Consolidated financial statements of
Superior-Greenstone District School Board

August 31, 2025

Management Report

Year ended August 31, 2025

Re: Management's Responsibility for the Consolidated Financial Statements

The accompanying consolidated financial statements of the Superior Greenstone District School Board are the responsibility of the School 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(a) to the financial statements.

The preparation of the 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. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the School Board's consolidated financial statements.

William Goodman
Director of Education

Alex Marton
Superintendent of Business

January 26, 2026

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Independent Auditor's Report

To the Board of Trustees of the
Superior-Greenstone District School Board

Opinion

We have audited the consolidated financial statements of Superior-Greenstone District School Board (the "Board"), which comprise the consolidated statement of financial position as at August 31, 2025, and the consolidated statements of operations, change in net debt and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements of the Board for the year ended August 31, 2025 are prepared, in all material respects, in accordance with the basis of accounting described in Note 1(a) to the 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 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(a) of the financial statements which describes the basis of accounting used in the preparation of these 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 Financial Statements

Management is responsible for the preparation of the financial statements in accordance with the basis of accounting described in Note 1(a) 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 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 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 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 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Board as a basis for forming an opinion on the financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes 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
January 26, 2026

Superior-Greenstone District School Board

Consolidated statement of financial position

As at August 31, 2025

	Notes	2025 $	2024 $
Financial assets			
Accounts receivable	2 and 3	**21,407,058**	19,972,182
Accounts receivable - Province of Ontario capital grants	3	**11,100,215**	12,141,409
Investments	4	**125**	125
		32,507,398	32,113,716
Liabilities			
Bank indebtedness		**1,189,403**	1,346,063
Accounts payable and accrued liabilities		**5,593,322**	6,002,261
Deferred revenue	5	**5,464,532**	4,630,133
Deferred capital contributions	6	**66,437,255**	64,239,593
Net long-term debt	7	**7,863,990**	8,456,400
Retirement and other employee future benefits payable	8	**405,806**	464,321
Asset retirement obligation	15	**1,593,029**	1,621,830
		88,547,337	86,760,601
Net debt		**(56,039,939)**	(54,646,885)
Commitments and contingent liabilities	11		
Non-financial assets			
Tangible capital assets	14	**70,396,622**	68,258,797
Prepaid expenses and supplies		**221,603**	98,845
		70,618,225	68,357,642
Accumulated surplus	16	**14,578,286**	13,710,757

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

Approved on behalf of the Board

______________________________, Director of education

______________________________, Chair of the Board

Superior-Greenstone District School Board
Consolidated statement of operations
Year ended August 31, 2025

	Notes	Budget $	2025 Actual $	2024 Actual $
Revenue				
Provincial grants				
Core education funding		**34,731,352**	**34,468,345**	34,193,723
Deferred capital contributions recognized	6	**7,420,973**	**4,024,366**	7,866,886
Other		**1,531,920**	**1,330,822**	4,721,292
Local taxation		**2,941,000**	**3,336,202**	2,839,522
School fundraising		**504,000**	**713,520**	565,480
Federal grants and fees		**5,920,625**	**7,416,967**	7,000,565
Interest income		**100,000**	**62,093**	118,463
Other revenues - School Boards		**415,000**	**579,244**	542,854
Other fees and revenue		**557,000**	**884,830**	775,365
		54,121,870	**52,816,389**	58,624,150
Expenses	9			
Instruction		**32,262,199**	**34,957,388**	36,647,226
Administration		**3,856,543**	**4,036,198**	4,520,899
Transportation		**1,846,395**	**1,672,891**	1,873,601
School operations/pupil accommodation		**13,497,291**	**10,649,958**	14,574,144
School funded activities		**504,000**	**618,918**	573,591
Other		**650,326**	**13,507**	67,369
		52,616,754	**51,948,860**	58,256,830
Annual surplus		**1,505,116**	**867,529**	367,320
Accumulated surplus, beginning of year		**13,379,723**	**13,710,757**	13,343,437
Accumulated surplus, end of year		**14,884,839**	**14,578,286**	13,710,757

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

	Notes	2025 $	2024 $
Annual surplus		**867,529**	367,320
Acquisition of tangible capital assets	14	**(6,275,356)**	(6,926,096)
Amortization of tangible capital assets and asset retirement obligation	14	**4,137,531**	8,107,113
Disposal of tangible capital assets		**—**	17,201
Acquisition of prepaid expenses and supplies		**(221,603)**	(98,845)
Use of prepaid expenses and supplies		**98,845**	182,009
		(2,260,583)	1,281,382
Change in net debt		**(1,393,054)**	1,648,702
Net debt, beginning of year		**(54,646,885)**	(56,295,587)
Net debt, end of year		**(56,039,939)**	(54,646,885)

