

**Huron-Perth Catholic District  
School Board  
Consolidated Financial  
Statements  
For the year ended August 31, 2025**

**Huron-Perth Catholic District School Board**  
**Consolidated Financial Statements**  
For the year ended August 31, 2025

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**Huron-Perth Catholic District School Board**

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# HURON-PERTH CATHOLIC

## District School Board

### MANAGEMENT REPORT

#### Management's Responsibility for the Consolidated Financial Statements

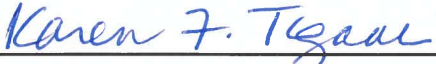
The accompanying consolidated financial statements of the Huron-Perth Catholic District School Board are the responsibility of the Board's management and have been prepared in accordance with the Financial Administration Act, supplemented by Ontario Ministry of Education memorandum 2004:B2 and Ontario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

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

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

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

  
\_\_\_\_\_  
Director of Education / Secretary

  
\_\_\_\_\_  
Superintendent of Business / Treasurer

December 9, 2025



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BDO Canada LLP  
3630 Rhodes Drive  
Windsor, Ontario  
N8W 5A4

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## Independent Auditors' Report

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To the Board of Trustees of the  
Huron-Perth Catholic District School Board

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

In our opinion, the accompanying consolidated financial statements of the Board as at August 31, 2025 are prepared, in all material respects, in accordance with the basis of accounting as described in Note 1 to the consolidated 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 Consolidated Financial Statements* section of our report. We are independent of the Board in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of Matter - Basis of Accounting and Restriction on Use

We draw attention to Note 1 of the consolidated financial statements which describes the basis of accounting used in the preparation of these consolidated financial statements and the significant differences between such basis of accounting and Canadian public sector accounting standards. Our opinion is not modified in respect of this matter.

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

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

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

Those charged with governance are responsible for overseeing the financial reporting process.



## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Board's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Board's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Board to cease to continue as a going concern.
- 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 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.

Chartered Professional Accountants, Licensed Public Accountants

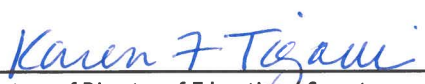
Windsor, Ontario  
December 9, 2025

# Huron-Perth Catholic District School Board

## Consolidated Statement of Financial Position

As at August 31,	2025	2024
<b>Financial Assets</b>		
Cash and cash equivalents	\$ 5,705,542	\$ 6,551,913
Investments (Note 2)	73,418	41,250
Accounts receivable		
Local government	826,287	926,052
Other	1,907,254	1,481,657
Province of Ontario - Approved Capital (Note 3)	7,541,959	9,087,863
Province of Ontario - Delayed Grant Payment (Note 3)	4,877,848	4,486,821
Province of Ontario - Other	306,138	2,112,695
	<u>21,238,446</u>	<u>24,688,251</u>
<b>Financial Liabilities</b>		
Temporary borrowing (Note 9)	352,613	-
Accounts payable and accrued liabilities	3,616,489	8,336,850
Deferred revenue - mandatory (Note 4)	2,653,136	2,483,086
Deferred revenue - other	1,079,227	894,567
Deferred capital contributions (Note 5)	49,772,097	48,939,782
Asset retirement obligation (Note 6)	1,174,249	1,694,025
Employee future benefits liability (Note 8)	1,888,634	1,856,061
Net long-term debt (Note 10, 11 and Note 20)	5,371,616	6,118,434
	<u>65,908,061</u>	<u>70,322,805</u>
<b>Net Debt</b>	<u>(44,669,615)</u>	<u>(45,634,554)</u>
<b>Non-Financial Assets</b>		
Prepaid expenses and inventory	708,870	1,598,639
Tangible capital assets (Note 13)	51,825,207	51,547,278
	<u>52,534,077</u>	<u>53,145,917</u>
<b>Accumulated Surplus (Note 14)</b>	<u>\$ 7,864,462</u>	<u>\$ 7,511,363</u>

Signed on Behalf of The Board

  
 Signature of Director of Education / Secretary

  
 Signature of Chair of School Board

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

# Huron-Perth Catholic District School Board

## Consolidated Statement of Operations

For the year ended August 31,	Budget 2025	2025	2024
	(Unaudited)		
<b>Revenues</b>			
Core Education Funding (Note 15)	\$ 75,963,087	\$ 73,965,059	\$ 77,330,753
Provincial grants - other (Note 16)	1,548,253	2,173,147	1,991,847
Deferred capital contributions - related to third parties (Note 5)	245,832	161,111	246,074
Deferred capital contributions - related to provincial legislative grants (Note 5)	4,670,802	3,043,771	4,310,173
Investment income	300,000	274,909	438,328
Other fees and revenues	372,442	536,435	318,388
School fundraising	1,900,000	1,707,481	1,739,352
	<u>85,000,416</u>	<u>81,861,913</u>	<u>86,374,915</u>
<b>Expenses (Note 17)</b>			
Instruction	59,950,769	58,884,931	58,757,794
Administration	3,574,854	3,628,341	3,279,602
Transportation	7,546,099	7,069,679	6,714,397
Pupil accommodation	11,847,826	10,021,026	11,614,088
Other	180,868	197,356	3,528,599
School funded activities	1,900,000	1,707,481	1,739,352
	<u>85,000,416</u>	<u>81,508,814</u>	<u>85,633,832</u>
<b>Annual surplus</b>	-	353,099	741,083
<b>Accumulated surplus, beginning of year</b>	<u>7,511,363</u>	<u>7,511,363</u>	<u>6,770,280</u>
<b>Accumulated surplus, end of year</b>	\$ 7,511,363	\$ 7,864,462	\$ 7,511,363

