

Consolidated Financial Statements of

**MOOSONEE DISTRICT  
SCHOOL AREA BOARD**

And Independent Auditor's Report thereon

Year ended August 31, 2025

## **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.

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Director of Education

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Board Chair

May 8, 2026



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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, 2025
- 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, 2025, 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.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. Below the signature is a horizontal line that starts under the 'K' and extends to the right, ending under the 'P'.

Chartered Professional Accountants, Licensed Public Accountants

Sudbury, Canada

May 8, 2026

# MOOSONEE DISTRICT SCHOOL AREA BOARD

## Consolidated Statement of Financial Position

August 31, 2025, with comparative information for 2024

	2025	2024
<b>Financial assets</b>		
Cash	\$ 2,892,843	\$ 1,448,150
Short-term investments (note 2)	135,171	130,765
Accounts receivable (note 3)	799,744	2,409,093
Total financial assets	3,827,758	3,988,008
<b>Financial liabilities</b>		
Accounts payable and accrued liabilities (note 4)	1,646,439	1,343,497
Deferred revenue (note 5)	244,111	298,382
Asset retirement obligation (note 10)	376,603	367,024
Total financial liabilities	2,267,153	2,008,903
Net financial assets	1,560,605	1,979,105
<b>Non-financial assets</b>		
Prepaid expenses	44,225	15,416
Tangible capital assets (note 6)	5,870,934	4,169,468
Total non-financial assets	5,915,159	4,184,884
Commitments and contingent liabilities (note 13)		
Accumulated surplus (note 7)	\$ 7,475,764	\$ 6,163,989

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

# MOOSONEE DISTRICT SCHOOL AREA BOARD

Consolidated Statement of Operations and Accumulated Surplus

Year ended August 31, 2025, with comparative information for 2024

	2025 Budget	2025 Actual	2024 Actual
<b>Revenue:</b>			
Government transfers:			
- Grants for Student Needs	\$ 6,224,565	\$ 5,983,708	\$ 6,762,266
- GSN capital allocation	-	1,657,258	1,443,112
- Other	-	359,652	398,437
- Municipal	203,166	212,281	211,356
Other fees and revenue	415,640	247,467	189,267
School generated funds	9,500	12,033	2,224
<b>Total revenue</b>	<b>6,852,871</b>	<b>8,472,399</b>	<b>9,006,662</b>
<b>Expenses (note 8):</b>			
Instruction	4,947,515	4,686,543	5,245,481
Administration	747,886	947,059	823,783
Transportation	180,990	183,763	172,565
School operations and maintenance	864,975	703,594	661,520
Teacherages	43,855	239,276	125,136
Other	387,504	393,732	534,410
School generated funds	9,500	6,657	1,141
<b>Total expenses</b>	<b>7,182,225</b>	<b>7,160,624</b>	<b>7,564,036</b>
<b>Annual surplus (deficit)</b>	<b>(329,354)</b>	<b>1,311,775</b>	<b>1,442,626</b>
Accumulated surplus, beginning of year	6,163,989	6,163,989	4,721,363
<b>Accumulated surplus, end of year</b>	<b>\$ 5,834,635</b>	<b>\$ 7,475,764</b>	<b>\$ 6,163,989</b>

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, 2025, with comparative information for 2024

	2025 Budget	2025 Actual	2024 Actual
Annual surplus (deficit)	\$ (329,354)	\$ 1,311,775	\$ 1,442,626
Tangible capital assets:			
Acquisition of tangible capital assets	-	(2,085,619)	(1,250,308)
Amortization of tangible capital assets	349,965	353,447	394,129
Amortization of tangible capital assets - ARO	-	40,285	40,285
Revaluation of tangible capital assets - ARO	-	(9,579)	(12,959)
	349,965	(1,701,466)	(828,853)
Prepaid expenses:			
Use of prepaid expenses	-	(28,809)	5,970
Increase in net financial assets (debt)	20,611	(418,500)	619,743
Net financial assets, beginning of year	1,359,362	1,979,105	1,359,362
Net financial assets, end of year	\$ 1,379,973	\$ 1,560,605	\$ 1,979,105

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, 2025, with comparative information for 2024