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

Superior-Greenstone District School Board
Consolidated statement of cash flows
Year ended August 31, 2025

	Notes	2025 $	2024 $
Operating activities			
Annual surplus		**867,529**	367,320
Items not involving cash			
Amortization of tangible capital assets and asset retirement obligation	14	**4,137,531**	8,107,113
Deferred capital contributions recognized	6	**(4,024,366)**	(7,866,886)
Disposal of tangible capital assets		**—**	17,201
Asset retirement obligation		**53,329**	57,263
Changes in non-cash assets and liabilities			
Accounts receivable		**(1,434,876)**	(3,328,361)
Accounts payable and accrued liabilities		**(408,939)**	2,128,790
Deferred revenue - operating		**1,048,048**	300,787
Retirement and other employee future benefits payable		**(58,515)**	(38,376)
Settlement of asset retirement obligation		**(82,130)**	—
Prepaid expenses and supplies		**(122,758)**	83,164
		(25,147)	(171,985)
Capital activity			
Acquisition of tangible capital assets	14	**(6,275,356)**	(6,926,096)
Financing activities			
Capital grant contributions	6	**6,222,028**	6,300,501
Change in accounts receivable - Province of Ontario capital grants		**1,041,194**	(1,422,156)
Change in deferred revenues - capital		**(213,649)**	138,245
Debt principal repaid		**(592,410)**	(568,024)
Repayment of obligations under capital lease		**—**	(24,207)
		6,457,163	4,424,359
Net change in bank indebtedness		**156,660**	(2,673,722)
Bank indebtedness, beginning of year		**(1,346,063)**	1,327,659
Bank indebtedness, end of year		**(1,189,403)**	(1,346,063)

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

1. Significant accounting policies

The consolidated financial statements of the Superior-Greenstone District School Board (the ”Board”) are prepared by management in accordance with the basis of accounting described below.

Significant accounting policies adopted are as follows:

(a) Basis of accounting

The consolidated financial statements have been prepared in accordance with the Financial Administration Act supplemented by Ontario Ministry of Education memorandum 2004:B2 and Ontario Regulation 395/11, Accounting Policies and Practices Public Entities (“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 (the “Province”). A directive was provided by the Ontario Ministry of Education (the ”Ministry”) within memorandum 2004:B2 requiring school boards to adopt Canadian Public Sector Accounting Standards (“PSAS”) 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. 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 consolidated 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 PSAS which requires that:

- Government transfers, including amounts previously recognized as tax revenues, 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 PSAS 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 Canadian PSAS PS3100; and
- Property taxation revenue be reported as revenue when received or receivable in accordance with PSAS 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 PSAS.

(b) Reporting entity

The consolidated financial statements reflect the assets, liabilities, accumulated surplus, revenues, expenses and annual surplus of the reporting entity. The reporting entity comprises all organizations accountable for the administration of their financial affairs and resources to the Board and which are controlled by the Board.

School generated funds, which include the assets, liabilities, accumulated surplus, revenues, expenses and annual surplus of various organizations that exist at the school level and which are controlled by the Board are reflected in the consolidated financial statements.

All material interdepartmental and inter-entity transactions and balances between these organizations are eliminated on consolidation.

1. Significant accounting policies (continued)

(c) *Trust funds*

Trust funds and their related operations administered by the Board amounting to $289,334 ($568,065 in 2024), have not been included in the consolidated statement of financial position nor have their operations been included in the consolidated statement of operations, as they are not controlled by the Board.

(d) *Deferred revenue*

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

(e) *Deferred capital contributions*

Contributions received or receivable for the purpose of acquiring or developing a depreciable tangible capital asset for use in providing services, or any contributions in the form of depreciable tangible assets received or receivable for use in providing services, shall be recognized as deferred capital contribution as defined in Ontario Regulation 395/11 of the Financial Administration Act. These amounts are recognized as revenue at the same rate as the related tangible capital asset is amortized. The following items fall under this category:

(i) Government transfers received or receivable for capital purpose;

(ii) Other restricted contributions received or receivable for capital purpose; and

(iii) Amounts previously recognized as property taxation revenues which were historically used to fund capital assets.