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

# Huron-Perth Catholic District School Board

## Consolidated Statement of Cash Flows

For the year ended August 31,	2025	2024
<b>Operations</b>		
Annual surplus	\$ 353,099	\$ 741,083
Add: Amortization of tangible capital assets and asset retirement obligation	3,756,038	4,643,588
Add: Amortization on tangible capital assets - Asset retirement obligation	3,231	71,352
Less: Amortization of deferred capital contributions	(3,204,882)	(4,556,246)
	<u>554,387</u>	<u>158,694</u>
Change in non-cash working capital balances		
Accounts receivable - local government, other, and grants for student needs	1,480,725	(1,373,563)
Accounts payable and accrued liabilities	(4,720,361)	3,482,703
Deferred revenues - mandatory	170,050	(102,853)
Deferred revenues - other	184,660	12,750
Employee future benefits liability	32,573	(60,665)
Prepaid expenses and inventory	889,769	(969,392)
Asset retirement obligation	(519,776)	108,381
<b>Net increase in cash from operations</b>	<u>(1,574,874)</u>	<u>1,997,138</u>
<b>Capital transactions</b>		
Acquisition of tangible capital assets	(4,037,197)	(4,992,022)
<b>Financing</b>		
Temporary borrowing advances	352,613	-
Delayed grant payment	(391,027)	(487,572)
Debt repayments	(746,819)	(708,341)
Deferred capital contributions received	4,037,197	4,883,641
Change in accounts receivable - Province of Ontario, approved capital	1,545,904	(178,641)
	<u>4,797,868</u>	<u>3,509,087</u>
<b>(Decrease) increase in cash and equivalents</b>	<u>(814,203)</u>	<u>514,203</u>
<b>Cash and equivalents, beginning of year</b>	<u>6,593,163</u>	<u>6,078,960</u>
<b>Cash and equivalents, end of year</b>	<u>\$ 5,778,960</u>	<u>\$ 6,593,163</u>
<b>Represented by:</b>		
Cash	\$ 5,705,542	\$ 6,551,913
Short-term debt	73,418	41,250
	<u>\$ 5,778,960</u>	<u>\$ 6,593,163</u>

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



# Huron-Perth Catholic District School Board

## Consolidated Statement of Change in Net Debt

For the year ended August 31,	2025	2024
<b>Annual Surplus</b>	<b>\$ 353,099</b>	<b>\$ 741,083</b>
<b>Tangible Capital Asset Activity</b>		
Acquisition of tangible capital assets and asset retirement obligation	(4,037,197)	(4,992,022)
Amortization of tangible capital assets and asset retirement obligation	3,759,269	4,714,940
	<b>(277,928)</b>	<b>(277,082)</b>
<b>Other Non-Financial Asset Activity</b>		
Acquisition of supplies inventories	(57,122)	(62,351)
Prepayment of expenses	(651,749)	(1,536,288)
Consumption of supplies inventories	62,351	70,531
Use of prepaid expenses	1,536,288	558,716
	<b>889,768</b>	<b>(969,392)</b>
<b>Increase (Decrease) in net debt</b>	<b>964,939</b>	<b>(505,391)</b>
<b>Net debt at beginning of year</b>	<b>(45,634,554)</b>	<b>(45,129,163)</b>
<b>Net debt at end of year</b>	<b>\$ (44,669,615)</b>	<b>\$ (45,634,554)</b>

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

August 31, 2025

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### 1. SIGNIFICANT ACCOUNTING POLICIES

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

#### a) Basis of Accounting

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

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

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

The accounting policy requirements under Ontario Regulation 395/11 are significantly different from the requirements of Canadian public sector accounting standards which require that:

- Government transfers, which do not contain a stipulation that creates a liability, be recognized as revenue by the recipient when approved by the transferor and the eligibility criteria have been met in accordance with public sector accounting standard PS3410;
- Externally restricted contributions be recognized as revenue in the period in which the resources are used for the purpose or purposes specified in accordance with public sector accounting standard PS3100; and
- Property taxation revenue be reported as revenue when received or receivable in accordance with public sector accounting standard PS3510.

