

Consolidated Financial Statements of

**MOOSONEE DISTRICT
SCHOOL AREA BOARD**

And Independent Auditor's Report thereon

Year ended August 31, 2024

MANAGEMENT REPORT

Management's Responsibility for the Consolidated Financial Statements

The accompanying consolidated financial statements of the Moosonee District School Area Board (the "Board") are the responsibility of the Board's management. The consolidated financial statements have been prepared in compliance with Public Sector Accounting Standards as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada.

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

The Board's 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 Board's Trustees meet with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the financial statements.

The consolidated financial statements have been audited by KPMG 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



Board Chair

August 5, 2025



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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of the Moosonee District School Area Board

Opinion

We have audited the accompanying consolidated financial statements of Moosonee District School Area Board (the "Board"), which comprise:

- the consolidated statement of financial position as at August 31, 2024
- the consolidated statement of operations and accumulated surplus for the year then ended
- the consolidated statement of changes in net financial assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Board as at August 31, 2024, and its consolidated results of operations and its consolidated cash flows for the year then ended in accordance with the basis of preparation described in Note 1 to the financial statements.

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 Financial Statements"** section of our auditor's report.

We are independent of the Board in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



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Emphasis of Matter – Basis of Preparation

We draw attention to Note 1 to the financial statements which describes the basis of preparation used in these financial statements.

Our opinion is not modified in respect of this matter.

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

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

In preparing the financial statements, management is responsible for assessing the Board's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Board or to cease operations, or has no realistic alternative but to do so.

Those charged with Governance are responsible for overseeing the Board's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



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- 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Sudbury, Canada

August 5, 2025



MOOSONEE DISTRICT SCHOOL AREA BOARD

Consolidated Statement of Financial Position

August 31, 2024, with comparative information for 2023

	2024	2023
Financial assets		
Cash	\$ 1,448,150	\$ 3,253,085
Short-term investments (note 3)	130,765	127,298
Accounts receivable (note 4)	2,409,093	563,645
Total financial assets	3,988,008	3,944,028
Financial liabilities		
Accounts payable and accrued liabilities (note 5)	1,343,497	1,434,601
Deferred revenue (note 6)	298,382	796,000
Asset retirement obligation (note 11)	367,024	354,065
Total financial liabilities	2,008,903	2,584,666
Net financial assets	1,979,105	1,359,362
Non-financial assets		
Prepaid expenses	15,416	21,386
Tangible capital assets (note 7)	4,169,468	3,340,615
Total non-financial assets	4,184,884	3,362,001
Commitments and contingent liabilities (note 14)		
Accumulated surplus (note 8)	\$ 6,163,989	\$ 4,721,363

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

Director of Education

Chair of the Board

MOOSONEE DISTRICT SCHOOL AREA BOARD

Consolidated Statement of Operations and Accumulated Surplus

Year ended August 31, 2024, with comparative information for 2023

	2024 Budget	2024 Actual	2023 Actual
Revenue:			
Government transfers:			
- Grants for Student Needs	\$ 6,050,873	\$ 6,762,266	\$ 6,045,683
- Other	422,222	1,841,549	164,999
- Municipal	196,341	211,356	208,116
Other fees and revenue	345,525	189,267	285,868
School generated funds	11,800	2,224	3,201
Total revenue	7,026,761	9,006,662	6,707,867
Expenses (note 9):			
Instruction	5,063,031	5,245,481	4,623,420
Administration	689,109	823,783	702,738
Transportation	179,089	172,565	167,454
School operations and maintenance	816,704	661,520	616,563
Teacherages	11,800	125,136	134,475
Other	270,059	534,410	487,500
School generated funds	-	1,141	2,914
Total expenses	7,029,792	7,564,036	6,735,064
Annual surplus (deficit)	(3,031)	1,442,626	(27,197)
Accumulated surplus, beginning of year	4,831,298	4,721,363	4,748,560
Accumulated surplus, end of year	\$ 4,828,267	\$ 6,163,989	\$ 4,721,363

