provincial agency of the Crown responsible for managing the province's debt and issuing debt to public bodies and therefore a related party of the Board. The net long-term debt issued to the Board by the OFA in the form of debentures is $154,414,509 as at August 31, 2024 ($165,412,230 as at 2023) as described in Note 6.

26. Funds administered by the Board

Trust funds administered by the Board amounting to $2,758,854($2,873,906 in 2023) have not been included in the consolidated financial statements, as they are not controlled by the Board.

	Trust funds $	**Deferred leave plan $**	**2024 Total $**	2023 Total $
Opening balance at August 31, 2023	**677,721**	**2,196,185**	**2,873,906**	2,868,112
Contributions received in 2024	**31,500**	**1,042,719**	**1,074,219**	1,077,515
Earnings on investments in 2024	**37,592**	**89,913**	**127,505**	113,419
	746,813	**3,328,817**	**4,075,630**	4,059,046
Disbursements in 2024	**51,075**	**1,265,701**	**1,316,776**	1,185,140
Closing balance at August 31, 2024	**695,738**	**2,063,116**	**2,758,854**	2,873,906

27. Monetary resolution to Bill 124, The Protecting a Sustainable Public Sector for Future Generations Act

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

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

27. Monetary resolution to Bill 124, The Protecting a Sustainable Public Sector for Future Generations Act (continued)

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

Due to this resolution, there is an impact on salary and wages expenses of $93,175,421 in the 2023-24 fiscal year. The portion related to 2019-20 to 2022-23 is $64,553,168, with the remainder of $28,622,253 related to 2023-24.

28. 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.

(a) Applicable for fiscal years beginning on or after April 1, 2026 (in effect for the Board as of September 1, 2026 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;
- 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 exclusions to the Reporting Model
- Consequential amendments throughout the Public Sector Accounting Handbook

The framework is expected to be implemented prospectively.

28. Future accounting standard adoption (continued)

(a) (continued)

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 retroactivity 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
- Relocated net debt to its own statement
- 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.

29. Comparative figures

Certain of the comparative figures have been reclassified to conform with current year presentation.

Amortization of deferred capital contributions reporting 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.