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

# Huron-Perth Catholic District School Board

## Notes to Consolidated Financial Statements

August 31, 2025

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### **b) Reporting Entity**

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

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

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

### **c) Trust Funds**

Trust funds and their related operations administered by the Board are not included in the consolidated financial statements as they are not controlled by the Board.

### **d) Cash and Cash Equivalents**

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

### **e) Investments**

The Board has Other Investments in guaranteed investment certificates, which are recorded at amortized cost using the effective interest rate method.

### **f) Investment Income**

Investment income is reported as revenue in the period earned.

When required by the funding government or related Act, investment income earned on externally restricted funds such as pupil accommodation, education development charges and special education forms part of the respective deferred revenue balances.

### **g) Deferred Revenue**

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

### **h) 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, are 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:

# Huron-Perth Catholic District School Board

## Notes to Consolidated Financial Statements

August 31, 2025

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- Government transfers received or receivable for capital purpose
- Other restricted contributions received or receivable for capital purposes
- Property taxation revenues which were historically used to fund capital assets

### i) Retirement and Other Employee Future Benefits

The Board provides defined retirement and other future benefits to specified employee groups. These benefits include pension, retirement gratuity, life and accidental death and dismemberment insurance.

As part of ratified labour collective agreements for unionized employees that bargain centrally and ratified central discussions with the Principals and Vice-Principals Associations, an Employee Life and Health Trust (ELHT) was established for the Ontario English Catholic Teachers' Association (OECTA) in 2016-17 (excluding daily occasional teachers). The following ELHTs were established in 2017-18: Canadian Union of Public Employees (CUPE) (excluding casual and temporary staff), and ONE-T for non-unionized employees including principals and vice-principals. The ELHTs provide health, life and dental benefits to teachers, education workers (excluding casual and temporary staff), other school board staff and retired workers 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 trustee associations and the Government of Ontario. The Board is no longer responsible to provide certain benefits to OECTA (February 1, 2017), CUPE (March 1, 2018), Principals and Vice-principals (April 1, 2018), and other school board staff (June 1, 2018). 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 benefit funding embedded within the Core Education Funding, including additional Ministry funding in the form of a Crown Contribution and Stabilization Adjustment.

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, accumulated sick days at retirement, insurance and health care cost trends, disability recovery rates, long-term inflation rates and discount rates. The cost of retirement gratuities is actuarially determined using the employee's salary, banked sick days and years of service as at August 31, 2012 and management's best estimate of discount rates. Any actuarial gains and losses arising from changes to the discount rate are amortized over the expected average remaining service life of the employee group.

For self-insured retirement and other employee future benefits that vest or accumulated over the periods of service provided by employees, such as life insurance and health care benefits for retirees, the cost is actuarially determined using the projected benefits method prorated on service. Under this method, the benefit costs are recognized over the expected average service life of the employee group.

For those self-insured benefit obligations that arise from specific events that occur from time to time, such as obligations for worker's compensation and long-term disability, the cost is recognized immediately in the period the events occur. Any

# Huron-Perth Catholic District School Board

## Notes to Consolidated Financial Statements

August 31, 2025

actuarial gains and losses that are related to these benefits are recognized immediately in the period they arise.

- (ii) The costs of multi-employer defined pension plan benefits, such as the Ontario Municipal Employees Retirement System pensions, are the employer's contributions due to the plan in the period;
- (iii) The costs of insured benefits are the employer's portion of insurance premiums owed for coverage of employees during the period.

### j) Tangible Capital Assets

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

Leases which transfer substantially all 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	Estimated Useful Life in Years
Land improvements with finite lives	15
Buildings and building improvements	40
Portable Structures	20
First-time equipping of schools	10
Furniture	10
Equipment	5-15
Computer hardware	3
Computer software	5
Vehicles	5-10

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.

### k) Government Transfers

Government transfers, which include legislative grants, are recognized in the consolidated financial statements in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met and reasonable estimates of the amount can be made. If government transfers contain stipulations, which give rise to a liability, they are deferred and recognized in revenue when the stipulations are met.

# Huron-Perth Catholic District School Board

## Notes to Consolidated Financial Statements

August 31, 2025

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Government transfers for capital are deferred as required by Ontario Regulation 395/11, recorded as deferred capital contributions (DCC) and recognized as revenue in the consolidated statement of operations at the same rate and over the same periods as the asset is amortized.

### **l) Budget Figures**

Budget figures have been provided for comparison purposes and have been derived from the Revised Estimates budget approved by the Trustees. The budget approved by the Trustees is developed in accordance with the provincially mandated funding model for school boards and is used to manage program spending within the guidelines of the funding model. The budget figures presented have been adjusted to reflect the same accounting policies that were used to prepare the consolidated financial statements. The budget figures are unaudited.

### **m) Use of Estimates**

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

### **n) Education Property Tax Revenue**

Under Canadian Public Sector Accounting Standards, the entity that determines and sets the tax levy records the revenue in the financial statements, which in the case of the Board, is the Province of Ontario. As a result, education property tax revenue received from the municipalities is recorded as part of Core Education Funding, under Education Property Tax.