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

MOOSONEE DISTRICT SCHOOL AREA BOARD

Consolidated Statement of Change in Net Financial Assets

Year ended August 31, 2024, with comparative information for 2023

	2024 Budget	2024 Actual	2023 Actual
Annual surplus (deficit)	\$ (3,031)	\$ 1,442,626	\$ (27,197)
Tangible capital assets:			
Acquisition of tangible capital assets	-	(1,250,308)	(898,519)
Amortization of tangible capital assets	193,199	394,129	349,965
Amortization of tangible capital assets - ARO	-	40,285	37,539
Revaluation of tangible capital assets - ARO	-	(12,959)	(43,618)
	193,199	(828,853)	(554,633)
Prepaid expenses:			
Use of prepaid expenses	-	5,970	7,223
Increase (decrease) in net financial assets	190,168	619,743	(574,607)
Net financial assets, beginning of year	1,359,362	1,359,362	1,933,969
Net financial assets, end of year	\$ 1,549,530	\$ 1,979,105	\$ 1,359,362

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

MOOSONEE DISTRICT SCHOOL AREA BOARD

Consolidated Statement of Cash Flows

Year ended August 31, 2024, with comparative information for 2023

	2024	2023
Cash flows provided by (used in):		
Operating activities:		
Annual surplus (deficit)	\$ 1,442,626	\$ (27,197)
Item not involving cash:		
Amortization of tangible capital assets	394,129	349,965
Amortization of tangible capital assets - ARO	40,285	37,539
Revaluation of tangible capital assets - ARO	(12,959)	(43,618)
	1,864,081	316,689
Change in non-cash assets and liabilities:		
Increase in short-term investments	(3,467)	(1,353)
Decrease (increase) in accounts receivable	(1,845,448)	144,477
Increase (decrease) in accounts payable and accrued liabilities	(91,104)	727,005
Decrease in deferred revenue	(497,618)	(283,331)
Increase in asset retirement obligation	12,959	43,618
Decrease in prepaid expenses	5,970	7,223
Net change in cash from operating activities	(554,627)	954,328
Capital activities:		
Cash used to acquire tangible capital assets	(1,250,308)	(898,519)
Net change in cash from capital activities	(1,250,308)	(898,519)
Increase (decrease) in cash	(1,804,935)	55,809
Cash, beginning of year	3,253,085	3,197,276
Cash, end of year	\$ 1,448,150	\$ 3,253,085

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

MOOSONEE DISTRICT SCHOOL AREA BOARD

Notes to Consolidated Financial Statements

Year ended August 31, 2024

The Moosonee District School Area Board is a public school board providing schooling services in Moosonee Ontario and operates one elementary school.

1. Significant accounting policies:

The consolidated financial statements (the "financial statements") of the Moosonee District School Area Board (the "Board") are prepared by management in accordance with Public Sector Accounting Standards as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

(a) Basis of preparation:

The financial statements have been prepared in accordance with the Financial Administration Act (the "Act") supplemented by Ontario Ministry of Education memorandum 2004:B2.

The Act requires that the financial statements be prepared in accordance with the accounting principles determined by the relevant ministry of the Government 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 Act, requiring contributions received or receivable for the acquisition or development of depreciable tangible capital assets be recorded as deferred capital contributions. Subsequent to Ontario Regulation 395/11, the Board has received instructions from the Ontario Ministry of Education to not recognize deferred capital contributions.

As a result, the Board has adopted Public Sector Accounting Standards as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

(b) Reporting entity:

The financial statements reflect the assets, liabilities, revenues and expenses of the reporting entity. The reporting entity is comprised of all organizations accountable for the administration of their financial affairs and resources to the Board and are owned and controlled by the Board, including:

- i) School generated funds which include the assets, liabilities, revenues, expenses and fund balances of various organizations that exist at the school level and which are deemed to be controlled by the Board, have been reflected in the financial statements.

(c) Financial instruments:

Financial instruments are classified into three categories: fair value, amortized cost or cost.

MOOSONEE DISTRICT SCHOOL AREA BOARD

Notes to Consolidated Financial Statements

Year ended August 31, 2024

1. Significant accounting policies (continued):

(c) Financial instruments (continued):

Fair value

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 the Consolidated Statement of Operations and Accumulated Surplus and related balances reversed from the Statement of Remeasurement Gains and Losses. A statement of remeasurement gains and losses has not been included as there are no matters to report therein.

Amortized cost

Amounts are measured using the effective interest rate 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

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

The following chart shows the measurement method for each type of financial instrument:

Financial instrument	Measurement method
Cash and cash equivalents	Cost
Guaranteed investment certificates	Amortized cost
Accounts receivable	Amortized cost
Accounts payable and accrued liabilities	Amortized cost

Upon standard implementation, amortized cost will be measured using the effective interest rate method, as opposed to the straight-line method.

(d) Cash:

Cash consists of cash-on-hand, and demand deposits. Cash includes highly liquid investments, subject to insignificant risk of changes in value and have a short maturity term of less than 90 days.