(f) *Retirement and other employee future benefits*

The Board provides defined retirement and other future benefits to specified employee groups. These benefits include health and dental, retirement gratuity, worker's compensation, non-vesting accumulating sick leave, and early retirement incentive plan. The Board has adopted the following policies with respect to accounting for these employee benefits.

As part of ratified labour collective agreements for unionized employees that bargain centrally and ratified central discussions with the principals and vice-principals associations, the following Employee Life and Health Trusts (ELHTs) were established in 2016-17: ETFO, OSSTF, and OSSTF-EW. The ELHTs provide health, life and dental benefits to teachers (excluding daily occasional teachers), education workers (excluding daily occasional teachers), educational workers, other school board staff and retired individuals up to a school board's participation date in 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. Starting June 1, 2017, the Board is no longer responsible to provide certain benefits to ETFO, OSSTF, and OSSTF-EW. Upon transition of the employee groups' health, dental and life benefit plans to the ELHT, 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.

The Board continues to provide health, dental and life insurance benefits for retired individuals and the following employee groups: CEWAO(APPSP) and non-unionized employees including principals, vice principals, and continues to have a liability for payment of benefits for those who are on long-term disability and for some who are retired under these plans.

1. Significant accounting policies (continued)

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

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

(i) The costs of self-insured retirement and other employee future benefit plans are actuarially determined using management's best estimate of salary escalation, insurance and health care cost trends, disability recovery rates, long-term inflation rates and discount rates. The cost of retirement gratuities are 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. Any future actuarial gains and losses arising from changes to the discount rate are amortized over the expected average remaining service life of the employee group.

(ii) For those self-insured benefit obligations that arise from specific events that occur from time to time, such as obligations for life insurance, dental and health care benefits for certain employees on disability leave, 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) Actuarial gains and losses related to obligations for long-term disability are amortized over the expected average service life of the employee group.

(iv) The Board's contributions to multi-employer defined benefits pension plans, such as the Ontario Municipal Employees Retirement System ("OMERS") pensions, are recorded in the period in which they become payable.

(v) The costs of insured benefits for active employees reflected in these consolidated financial statements are the Board's portion of insurance premiums owed for coverage of employees during the period.

(g) Tangible capital assets

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

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

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

Asset class	Estimated useful life in years
Land improvments	15
Building and building improvments	40
Portable structures	20
Other buildings	20
First-time equipping of schools	10
Furniture	10
Equipment	5-15
Leased equipment	Over lease term
Computer hardware	3
Computer software	5
Vehicles	5-15

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. One-half of the annual amortization is charged in the year of acquisition and the year of disposal.

1. Significant accounting policies (continued)

(g) Tangible capital assets (continued)

Land permanently removed from service and held for resale is recorded at the lower of cost and net realizable value. Cost includes amounts for improvements to prepare the land for sale or servicing. Buildings permanently removed from service cease to be amortized. 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.

(h) Government transfers

Government transfers, which include legislative grants, are recognized in the consolidated financial statements in the year 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.

Government transfers for capital are deferred as required by Regulation 395/11, recorded as deferred capital contributions and recognized into revenue in the consolidated statement of operations at the same rate and over the same period as the tangible capital assets are amortized.

(i) Investment income

Investment income earned is reported as revenue in the period earned. Investment income earned on externally restricted funds such as pupil accommodation and special education forms part of the respective deferred revenue balances.

(j) Long-term debt

Long-term debt includes debentures and Ontario Financing Authority ("OFA") loans which were arranged for financing the Board's capital projects or high priority renewal projects.

(k) Budget figures

Budget figures have been provided for comparison purposes and have been derived from the budget approved by the Board of Trustees ("Trustees"). The budget approved annually 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 approved operating budget for 2024-25 is reflected on the consolidated statement of operations. The budget was approved on June 24, 2024.

(l) Property tax revenue

Under PSAS, 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. As a result, property tax revenue received from the municipalities is recorded as part of Provincial Grants.

(m) Use of estimates

The preparation of financial statements in conformity with the basis of accounting described in Note 1(a) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the year. Estimates are reviewed periodically by management, and, as adjustments become necessary they are reported in the period in which they became known. Accounts subject to estimates include allowance for doubtful accounts receivable, accrued liabilities, retirement and other employee future benefits payable, useful lives of tangible capital assets, the recognition of deferred amounts related to capital contributions and asset retirement obligations. Actual results could differ from these estimates.