### **o) Other Revenue**

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.

### **p) Asset Retirement Obligations**

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:

# Huron-Perth Catholic District School Board

## Notes to Consolidated Financial Statements

August 31, 2025

- there is a statutory, contractual or legal obligation to incur retirement costs in relation to a tangible capital asset;
- the past transaction or event giving rise to the liability has occurred;
- it is expected that future economic benefits will be given up;
- 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. INVESTMENTS

Investments are carried on the Statement of Financial Position. The Board's investments are comprised of GICs recorded at amortized cost that are held in trust for student bursaries paid out annually. Investments consist of the following:

		Interest Rate	Amount as at	Amount as at
	Maturity Date	(%)	August 31, 2025	August 31, 2024
			(\$)	(\$)
GIC #1	June 26, 2026	2.59%	\$ 3,707	\$ 4,481
GIC #2	May 22, 2026	3.00%	21,136	28,687
GIC #3	April 30, 2026	2.70%	7,990	8,082
GIC #4	June 3, 2026	3.00%	16,411	-
GIC #5	May 22, 2026	3.00%	2,500	-
GIC #6	May 22, 2026	3.00%	10,000	-
GIC #7	May 22, 2026	3.00%	4,527	-
GIC #8	May 22, 2026	3.00%	4,954	-
GIC #9	May 26, 2026	3.00%	2,193	-
<b>Total</b>			<b>\$ 73,418</b>	<b>\$ 41,250</b>

## 3. ACCOUNTS RECEIVABLE - GOVERNMENT OF ONTARIO

The Province of Ontario replaced variable capital funding with a one-time debt support grant in 2009-10. The Huron-Perth Catholic District School Board received a one-time grant that recognizes capital debt as of August 31, 2010 that is supported by the existing capital programs. The Board receives this grant in cash over the remaining term of the existing capital debt instruments. The Board may also receive yearly capital grants to support capital programs which would be reflected in this account receivable.

# Huron-Perth Catholic District School Board

## Notes to Consolidated Financial Statements

August 31, 2025

The Board has an account receivable from the Province of Ontario of \$7,541,959 as at August 31, 2025 (2024 - \$9,087,863) 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 delays part of the grant payment to school boards where the adjusted accumulated surplus and deferred revenue balances are in excess of certain criteria set out by the Ministry. The balance of delayed grant payments at August 31, 2025 is \$4,877,848 (2024 - \$ 4,486,821).

### 4. DEFERRED REVENUE

Revenues received and that have been set aside for specific purposes by legislation, regulation or agreement are included in deferred revenue and reported on the Consolidated Statement of Financial Position. Deferred revenue set-aside for specific purposes by legislation, regulation or agreement as at August 31, 2025 is comprised of:

	Balance as at August 31, 2024	Externally Restricted Revenue Received	Revenue Recognized in the Period	Transfers to Deferred Capital Contributions	Balance as at August 31, 2025
Legislative Grants, Operating	\$ 1,270,608	\$ 11,418,983	\$ 11,208,878	\$ -	\$ 1,480,713
Other Ministry of Education Grants	88,890	1,873,401	1,900,829	-	61,462
School Renewal	447,482	891,371	210,308	562,983	565,562
Rural & Northern Education Fund	458,760	397,560	331,320	-	525,000
Experiential Learning	200,000	-	200,000	-	-
Ministry of Public & Business Service Delivery	17,346	24,584	21,531	-	20,399
<b>Total Deferred Revenue</b>	<b>\$ 2,483,086</b>	<b>\$ 14,605,899</b>	<b>\$ 13,872,866</b>	<b>\$ 562,983</b>	<b>\$ 2,653,136</b>



# Huron-Perth Catholic District School Board

## Notes to Consolidated Financial Statements

August 31, 2025

### 5. DEFERRED CAPITAL CONTRIBUTIONS

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

Amortization of deferred capital contributions reporting on the Statement of Operations has been modified to remove the reporting from the Provincial Legislative Grants line and identify the split between Amortization of DCC Related to Provincial Legislative Grants and Amortization of DCC related to Third Parties (for example, Federal Government capital funding).

	<b>2025</b>	<b>2024</b>
<b>Balance, beginning of year</b>	\$ 48,939,782	\$ 48,612,387
Additions to DCC	4,037,197	4,833,642
Revenue recognized in the period - provincial legislative grants	(3,043,771)	(4,310,173)
Revenue recognized in the period - third parties	(161,111)	(246,074)
<b>Balance, end of year</b>	<b>\$ 49,772,097</b>	<b>\$ 48,939,782</b>

### 6. ASSET RETIREMENT OBLIGATIONS

The Board's financial statements include an asset retirement obligation for the remediation of asbestos contained within school buildings, drinking water wells, septic tank and bed removal.