MOOSONEE DISTRICT SCHOOL AREA BOARD

Notes to Consolidated Financial Statements

Year ended August 31, 2024

1. Significant accounting policies (continued):

(e) Short-term investments:

Short-term investments consist of marketable securities which are liquid short-term investments with maturities of between three months and one year at the date of acquisition, and are measured on the Statement of Financial Position at amortized cost.

(f) Accounts receivable and payable:

Accounts receivable and payable are accounted for on the accrual basis, which recognizes transactions as they are incurred and measurable as a result of receipts of goods or services and the creation of a legal liability to pay.

(g) Deferred revenue:

The Board receives amounts pursuant to legislation, regulation or agreement and may only be used for certain programs or in the delivery of specific services and transactions. Deferred revenue consists of amounts received by the Board that are restricted for specific purposes by the funder and amounts that are required to be set aside by the Board for specific purposes, legislation, regulation or agreement.

These amounts are recognized as revenue in the fiscal year the related expenditures are incurred or services performed.

(h) Retirement and other employee future benefits:

The Board provides defined retirement and other future benefits to specified employee groups. These benefits include worker's compensation, long-term disability benefits and a contribution to pension. The Board accrues its obligation for these employee benefits.

As part of the ratified labour collective agreements for unionized employees that bargain centrally and ratified central discussions with the principals and vice-principals associations, Employee Life and Health Trusts ("ELHTs") were established between 2016 and 2018 for all employee groups. Additionally, retirees belonging to the Principal/Vice Principal and Non-union employee groups have transitioned to the ELHT in 2017-18. These benefits are being provided through a joint governance structure between the bargaining/employee groups, school board trustees associations and the Government of Ontario. School boards are required to remit a negotiated amount per full-time equivalency ("FTE") on a monthly basis. 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. After retirees transition, the Board continues to be responsible for its share of cost of benefits based on the cost sharing arrangement prior to the transition to the ELHT.

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

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

MOOSONEE DISTRICT SCHOOL AREA BOARD

Notes to Consolidated Financial Statements

Year ended August 31, 2024

1. Significant accounting policies (continued):

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

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

(i) Non-financial assets:

Non-financial assets are not available to settle existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

Non-financial assets are not available to settle existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

(i) Tangible capital assets:

Tangible capital assets are recorded at historical cost less accumulated amortization. Historical costs include amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The Board capitalizes interest paid on debt used to finance the construction of tangible capital assets.

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

	Estimated Useful Life
Land improvements	10 years
School buildings	40 years
Other buildings	20 years
Computers	3 years
Vehicles	5 years
Furniture and equipment	5 - 15 years

Amortization is taken at 50% of the above rates in the year of acquisition.

Construction in progress assets are not amortized until the asset is available for productive use.

(ii) Prepaid expenses:

Prepaid expenses represent amounts paid in advance for a good or service not yet received. The expense is recognized once the goods have been received or the services have been performed.

MOOSONEE DISTRICT SCHOOL AREA BOARD

Notes to Consolidated Financial Statements

Year ended August 31, 2024

1. Significant accounting policies (continued):

(j) Government transfers:

Government transfers, which include legislative grants, are recognized 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.

(k) Municipal taxation:

Under Public Sector Accounting Standards, the entity that determines and sets the tax levy records the revenue in the financial statements, which in the case of the Board, is the Province of Ontario. As a result, property tax revenue received from the municipality is recorded as municipal taxation revenue when it is eligible for receipt.

(l) 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.

(m) Leases:

Leases that 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. The Board has one lease with Northern College that is accounted for as an operating lease.

(n) Budget information:

Budget information has been provided for comparison purposes and have been derived from the budget approved by the Board.

The budget approved by the Board 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 Board approves its budget annually. The approved operating budget for 2023-2024 is reflected on the statement of operations. The budget was approved on November 7th, 2023.

MOOSONEE DISTRICT SCHOOL AREA BOARD

Notes to Consolidated Financial Statements

Year ended August 31, 2024

1. Significant accounting policies (continued):

(o) Use of estimates:

The preparation of financial statements in conformity with Canadian public sector accounting standards 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 financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from these current estimates. Significant estimates include estimated costs and timing of asset retirement obligations.

There is measurement uncertainty surrounding the estimation of liabilities for asset retirement obligations of \$354,065. These estimates are subject to uncertainty because of several factors including but not limited to incomplete information on the extent of controlled materials used, indeterminate settlement dates, the allocation of costs between required and discretionary activities and/or change in the discount rate.