1. Significant accounting policies (continued)

(n) Contributed materials

Contributed materials are recognized by the Board at the date of contribution when a fair value can be reasonably estimated.

(0) Asset retirement obligation

Asset Retirement Obligations (ARO) are provisions for legal obligations for the retirement of 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:

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

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

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

(iv) a reasonable estimate of the amount can be made

A corresponding amount is added to the carrying value of the related tangible capital asset and is then amortized over its remaining useful life.

The estimated amounts of future costs to retire the asset is reviewed annually and adjusted to reflect the current best estimate of the liability. Adjustments may result from changes in the assumption used to estimate the amount required to settle the obligation. These amounts are recognized as an increase or decrease in the carrying amount of the asset retirement obligation liability, with a corresponding adjustment to the carrying amount of the related asset. If the related asset is no longer in productive use, all subsequent changes in the estimate of the liability for the ARO are recognized as an expense in the period incurred.

2. Accounts receivable

Accounts receivable include tuition fees receivable from the First Nations as follows:

	Balance at August 31, 2024 $	**Invoices $**	**Payments $**	**Balance at August 31, 2025 $**
Aroland First Nation	609,871	**1,276,641**	**(653,277)**	**1,233,235**
Biinjitwaabek First Nation	—	**472,766**	**(472,766)**	**—**
Bingwi Neyaashi Anishinaabek	123,972	**135,033**	**(135,033)**	**123,972**
Ginoogaming First Nation	1,823,309	**913,448**	**(828,862)**	**1,907,895**
Marten Falls First Nation	754,134	**34,383**	**(239,542)**	**548,975**
Pays Plat First Nations	487,212	**271,338**	**(270,000)**	**488,550**
Pic Mobert First Nation	—	**584,511**	**(584,511)**	**—**
Pic River First Nations	578,191	**816,940**	**(1,035,644)**	**359,487**
Red Rock First Nation	306,092	**1,255,178**	**(306,093)**	**1,255,177**
	4,682,781	**5,760,238**	**(4,525,728)**	**5,917,291**

3. Accounts receivable – Province of Ontario

The Province replaced variable capital funding with a one-time debt support grant in 2009-10. The Board recorded a one-time grant that recognizes capital debt as of August 31, 2010 that is supported by the existing capital programs. The Board will receive 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 reported receivables from the Province of Ontario, as Accounts receivable - Province of Ontario capital grants, of $11,100,215 as at August 31, 2025 ($12,141,409 in 2024) with respect to capital grants.

The Ministry of Education introduced a cash management strategy effective September 1, 2018. As part of the Strategy, the Ministry of Education 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 of Education. The balance of delayed grant payments from the Government of Ontario included in Accounts receivable as at August 31, 2025 is $8,888,660 ($8,618,033 in 2024).

4. Investments

Investments are comprised of the following:

	Cost	**2025 Market value**	Cost	2024 Market value
	$	**$**	$	$
Guaranteed investment certificates	**125**	**125**	125	125

5. Deferred revenue

Revenues received and 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, 2025 is comprised of:

	Balance at August 31, 2024	**Increase**	**Recognized**	**Balance at August 31, 2025**
	$	**$**	**$**	**$**
Pupil accommodation	2,379,196	**2,806,901**	**(3,022,884)**	**2,163,213**
Proceeds of disposition	57,114	**2,334**	**—**	**59,448**
Other	2,193,823	**9,679,369**	**(8,631,321)**	**3,241,871**
	4,630,133	**12,488,604**	**(11,654,205)**	**5,464,532**

6. 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 the asset acquired.

	2025	2024
	$	$
Balance, beginning of year	**64,239,593**	65,805,978
Capital grants recorded as deferred capital contributions	**6,222,028**	6,300,501
Revenue recognized during the year	**(4,024,366)**	(7,866,886)
Balance, end of year	**66,437,255**	64,239,593

7. Net long-term debt

Net long-term debt reported on the consolidated statement of financial position is comprised of the following:

	2025	2024
	$	$
4.56% Ontario Financing Authority, GPL 1	**563,149**	636,055
4.85% Ontario Financing Authority, GPL 2	**436,294**	481,263
5.01% Ontario Financing Authority, GPL 3	**576,967**	627,715
5.23% Ontario Financing Authority, GPL 4a	**1,267,526**	1,363,013
3.97% Ontario Financing Authority, GPL 4b	**903,068**	963,973
3.564% Ontario Financing Authority, GPL 4c	**3,493,927**	3,728,119
4.003% Ontario Financing Authority, GPL 4d	**623,059**	656,262
	7,863,990	8,456,400

On November 15, 2006, the Board entered into a loan agreement with the OFA to refinance $1,498,725 of the GPL Phase 1 outstanding at that time. The loan is repayable by semi-annual installments of principal and interest of $50,544 based on a 25 year amortization schedule and bears interest of 4.56%. The annual principal and interest costs will be funded by the Ministry.