The Board discounts significant obligations where there is a high degree of confidence on the amount and timing of cash flows and under the assumption that the liability will be settled at the end of the building's productive useful life. The discount and inflation rates are reflective of the risks specific to the asset retirement liability. As at August 31, 2025, liabilities for asset retirement obligations are reported at discounted cost with accretion. A discount rate of 4.95% was used in this calculation.

The liability is expected to be settled as the assets are renovated or sold as is.

	<b>2025</b>	<b>2024</b>
<b>Balance, beginning of year</b>	\$ 1,694,025	\$ 1,585,644
Change in liability due to changes in estimate	(551,799)	108,381
Increase due to accretion expense	59,525	-
Liabilities settled during the year	(27,502)	-
<b>Balance, end of year</b>	<b>\$ 1,174,249</b>	<b>\$ 1,694,025</b>

# Huron-Perth Catholic District School Board

## Notes to Consolidated Financial Statements

August 31, 2025

### 7. FINANCIAL INSTRUMENTS

The Board's financial instruments consist of cash, other investments (GICs), accounts receivable, accounts payable and accrued liabilities, long-term debt and ARO liabilities.

The Board is exposed to a variety of financial risks including credit risk, liquidity risk and market risk. The Board's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Board's financial performance.

#### Credit Risk

The Board's principal financial assets are cash, accounts receivable and investments, which are subject to credit risk. The carrying amounts of financial assets on the Consolidated Statement of Financial Position represent the Board's maximum credit exposure as at the Consolidated Statement of Financial Position date.

#### Liquidity Risk

Liquidity risk is the risk that the Board will not be able to meet all cash flow obligations as they come due. The Board mitigates the risk by monitoring cash activities and expected outflows through extensive budgeting and maintaining sufficient cash on hand if unexpected cash outflows arise.

#### Market risk

The Board is exposed to interest rate risk and price risk with regard to its portfolio and other investments and interest rate risk on its long-term debt, all of which are regularly monitored.

The Board's financial instruments consist of cash, other investments (GICs), accounts receivable accounts payable and accrued liabilities, and long-term debt. It is the Board's opinion that the Board is not exposed to significant interest rate or currency risks arising from these financial instruments except as otherwise disclosed.

### 8. RETIREMENT AND OTHER EMPLOYEE FUTURE BENEFITS

Retirement and Other Employee Future Benefit Liabilities			2025	2024
	Retirement Benefits	Other Employee Future Benefits	Total Employee Future Benefits	Total Employee Future Benefits
Accrued Employee Future Benefit Obligations at August 31	\$ 1,042,148	\$ 826,546	\$ 1,868,694	\$ 1,831,922
Unamortized Actuarial Gains (Losses) at August 31	19,940	-	19,940	24,139
<b>Employee Future Benefits Liability at August 31</b>	<b>\$ 1,062,088</b>	<b>\$ 826,546</b>	<b>\$ 1,888,634</b>	<b>\$ 1,856,061</b>

# Huron-Perth Catholic District School Board

## Notes to Consolidated Financial Statements

August 31, 2025

Retirement and Other Employee Future Benefit Expenses			2025	2024
	Retirement Benefits	Other Employee Future Benefits	Total Employee Future Benefits	Total Employee Future Benefits
Current Year Benefit Cost	\$ -	\$ 422,122	\$ 422,122	\$ 254,938
Interest on Accrued Benefit Obligation	40,651	19,857	60,508	72,792
Recognized Actuarial (Gains)/Losses	(4,254)	(14,332)	(18,586)	(16,292)
<b>Employee Future Benefits Expenses<sup>1</sup></b>	<b>\$ 36,397</b>	<b>\$ 427,647</b>	<b>\$ 464,044</b>	<b>\$ 310,938</b>

<sup>1</sup> Excluding pension contributions to the Ontario Municipal Employees Retirement System, a multi-employer pension plan, described below.

### Actuarial Assumptions

The accrued benefit obligations for employee future benefit plans as at August 31, 2025 are based on actuarial assumptions of future events determined for accounting purposes as at August 31, 2025 and based on updated average daily salary and banked sick days as at August 31, 2025. These valuations take into account the plan changes outlined above and the economic assumptions used in these valuations are the Board's best estimates of expected rates of:

	2025	2024
Inflation		
Retirement Gratuity	2.00%	2.00%
Other Future Employee Benefits	2.00%	2.00%
Wage and Salary Escalation		
Other Future Employee Benefits	2.00%	2.00%
Discount on Accrued Benefit Obligations		
Retirement Gratuity	3.80%	3.80%
Other Future Employee Benefits	3.80%	3.80%

### 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 of Ontario. The pension costs and obligations related to this plan are a direct responsibility of the province. Accordingly, no costs or liabilities related to this plan are included in the Board's consolidated financial statements.