	2025	2024
Cash flows provided by (used in):		
Operating activities:		
Annual surplus	\$ 1,311,775	\$ 1,442,626
Item not involving cash:		
Amortization of tangible capital assets	353,447	394,129
Amortization of tangible capital assets - ARO	40,285	40,285
	<u>1,705,507</u>	<u>1,877,040</u>
Change in non-cash assets and liabilities:		
Increase in short-term investments	(4,406)	(3,467)
Decrease (increase) in accounts receivable	1,609,349	(1,845,448)
Decrease in accounts payable and accrued liabilities	302,942	(91,104)
Decrease in deferred revenue	(54,271)	(497,618)
Decrease (increase) in prepaid expenses	(28,809)	5,970
	<u>3,530,312</u>	<u>(554,627)</u>
Capital activities:		
Cash used to acquire tangible capital assets	(2,085,619)	(1,250,308)
	<u>(2,085,619)</u>	<u>(1,250,308)</u>
Increase (decrease) in cash	1,444,693	(1,804,935)
Cash, beginning of year	1,448,150	3,253,085
Cash, end of year	<u>\$ 2,892,843</u>	<u>\$ 1,448,150</u>

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, 2025

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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, with exception to the paragraph above, 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.

# MOOSONEE DISTRICT SCHOOL AREA BOARD

Notes to Consolidated Financial Statements (continued)

Year ended August 31, 2025

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## 1. Significant accounting policies (continued):

### (c) 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 and cash equivalents	Cost
Accounts receivable	Amortized cost
Accounts payable and accrued liabilities	Amortized cost

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#### 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.

#### 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 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.

# MOOSONEE DISTRICT SCHOOL AREA BOARD

Notes to Consolidated Financial Statements (continued)

Year ended August 31, 2025

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## 1. Significant accounting policies (continued):

### (c) Financial instruments (continued):

#### Establishing fair value

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

#### 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.

### (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.

### (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.

# MOOSONEE DISTRICT SCHOOL AREA BOARD

Notes to Consolidated Financial Statements (continued)

Year ended August 31, 2025

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## 1. Significant accounting policies (continued):

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

# MOOSONEE DISTRICT SCHOOL AREA BOARD

Notes to Consolidated Financial Statements (continued)

Year ended August 31, 2025

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## 1. Significant accounting policies (continued):

(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.

(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.

# MOOSONEE DISTRICT SCHOOL AREA BOARD

Notes to Consolidated Financial Statements (continued)

Year ended August 31, 2025

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## 1. Significant accounting policies (continued):

### (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 2024-2025 is reflected on the statement of operations. The budget was approved on November 5<sup>th</sup>, 2024.

### (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.

# MOOSONEE DISTRICT SCHOOL AREA BOARD

Notes to Consolidated Financial Statements (continued)

Year ended August 31, 2025

## 1. Significant accounting policies (continued):

### (o) Use of estimates (continued):

There is measurement uncertainty surrounding the estimation of liabilities for asset retirement obligations of \$376,603. 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. Short-term investments:

The Board has two GIC's with interest of 2.00% (2024 – 3.25% - 4.25%). The GIC's maturity dates being January and July 2026.

## 3. Accounts receivable:

	2025	2024
Government of Canada	\$ 352,170	\$ 437,167
The Town of Moosonee	134,177	238,954
Province of Ontario	270,839	1,702,292
Other	42,558	30,680
	\$ 799,744	\$ 2,409,093

## 4. Accounts payable and accrued liabilities:

	2025	2024
Province of Ontario	\$ 706,729	\$ 282,144
Payroll and benefits	152,683	307,163
Trade accounts payable and accruals	787,027	754,190
	\$ 1,646,439	\$ 1,343,497

# MOOSONEE DISTRICT SCHOOL AREA BOARD

Notes to Consolidated Financial Statements (continued)

Year ended August 31, 2025

## 5. Deferred revenue:

	Balance at August 31, 2024	Additions	Revenue recognized in the period	Balance at August 31, 2025
Ministry of Education:				
Special Education (SEPPA)	\$ 298,382	\$1,248,816	\$ 1,303,087	\$ 244,111
<b>Total deferred revenue</b>	<b>\$ 298,382</b>	<b>\$1,248,816</b>	<b>\$ 1,303,087</b>	<b>\$ 244,111</b>

	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
<b>Total deferred revenue</b>	<b>\$ 796,000</b>	<b>\$1,215,080</b>	<b>\$ 1,712,698</b>	<b>\$ 298,382</b>