On March 3, 2008, the Board entered into a loan agreement with the OFA to refinance $970,022 of the GPL Phase 2 outstanding at that time. The loan is repayable by semi-annual installments of principal, interest and administration fee of $34,004 based on a 25 year amortization schedule and bears interest of 4.85%. The annual principal, interest and administration costs will be funded by the Ministry.

On March 13, 2009, the Board entered into a loan agreement with the OFA to refinance $1,150,000 of the GPL Phase 3 outstanding at that time. The loan is repayable by semi-annual installments of principal, interest and administration fee of $40,944 based on a 25 year amortization schedule and bears interest of 5.01%. The annual principal, interest and administration costs will be funded by the Ministry.

On April 14, 2010, the Board entered into a loan agreement with the OFA to refinance $2,290,309 of the GPL Phase 3 and 4 outstanding at that time. The loan is repayable by semi-annual installments of principal, interest and administration fee of $82,784 based on a 25 year amortization schedule and bears interest of 5.23%. The annual principal, interest and administration costs will be funded by the Ministry.

7. Net long-term debt (continued)

On November 25, 2011, the Board entered into a loan agreement with the OFA to refinance $1,535,262 of the GPL Phase 4 and outstanding at that time. The loan is repayable by semi-annual installments of principal, interest and administration fee of $49,288 based on a 25 year amortization schedule and bears interest of 3.97%. The annual principal, interest and administration costs will be funded by the Ministry.

On March 9, 2012, the Board entered into a loan agreement with the OFA to refinance $5,978,491 of the GPL Phase 4 and PTR Stage 1 and 2 outstanding at that time. The loan is repayable by semi-annual installments of principal, interest and administration fee of $182,497 based on a 25 year amortization schedule and bears interest of 3.564%. The annual principal, interest and administration costs will be funded by the Ministry.

On March 12, 2014, the Board entered into a loan agreement with the OFA to refinance $924,990 of the GPL Phase 1, 2, 3 and 4 outstanding at that time. The loan is repayable by semi-annual installments of principal, interest and administration fee of $29,572 based on a 25 year amortization schedule and bears interest of 4.003%. The annual principal, interest and administration costs will be funded by the Ministry.

Principal and interest payments relating to the net long-term debt of $9,811,734 ($10,751,270 in 2024) outstanding as at August 31, 2025 are due as follows:

	Principal payment $	Interest $	Total $
2025/2026	617,870	321,394	939,264
2026/2027	644,454	294,811	939,265
2027/2028	672,210	267,055	939,265
2028/2029	701,192	238,073	939,265
2029/2030	731,456	207,809	939,265
Thereafter	4,496,808	618,602	5,115,410
	7,863,990	1,947,744	9,811,734

8. Retirement and other employee future benefits

Retirement and other employee future benefit liabilities

	Retirement benefits **$**	**Other employee future benefits** **$**	**2025 Total employee future benefits** **$**	2024 Total employee future benefits $
Accrued employee future benefit obligation	**332,119**	**69,986**	**402,105**	500,303
Unamortized actuarial gain (loss)	**3,701**	**—**	**3,701**	(35,982)
Accrued employee future benefit liability, end of year	**335,820**	**69,986**	**405,806**	464,321

The employee future benefits expense below excludes pension contributions to OMERS, a multi-employer pension plan, described below.

Actual benefit payments made during the year totaled $152,223 ($191,619 in 2024).

8. Retirement and other employee future benefits (continued)

Retirement and other employee future benefit expenses

	Retirement benefits $	**Other employee future benefits $**	**2025 Total employee future benefits $**	2024 Total employee future benefits $
Current year benefit cost	**14,493**	**63,468**	**77,961**	132,332
Interest on accrued benefit obligation	**—**	**818**	**818**	(543)
Amortization of actuarial loss	**18,867**	**(3,912)**	**14,955**	21,456
Employee future benefits expenses	**33,360**	**60,374**	**93,734**	153,245

Retirement benefits

(i) Ontario Teacher's Pension Plan

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

(ii) Ontario Municipal Employees Retirement System

All non-teaching employees of the Board are eligible to be members of OMERS, a multi-employer pension plan (the "Plan"). The plan provides defined pension benefits to employees based on their length of service and rates of pay. The Board's contributions equal the employee contributions to the plan. During the year ended August 31, 2025, the Board contributed $1,095,085 ($1,054,813 in 2024) 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.