# Huron-Perth Catholic District School Board

## Notes to Consolidated Financial Statements

August 31, 2025

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### (ii) Ontario Municipal Employees Retirement System

All non-teaching employees of the Board are eligible to be members of the Ontario Municipal Employees Retirement System (OMERS), a multi-employer pension plan. The plan provides defined pension benefits to employees based on their length of service and rates of pay. The Board contributions equal the employee contributions to the plan. During the year ended August 31, 2025, the Board contributed \$1,216,205 (2024 - \$1,201,634) to the plan. As this is a multi-employer pension plan, these contributions are the Board's pension benefit expenses. No pension liability for this type of plan is included in the Board's consolidated financial statements.

As at December 31, 2024, the OMERS plan was in a deficit of \$2.9 billion (2023 - \$4.2 billion). There were no changes to contribution rates in 2025 and contribution rates and will remain unchanged in 2025. Pension payments increased by a cost-of-living adjustment of 4.42% in 2024 and 2.61% in 2025. The multiemployer plan is valued on a current market basis for all plan assets. The projected benefit method prorated on services was used for the actuarial valuation.

### (iii) Retirement Gratuities

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

## **Other Employee Future Benefits**

### (i) Workplace Safety and Insurance board Obligations

The Board is a Schedule 2 employer under the Workplace Safety and Insurance Act and, as such, assumes responsibility for the payment of all claims to its injured workers under the Act. The Board does not fund these obligations in advance of payments made under the Act. The benefit costs and liabilities related to this plan are included in the Board's consolidated financial statements. School boards are required to provide salary top-up to a maximum of 4.5 years for employees receiving payments from the Workplace Safety and Insurance board, where the collective agreement negotiated prior to 2012 included such a provision. As at August 31, 2025 the Board has established an internal reserve for WSIB obligations amounting to \$400,000 (2024 - \$400,000).

### (ii) Sick Leave Top-Up Benefits

A maximum of eleven unused sick leave days from the current year may be carried forward into the following year only, to be used to top-up salary for illnesses paid through the short-term leave and disability plan in that year. The benefit costs expensed in the financial statements are \$28,422 (2024 - \$33,452).

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

# Huron-Perth Catholic District School Board

## Notes to Consolidated Financial Statements

August 31, 2025

### 9. TEMPORARY BORROWING

The Board has a line of credit available to a maximum of \$3,000,000 to address operating requirements at an interest rate of prime minus 0.25%. As at August 31, 2025 the Board was not utilizing this credit facility.

Effective June 30, 2024, bankers' acceptances are no longer offered and as a result, all term loans are available by adjusted Term Canadian Overnight Repo Rate Average (CORRA) based advances, bearing interest at the Adjusted Term CORRA rate. The Board has a term loan, payable on demand, with a limit of \$8,674,299 for the purpose of providing interim funding under capital programs including Capital Priorities and Child Care Capital. Draws occur as capital expenses are incurred and repayments occur as funds are received from the province. As at August 31, 2025 the balance of this loan is \$352,613 (2024 - \$0), bearing interest at the CORRA rate plus 1.5% per annum.

### 10. NET LONG TERM DEBT

Net long-term debt reported on the Consolidated Statement of Financial Position comprises the following:

	2025	2024
BNY Mellon Trust Company, repayable in semi-annual payments of \$118,157 including interest at 5.80%, calculated semi-annually not in advance, due November 2028	\$ 738,933	\$ 924,288
BNY Mellon Trust Company, repayable in semi-annual payments of \$184,898 including interest at 5.483%, calculated semi-annually not in advance, due November 2029	1,457,148	1,735,549
Ontario Financing Authority, repayable in semi-annual payments of \$37,797 including interest at 4.56%, calculated semi-annually not in advance, due November 2031	421,127	475,647
Ontario Financing Authority, repayable in semi-annual payments of \$33,463 including interest at 4.90%, calculated semi-annually not in advance, due March 2033	429,352	473,606

# Huron-Perth Catholic District School Board

## Notes to Consolidated Financial Statements

August 31, 2025

	2025	2024
Ontario Financing Authority, repayable in semi-annual payments of \$123,471 including interest at 5.047%, calculated semi-annually not in advance, due November 2034	1,845,542	1,993,708
Ontario Financing Authority, repayable in semi-annual payments of \$31,318 including interest at 5.232%, calculated semi-annually not in advance, due April 2035	479,514	515,636
	<b>\$5,371,616</b>	<b>\$6,118,434</b>

Principal and interest payments relating to long-term debt of \$6,470,689 outstanding as at August 31, 2025 are due as follows:

	Principal Repayments	Interest	Total Future Payment by Year
2026	787,395	270,813	1,058,208
2027	830,187	228,021	1,058,208
2028	875,315	182,892	1,058,207
2029	804,753	135,298	940,051
2030	541,512	95,483	636,996
Thereafter	1,532,454	186,565	1,719,019
<b>Future Year Total</b>	<b>\$ 5,371,616</b>	<b>\$ 1,099,072</b>	<b>\$ 6,470,689</b>

### 11. DEBT CHARGES AND CAPITAL LOAN INTEREST

	2025	2024
Principal payments on long-term liabilities	\$ 746,819	\$ 708,341
Interest expense on long-term liabilities	299,767	339,221
	<b>\$ 1,046,586</b>	<b>\$ 1,047,562</b>

August 31, 2025

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### 12. ONTARIO SCHOOL BOARD INSURANCE EXCHANGE (OSBIE)

The school board is a member of the Ontario School Board Insurance Exchange (OSBIE), a reciprocal insurance company licensed under the Insurance Act of Ontario. OSBIE insures general liability, property damage and certain other risks. Liability insurance is available to a maximum of \$27,000,000 per occurrence. Premiums paid to OSBIE for the policy year ending December 31, 2025 were \$121,995 (2024 - \$108,191).