These estimates are reviewed annually, and, as adjustments become necessary, they are reported in earnings in the year in which they become known.

2. Change in accounting policy – adoption of new accounting standards:

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

PS 3400 Revenue establishes standards on how to account for and report on revenue specifically differentiating between transactions that include performance obligations (i.e. the payor expects a good or service from the public sector entity), referred to as exchange transactions, and transactions that do not have performance obligations, referred to as non-exchange transactions. For exchange transactions, revenue is recognized when a performance obligation is satisfied. For non-exchange transactions, revenue is recognized when there is authority to retain an inflow of economic resources and a past event that gave rise to an asset has occurred.

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) provide 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.

3. Short-term investments:

The Board has two GIC's with interest rates ranging from 3.25% - 4.25% (2023 – 0.5% - 1.4%). The GIC's mature January and July 2025.

MOOSONEE DISTRICT SCHOOL AREA BOARD

Notes to Consolidated Financial Statements

Year ended August 31, 2024

4. Accounts receivable:

	2024	2023
Government of Canada	\$ 437,167	\$ 153,506
The Town of Moosonee	238,954	133,173
Province of Ontario	1,702,292	177,021
Other	30,680	99,945
	\$ 2,409,093	\$ 563,645

5. Accounts payable and accrued liabilities:

	2024	2023
Province of Ontario	\$ 282,144	\$ 389,164
Trade accounts payable and accruals	754,190	839,767
Payroll and benefits	307,163	205,670
	\$ 1,343,497	\$ 1,434,601

6. Deferred revenue:

	Balance at August 31, 2023	Additions	Revenue recognized in the period	Balance at August 31, 2024
Ministry of Education:				
Special Education (SEPPA)	\$ 796,000	\$ 1,215,080	\$ 1,712,698	\$ 298,382
Total deferred revenue	\$ 796,000	\$ 1,205,080	\$ 1,712,698	\$ 298,382

	Balance at August 31, 2022	Additions	Revenue recognized in the period	Balance at August 31, 2023
Ministry of Education:				
Other grants for specific purposes	\$ 9,537	\$ –	\$ 9,537	\$ –
Special Education (SEPPA)	1,069,794	983,354	1,257,148	796,000
School renewal	–	45,836	45,836	–
Total deferred revenue	\$ 1,079,331	\$ 1,029,190	\$ 1,312,521	\$ 796,000

MOOSONEE DISTRICT SCHOOL AREA BOARD

Notes to Consolidated Financial Statements

Year ended August 31, 2024

7. Tangible capital assets:

Cost	Adjusted Balance at August 31, 2023	Additions	ARO Re-evaluation	Disposals and Transfers	Balance at August 31, 2024
Land	\$ 51,750	\$ -	\$ -	\$ -	\$ 51,750
Land improvements	502,795	229,198	-	-	731,993
School buildings	5,308,982	31,003	10,207	-	5,350,192
Other buildings	1,865,514	-	2,752	-	1,868,266
Computer	354,857	37,997	-	-	392,854
Vehicles	114,757	-	-	-	114,757
Furniture and equipment	375,747	123,765	-	-	499,512
Construction in progress	476,331	828,345	-	-	1,304,676
Total	\$ 9,050,733	\$ 1,250,308	\$ 12,959	\$ -	\$ 10,314,000

Accumulated Amortization	Adjusted Balance at August 31, 2023	Disposals and Transfers	ARO Amortization	Amortization	Balance at August 31, 2024
Land	\$ -	\$ -	\$ -	\$ -	\$ -
Land improvements	154,297	-	-	48,144	202,441
School buildings	3,898,921	-	29,278	136,810	4,065,009
Other buildings	1,243,552	-	11,007	90,296	1,344,855
Computer	299,786	-	-	62,331	362,117
Vehicles	77,317	-	-	13,657	90,974
Furniture and equipment	36,245	-	-	42,891	79,136
Construction in progress	-	-	-	-	-
Total	\$ 5,710,118	\$ -	\$ 40,285	\$ 394,129	\$ 6,144,532

	Net book value, August 31, 2023	Net book value, August 31, 2024
(Restated - Note 2)		
Land	\$ 51,750	\$ 51,750
Land improvements	348,498	529,552
School buildings	1,410,061	1,285,183
Other buildings	621,962	523,411
Computer	55,071	30,737
Vehicles	37,440	23,783
Furniture and equipment	339,502	420,376
Construction in progress	476,331	1,304,676
Total	\$ 3,340,615	\$ 4,169,468