(iii) Retirement gratuities

The Board provides retirement gratuities to certain groups of employees hired prior to specified dates. The Board provides these benefits through an unfunded defined benefit plan. The benefit costs and liabilities related to this plan are included in the Board's 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.

(iv) Retirement life insurance and health care benefits

Retirement life insurance and health care benefits have been grandfathered to retirees who retired prior to August 31, 2013. Effective September 1, 2013, any new retiree accessing retirement life insurance and health care benefits will pay the full premiums for such benefits and will be included in a separate experience pool that is self-funded.

Employees are able to continue coverage for life insurance, dental and health care benefits after retirement until the members reach 65 years of age; however, the retirees pay a premium associated with this coverage.

8. Retirement and other employee future benefits (continued)

Retirement benefits (continued)

(v) Sick leave accumulations

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 benefits received under the short term leave and disability plan in that year. The Board's liability related to compensated absences from sick leave accumulations has been reduced to a maximum of 11 unused sick leave days per eligible employee.

For accounting purposes, the valuation of the accrued benefit obligation for the sick leave top-up is based on actuarial assumptions about future events determined as at August 31, 2025 (the date at which the probabilities of usage were determined) and is based on the average daily salary and banked sick days of employees as at August 31, 2025.

Other employee future benefits

(i) Workplace Safety and Insurance Board Obligations ("WSIB")

The Board is a Schedule 1 employer under the Workplace Safety and Insurance Act (the "Act") and, as such, the Board insures all claims by its injured workers under the Act. The Board's insurance premiums for the year ended August 31, 2025 were $22,333 ($73,179 in 2024) and are included in the Board's current year benefit costs.

(ii) Long-term disability benefits

The Board provides long-term disability benefits including partial salary compensation and payment of life insurance premiums and health care benefits during the period an employee is unable to work or until their normal retirement date to employees up to the transition to the ELHT or to employees who are not yet members of an ELHT. 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 accrued benefit obligations for employee future benefit plans as at August 31, 2025 are based on actuarial valuations for accounting purposes as at August 31, 2025. These actuarial valuations were based on assumptions about future events. The economic assumptions used in these valuations are the Board's best estimates of expected rates of:

Wages and salary escalation	0.00%
Inflation	2.00%
Medical cost escalation	0.00%
Discount rate on accrued benefit obligations	3.80%
Dental cost escalation	0.00%

9. Expenses by object

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

	Budget $	2025 Actual $	2024 Actual $
Salary and wages	**30,067,519**	**32,430,785**	34,687,774
Employee benefits	**5,243,298**	**5,814,035**	5,961,840
Staff development	**695,933**	**357,211**	412,867
Supplies and services	**4,431,098**	**5,220,892**	4,871,746
Rental expenses	**97,850**	**31,932**	31,822
Interest	**350,000**	**388,444**	364,217
Fees and contract services	**3,303,017**	**3,085,305**	3,415,812
Other	**811,066**	**482,725**	403,639
Transfers to other boards	**76,000**	**—**	—
Amortization of asset retirement obligation	**40,000**	**11,805**	48,379
Amortization of tangible capital assets	**7,500,973**	**4,125,726**	8,058,734
	52,616,754	**51,948,860**	58,256,830

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

The Board participates, for its liability, property and automobile insurance, in the OSBIE, a reciprocal insurance company licensed under the Insurance Act that is funded by the member boards across Ontario. Liability insurance is available to a maximum of $20 million per occurrence.

The ultimate premiums over a five year period are based on both 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 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.

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.

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

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

11. Commitments and contingent liabilities

The Board is committed to various operating leases for premises and equipment which expires fiscal 2025/26. The aggregate minimum lease payments are as follows:

	Minimum lease payments $
2025/2026	15,389

The Board has been named as the defendant in certain legal actions in which damages have been sought. The outcome of these actions is not determinable as at August 31, 2025, therefore, no provision has been made for these claims in the consolidated financial statements. Any losses arising from these actions will be recorded in the year that the related litigation is settled or it is determined that the claim is likely and a reasonable estimate can be made.