# MOOSONEE DISTRICT SCHOOL AREA BOARD

Notes to Consolidated Financial Statements

Year ended August 31, 2025

## 6. Tangible capital assets:

Cost	Balance at August 31, 2024	Additions	ARO Re-evaluation	Disposals and Transfers	Balance at August 31, 2025
Land	\$ 51,750	\$ -	\$ -	\$ -	\$ 51,750
Land improvements	731,993	-	-	-	731,993
School buildings	5,350,192	2,020,263	7,545	1,304,676	8,682,676
Other buildings	1,868,266	32,071	2,034	-	1,902,371
Computer	392,854	-	-	-	392,854
Vehicles	114,757	-	-	-	114,757
Furniture and equipment	499,512	33,285	-	-	532,797
Construction in progress	1,304,676	-	-	(1,304,676)	-
<b>Total</b>	<b>\$ 10,314,000</b>	<b>\$ 2,085,619</b>	<b>\$ 9,579</b>	<b>\$ -</b>	<b>\$ 12,409,198</b>

Accumulated Amortization	Balance at August 31, 2024	Disposals and Transfers	ARO Amortization	Amortization	Balance at August 31, 2025
Land	\$ -	\$ -	\$ -	\$ -	\$ -
Land improvements	202,441	-	-	59,604	262,045
School buildings	4,065,009	-	29,278	114,825	4,209,112
Other buildings	1,344,855	-	11,007	92,735	1,448,597
Computer	362,117	-	-	26,562	388,679
Vehicles	90,974	-	-	9,513	100,487
Furniture and equipment	79,136	-	-	50,208	129,344
Construction in progress	-	-	-	-	-
<b>Total</b>	<b>\$ 6,144,532</b>	<b>\$ -</b>	<b>\$ 40,285</b>	<b>\$ 353,447</b>	<b>\$ 6,538,264</b>

	Net book value, August 31, 2024	Net book value, August 31, 2025
Land	\$ 51,750	\$ 51,750
Land improvements	529,552	469,948
School buildings	1,285,183	4,473,564
Other buildings	523,411	453,774
Computer	30,737	4,175
Vehicles	23,783	14,270
Furniture and equipment	420,376	403,453
Construction in progress	1,304,676	-
<b>Total</b>	<b>\$ 4,169,468</b>	<b>\$ 5,870,934</b>

# MOOSONEE DISTRICT SCHOOL AREA BOARD

Notes to Consolidated Financial Statements (continued)

Year ended August 31, 2025

## 7. Accumulated surplus:

Accumulated surplus consists of the following:

	2025	2024
Unappropriated operating accumulated surplus	\$ 1,969,730	\$ 2,355,218
Invested in tangible capital assets	5,870,934	4,169,468
Asset retirement obligation	(376,603)	(367,024)
School generated funds	11,703	6,327
<b>Total accumulated surplus</b>	<b>\$ 7,475,764</b>	<b>\$ 6,163,989</b>

## 8. Expenses by object:

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

	2025 Budget	2025 Actual	2024 Actual
Current expenses:			
Salary and wages	\$ 4,210,407	\$ 4,205,718	\$ 4,562,152
Employee benefits	1,185,229	1,122,253	1,205,834
Staff development	88,344	31,855	29,084
Supplies and services	628,142	874,318	767,172
Rentals	147,000	148,586	36,829
Fees and contract services	476,599	366,058	421,236
Other	59,000	11,447	106,174
School generated funds	–	6,657	1,141
Amortization of tangible capital assets	387,504	393,732	434,414
	<b>\$ 7,182,225</b>	<b>\$ 7,160,624</b>	<b>\$ 7,564,036</b>

## 9. 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, 2025 amounts to \$25,278.

# MOOSONEE DISTRICT SCHOOL AREA BOARD

Notes to Consolidated Financial Statements (continued)

Year ended August 31, 2025

## 10. Asset retirement obligations:

As at August 31, 2025, 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:

	2025	2024
Liabilities for Asset Retirement Obligations at beginning of year	\$ 367,024	\$ 354,065
Increase in liabilities reflecting changes in the estimate of liabilities <sup>1</sup> (note 11)	9,579	12,959
Liabilities for Asset Retirement Obligations at end of year	\$ 376,603	\$ 367,024

<sup>1</sup> Reflecting changes in the estimated cash flows.

## 11. 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 2.61% as at March 31, 2025, in line with the Provincial government fiscal year end, to reflect costs as at that date.

## 12. 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, 2025, the amount drawn on this facility was \$Nil (2024 - \$Nil).

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

## 13. 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:

2026	\$ 64,654
2027	20,109
2028	15,304
2029	15,304
Thereafter	22,965

# MOOSONEE DISTRICT SCHOOL AREA BOARD

Notes to Consolidated Financial Statements (continued)

Year ended August 31, 2025

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## 13. 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.

## 14. 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 (continued)

Year ended August 31, 2025

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## **14. 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
- 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

## **15. 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.