Any school board wishing to join OSBIE must execute a reciprocal insurance exchange agreement whereby every member commits to a five-year subscription period, the current one of which will end on December 31, 2026.

OSBIE exercises stewardship over the assets of the reciprocal, including the guarantee fund. While no individual school board enjoys any entitlement to access the assets of the reciprocal, the agreement provides for two circumstances when a school board, that is a member of a particular underwriting group, may receive a portion of the accumulated funds of the reciprocal.

- 1) In the event that the Board of directors determines, in its absolute discretion, that the exchange has accumulated funds in excess of those required to meet the obligations of the Exchange, in respect of claims arising in prior years in respect of the underwriting group, the Board of Directors may reduce the actuarially determined rate for policies of insurance or may grant premium credits or policyholder dividends for that underwriting group in any subsequent underwriting year.
- 2) Upon termination of the exchange of reciprocal contracts of insurance within an Underwriting Group, the assets related to the Underwriting Group, after payment of all obligations, and after setting aside an adequate reserve for further liabilities, shall be returned to each Subscriber in the Underwriting Group according to its subscriber participation ratio and after termination the reserve for future liabilities will be reassessed from time to time and when all liabilities have been discharged, any remaining assets returned as the same basis upon termination.

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

**Huron-Perth Catholic District School Board**  
**Notes to Consolidated Financial Statements**

**August 31, 2025**

**13. TANGIBLE CAPITAL ASSETS**

	Cost					Accumulated Amortization					Net Book Value	
	Balance at September 1, 2024	Additions & Transfers	Revaluation of TCA-ARO	Disposals	Closing August 31, 2025	Balance at September 1, 2024	Amortization	Revaluation of ARO	Disposals	Closing August 31, 2025	August 31, 2024	August 31, 2025
Land	\$ 1,156,106	\$ -	\$ -	\$ -	\$ 1,156,106	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,156,106	\$ 1,156,106
Land Improvements	4,275,380	723,210	-	(28,935)	\$ 4,969,654	989,195	308,168		(28,935)	\$ 1,268,427	\$ 3,286,185	\$ 3,701,227
Buildings	94,114,303	2,387,843	(678,578)	(23,439)	\$ 95,800,129	49,085,542	2,370,982	(214,767)	(23,439)	\$ 51,218,319	\$ 45,028,761	\$ 44,581,810
Portable Structures	1,254,030	23,086	-	-	\$ 1,277,116	222,681	65,275		-	\$ 287,956	\$ 1,031,349	\$ 989,160
Construction in Progress	32,446	452,538	-	-	\$ 484,984	-	-		-	\$ -	\$ 32,446	\$ 484,984
First Time Equipping	75,150	-	-	(58,124)	\$ 17,026	62,126	4,609		(58,124)	\$ 8,611	\$ 13,024	\$ 8,415
Furniture	12,629	-	-	-	\$ 12,629	10,735	1,263		-	\$ 11,998	\$ 1,894	\$ 631
Equipment 15yrs	63,167	-	-	-	\$ 63,167	31,487	4,211		-	\$ 35,698	\$ 31,680	\$ 27,469
Equipment 10yrs	306,141	102,531	-	(14,254)	\$ 394,418	135,043	35,028		(14,254)	\$ 155,816	\$ 171,098	\$ 238,601
Equipment 5 yrs	370,150	17,439	-	(248,060)	\$ 139,529	269,235	50,968		(248,060)	\$ 72,143	\$ 100,915	\$ 67,386
Computer Hardware	1,407,133	330,549	-	(496,771)	\$ 1,240,911	729,734	441,340		(496,771)	\$ 674,303	\$ 677,399	\$ 566,608
Computer Software	79,787	-	-	(51,693)	\$ 28,094	66,190	10,788		(51,693)	\$ 25,285	\$ 13,597	\$ 2,809
Vehicle	28,233	-	-	(28,233)	\$ -	25,410	2,823		(28,233)	\$ -	\$ 2,823	\$ -
<b>TOTAL</b>	<b>\$ 103,174,655</b>	<b>\$ 4,037,196</b>	<b>\$ (678,578)</b>	<b>\$ (949,510)</b>	<b>\$ 105,583,763</b>	<b>\$ 51,627,378</b>	<b>\$ 3,295,456</b>	<b>\$ (214,767)</b>	<b>\$ (949,510)</b>	<b>\$ 53,758,557</b>	<b>\$ 51,547,277</b>	<b>\$ 51,825,206</b>