12. Repayment of "55 School Board Trust" funding

On June 1, 2003, the Board received $1,718,287 from the "55 School Board Trust" for its capital related debt eligible for provincial funding support pursuant to a 30-year agreement it entered into with the trust. The "55 School Board Trust" was created to refinance the outstanding not permanently financed ("NPF") debt of participating boards who are beneficiaries of the trust. Under the terms of the agreement, the "55 School Board Trust" repaid the board's debt in consideration for the assignment by the board to the trust of future provincial grants payable to the Board in respect of the NPF debt.

The flow-through of $128,014 ($128,014 in 2024) in respect of the above agreement for the year ended August 31, 2025 is not recorded in these consolidated financial statements.

13. Service contracts

(i) CFSA Approval with the Ministry of Training, Colleges and Universities

The Board has a Service Contract/CFSA Approval with the Ministry of Advanced Education and Skills Development. One requirement of the Service Contract/CFSA Approval is the production by Management of a report which shows a summary by service of all revenues and expenditures and any resulting surplus or deficit that relates to the Service Contract/CFSA Approval.

14. Tangible capital assets

	Cost Balance at August 31, 2024 $	**Additions $**	**Disposals, write-offs $**	**Revaluation of TCA-ARO $**	**Cost Balance at August 31, 2025 $**
Land	2,019,997	**—**	**—**	**—**	**2,019,997**
Land improvements	7,648,897	**2,409,470**	**—**	**11,000**	**10,069,367**
Buildings	135,174,673	**3,242,662**	**—**	**42,329**	**138,459,664**
Equipment (5 years)	104,124	**17,572**	**(104,124)**	**—**	**17,572**
Equipment (10 years)	1,040,530	**80,424**	**(546,879)**	**—**	**574,075**
Equipment (15 years)	503,275	**—**	**—**	**—**	**503,275**
First time equipping	1,373,863	**—**	**—**	**—**	**1,373,863**
Furniture	39,307	**—**	**—**	**—**	**39,307**
Computer hardware	541,884	**358,837**	**(78,510)**	**—**	**822,211**
Computer software	206,432	**57,585**	**(29,720)**	**—**	**234,297**
Vehicles-<1 ton	79,241	**55,477**	**—**	**—**	**134,718**
Capital leases - other	476,193	**—**	**—**	**—**	**476,193**
	149,208,416	**6,222,027**	**(759,233)**	**53,329**	**154,724,539**

	Balance at August 31, 2024 $	**Amortization $**	**Disposals, write-offs $**	**Balance at August 31, 2025 $**	**2025 Net book value $**	2024 Net book value $
Land	—	**—**	**—**	**—**	**2,019,997**	2,019,997
Land improvements	5,250,741	**308,532**	**—**	**5,559,273**	**4,510,094**	2,398,156
Buildings	72,847,881	**3,286,929**	**—**	**76,134,810**	**62,324,854**	62,326,792
Equipment (5 years)	93,712	**12,170**	**(104,124)**	**1,758**	**15,814**	10,412
Equipment (10 years)	770,846	**80,730**	**(546,879)**	**304,697**	**269,378**	269,684
Equipment (15 years)	255,520	**27,488**	**—**	**283,008**	**220,267**	247,755
First time equipping	902,973	**137,386**	**—**	**1,040,359**	**333,504**	470,890
Furniture	6,633	**3,931**	**—**	**10,564**	**28,743**	32,674
Computer hardware	206,490	**227,349**	**(78,510)**	**355,329**	**466,882**	335,394
Computer software	59,389	**47,468**	**(29,720)**	**77,137**	**157,160**	147,043
Vehicles-<1 ton	79,241	**5,548**	**—**	**84,789**	**49,929**	—
Capital leases - other	476,193	**—**	**—**	**476,193**	**—**	—
	80,949,619	**4,137,531**	**(759,233)**	**84,327,917**	**70,396,622**	68,258,797

15. Asset Retirement Obligation

The Board has recorded ARO's as of the September 1, 2022 implementation date on a modified retroactive basis, with a restatement of prior year amounts.

As at August 31, 2025, all liabilities for asset retirement obligations are reported at current costs without discounting.