MOOSONEE DISTRICT SCHOOL AREA BOARD

Notes to Consolidated Financial Statements

Year ended August 31, 2024

8. Accumulated surplus:

Accumulated surplus consists of the following:

	2024	2023
Unappropriated operating accumulated surplus	\$ 2,355,216	\$ 1,729,568
Invested in tangible capital assets	4,091,635	3,235,454
Asset retirement obligation	(289,189)	(248,904)
School generated funds	6,327	5,245
Total accumulated surplus	\$ 6,163,989	\$ 4,721,363

9. Expenses by object:

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

	2024 Budget	2024 Actual	2023 Actual
Current expenses:			
Salary and wages	\$ 4,213,383	\$ 4,562,152	\$ 3,829,358
Employee benefits	1,222,832	1,205,834	1,041,056
Staff development	78,500	29,084	38,092
Supplies and services	671,744	767,172	846,052
Equipment rental	325,136	36,829	48,423
Fees and contract services	167,453	421,236	437,628
Other	157,545	106,174	104,037
School generated funds	—	1,141	2,914
Amortization of tangible capital assets	193,199	434,414	387,504
	\$ 7,029,792	\$ 7,564,036	\$ 6,735,064

10. 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.

OSBIE insures general public liability, property damage and certain other risks. Liability insurance is available to a maximum of \$27 million per occurrence.

The premiums over a five year period are based on the reciprocals 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, 2024 amounts to \$24,073.

MOOSONEE DISTRICT SCHOOL AREA BOARD

Notes to Consolidated Financial Statements

Year ended August 31, 2024

11. Asset retirement obligations:

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	\$ 354,065	\$ 310,447
Increase in liabilities reflecting changes in the estimate of liabilities ¹ (note 12)	12,959	43,618
	\$ 367,024	\$ 354,065

¹ Reflecting changes in the estimated cash flows.

12. Revaluation of asset retirement obligations liability:

As a result of recent high levels of inflation, liability balances based on previous cost estimates, the Board has made an inflation adjustment increase in estimates of 3.66% as at March 31, 2024, in line with the Provincial government fiscal year end, to reflect costs as at that date.

13. Temporary borrowing:

The Board has available to it a \$750,000 revolving line of credit to finance general operating requirements which bears interest at the Prime Rate plus 1% per annum. As at August 31, 2024, the amount drawn on this facility was \$Nil (2023 - \$Nil).

Borrowings under the credit facility are secured by a general security agreement.

14. Commitments and contingent liabilities:

(a) Lease and service agreements:

The board has entered into various service agreements. Minimum payments (including taxes excluding tax rebates) are approximately as follows:

2025	\$ 26,033
2026	1,655
2027	1,655
2028	1,655
Thereafter	—

MOOSONEE DISTRICT SCHOOL AREA BOARD

Notes to Consolidated Financial Statements

Year ended August 31, 2024

14. Commitments and contingent liabilities (continued):

(b) Contingencies:

The Board is involved in certain legal matters and litigation, the outcomes of which are not presently determinable. The loss if any, from these contingencies will be accounted for in the year in which the matters are resolved. Management is of the opinion that these matters are mitigated by adequate insurance coverage.

15. 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.

Standards applicable for fiscal years beginning on or after April 1, 2026 (in effect for the Board for 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.

Reporting Model PS 1202 *Financial Statement Presentation*:

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

MOOSONEE DISTRICT SCHOOL AREA BOARD

Notes to Consolidated Financial Statements

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15. Future accounting standard adoption (continued):

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

Reporting Model PS 1202 Financial Statement Presentation (continued):

- 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

16. Comparative information:

The consolidated financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year excess of revenue over expenses.

17. Monetary resolution to Bill 124:

A monetary resolution to Bill 124, The Protecting A Sustainable Public Sector For Future Generations Act, was reached between the Crown and the following education sector unions Elementary Teachers' Federation of Ontario (ETFO), Ontario Secondary School Teachers' Federation (OSSTF), Canadian Union of Public Employees (CUPE), Elementary Teachers' Federation of Ontario- Education Workers (ETFO-EW), Ontario Secondary School Teachers' Federation- Education Workers (OSSTF-EW), 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).

MOOSONEE DISTRICT SCHOOL AREA BOARD

Notes to Consolidated Financial Statements

Year ended August 31, 2024

17. Monetary resolution to Bill 124 (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). 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 \$218,381 in the 2023-24 fiscal year. The portion related to 2019-20 to 2021-22 is \$218,381.