15. Asset Retirement Obligation (continued)

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

	2025	2024
	$	$
Balance, beginnning of year	**1,621,830**	1,564,567
Increase in liabilities reflecting changes in the estimates of liabilities	**53,329**	57,263
Liabilities settled during the year	**(82,130)**	—
Balance, end of year	**1,593,029**	1,621,830

The board made an inflation adjustment increase in estimates of 2.61% as at March 31, 2025 (3.66% as at March 31, 2024), in line with the Provincial government fiscal year end, to reflect costs as at that date. This rate represents the percentage increase in the Canada Building Construction Price Index ("BCPI") survey during the 2024 calendar year, as well as an adjustment to true up the estimated rate that was used at March 31, 2024. This rate is being used to update costs assumptions made in the ARO costing models in order to be reflective of March 31, 2025 costs. Since the March 31 rate each year is determined based on the BCPI for the prior year ending December 31, the rate is updated the following March 31 to true up the prior year estimated rate (based on the 2023 calendar year) to the actual rate for the 12-month period ending March 31, 2024.

The revaluation adjustment has been added to the Tangible Capital Asset – Asset Retirement Obligation balance to be amortized over the remining useful life of the underlying asset, except in the case where the related ARO asset has no remaining useful life, in which case, it is expensed directly.

16. Accumulated surplus

Accumulated surplus consists of the following:

	2025	2024
	$	$
Invested in tangible capital assets	**2,019,998**	2,019,998
School generated funds	**450,967**	356,356
Interest accrual	**(140,780)**	(140,780)
Asset retirement obligation	**(1,351,740)**	(1,422,065)
Working funds	**9,951,929**	9,208,954
Reserves and reserve funds	**3,647,912**	3,688,294
	14,578,286	13,710,757

16. Accumulated surplus (continued)

Reserves and reserve funds set aside for specific purposes by the Board of Trustees consist of the following:

	2025 $	2024 $
Reserve and reserve funds		
Pupil accommodation - school renewal	**160,352**	(160,352)
Capital - equipment	**59,157**	(57,097)
Insurance	**18,082**	(17,453)
Pre-2010 benefit adjustment	**1,674,197**	(1,615,908)
Winning teams	**47,285**	(47,285)
Capital - project	**1,688,839**	(1,790,199)
	3,647,912	(3,688,294)

17. Transportation consortium

On June 16, 2008, the East Thunder Bay Transportation Consortium was created as a Membership Agreement between the Board and Conseil scolaire de district catholique des Aurores boreales, Counseil scolaire de district du Grand Nord de l'Ontario and Superior North Catholic District School Board in order to provide common administration of student transportation in the Region. This agreement was executed in an effort to increase delivery efficiency and cost effectiveness of student transportation for each of the school boards. Under the agreement, decisions related to the financial and operating activities of East of Thunder Bay Transportation Consortium are shared. No partner is in a position to exercise unilateral control.

The Board's consolidated financial statements illustrate the Board's pro-rata share of revenues and expenses for the consortium. The Board's pro-rata share of expenditures for 2025 is 55.59% (63.32% in 2024) based on the number of transported students.

	2025 Total $	2025 Board portion $	2024 Total $	2024 Board portion $
Administrative cost	**281,942**	**157,474**	331,956	210,554
Student transportation	**2,727,134**	**1,515,418**	2,626,769	1,663,047
Total expenditure	**3,009,076**	**1,672,892**	2,958,725	1,873,601

18. 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.

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:

(i) preparers to account for items, transactions and other events not covered by standards;

(ii) auditors to form opinions regarding compliance with accounting standards;

(iii) users in interpreting information in financial statements; and

(iv) Public Sector Accounting Board (PSAB) to develop standards grounded in the public sector environment.

The main changes are:

(i) Additional guidance to improve understanding and clarity

(ii) Non-substantive changes to terminology/definitions

(iii) Financial statement objectives foreshadow changes in the Reporting Model

(iv) Relocation of recognition exclusions to the Reporting Model

(v) 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 retroactivity with restatement of prior year amounts.

The main changes are:

(i) Restructured Statement of Financial Position

(ii) Introduction of financial and non-financial liabilities

(iii) Amended non-financial asset definition

(iv) New components of net assets- accumulated other and issued share capital

(v) Increased clarity regarding presentation of budget comparatives on the statement of operations

(vi) Relocated net debt to its own statement

(vii) Renamed the net debt indicator

(viii) Revised the net debt calculation

(ix) Removed the statement of change in net debt

(x) New statement of net financial assets/liabilities

(xi) New statement of changes in net assets/liabilities

Financing transactions presented separately from operating, capital and investing transactions on the statement of cash flows.