# Huron-Perth Catholic District School Board

## Notes to Consolidated Financial Statements

August 31, 2021

### 14. ACCUMULATED SURPLUS

Accumulated surplus consists of the following:

	2025	2024
<b>Available for Compliance - Unappropriated</b>		
Accumulated Operating Surplus	\$ 2,751,973	\$ 2,941,276
<b>Available for Compliance – Internally Appropriated</b>		
Retirement Gratuities	457,516	457,516
WSIB	400,000	400,000
Classroom Budget Allocation	226,232	226,232
Board Projects	709,165	770,707
OFSAA	87,108	90,000
Transportation	380,000	-
Sinking Fund Interest	51,656	55,960
Board Capital	2,345,785	2,179,002
<b>Total Internally Appropriated</b>	<b>\$ 4,657,462</b>	<b>\$ 4,179,417</b>
<b>Unavailable for Compliance</b>		
Revenues Recognized for Land	\$ 1,156,106	\$ 1,156,106
Asset Retirement Obligation	(1,125,727)	(1,178,462)
School-Generated Funds	506,392	506,392
Interest to be Accrued	(81,744)	(93,366)
<b>Total Externally Appropriated</b>	<b>\$ 455,027</b>	<b>\$ 390,670</b>
<b>Total Accumulated Surplus</b>	<b>\$ 7,864,462</b>	<b>\$ 7,511,363</b>

### 15. CORE EDUCATION FUNDING

School boards in Ontario receive the majority of their funding from the provincial government. This funding comes in two forms: provincial legislative grants and local taxation in the form of education property tax. The provincial government sets the education property tax rate. Municipalities in which the Board operates collect and remit education property taxes on behalf of the Province of Ontario. The Province of Ontario provides additional funding up to the level set by the education funding formulas. Eighty-seven percent of the consolidated revenues of the Board are directly controlled by the provincial government through the core education funding. The payment amounts of this funding are as follows:

# Huron-Perth Catholic District School Board

## Notes to Consolidated Financial Statements

August 31, 2025

	<b>Budget 2025</b>	<b>2025</b>	<b>2024</b>
Education Property Tax	\$ 7,745,300	\$ 7,725,956	\$ 7,839,932
Provincial Legislative Grants	68,217,787	66,239,102	69,490,821
	<b>\$ 75,963,087</b>	<b>\$ 73,965,059</b>	<b>\$ 77,330,753</b>

### 16. PROVINCIAL GRANTS – OTHER

The following is a summary of other provincial grant revenue:

	<b>Budget 2025</b>	<b>2025</b>	<b>2024</b>
Responsive Education Programs	\$ 1,304,715	\$ 1,900,829	\$ 1,658,926
Government Entity Reporting	243,538	272,319	332,921
Other	-	-	-
	<b>\$ 1,548,253</b>	<b>\$ 2,173,147</b>	<b>\$ 1,991,847</b>

### 17. EXPENSES BY OBJECT

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

	<b>Budget 2025</b>	<b>2025</b>	<b>2024</b>
Salary and Wages	\$ 51,170,701	\$ 51,457,413	\$ 54,626,482
Employee Benefits	9,308,163	9,188,297	9,092,870
Staff Development	508,998	415,407	436,185
Supplies and Services	9,435,389	8,493,962	8,630,895
Interest	299,767	299,767	339,221
Rental Expenditures	96,436	95,038	94,760
Fees and Contract Services	8,969,766	8,046,551	7,547,625
Other	135,868	157,399	150,856
Amortization, Write-Downs and Net Loss on Disposal of TCA & ARO	5,075,328	3,354,980	4,714,938
	<b>\$ 85,000,416</b>	<b>\$ 81,508,814</b>	<b>\$ 85,633,832</b>

# Huron-Perth Catholic District School Board

## Notes to Consolidated Financial Statements

August 31, 2025

### 18. TRANSPORTATION CONSORTIUM

The Board provides transportation services in partnership with the Avon Maitland 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 Boards. Under the agreement, decisions related to the financial and operating activities of the Huron Perth Student Transportation Services Consortium are shared. No partner is in a position to exercise unilateral control.

The Board's consolidated financial statements reflect proportionate consolidation, whereby they include the assets that it controls, the liabilities that it has incurred, and its pro-rata share of revenues and expenses. The Board's pro-rata share for 2025 is 30.6% (2024 – 28.7%)

The following provides condensed financial information.

	2025	2024
<b>Operations</b>		
Revenues	\$ 6,961,580	\$ 6,696,263
Transportation Expenses	6,759,453	6,494,179
Administration Expenses	202,127	202,084
<b>Annual Surplus/ (Deficit)</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Financial Position</b>		
Financial Assets	\$ 99,917	\$ 102,175
Liabilities	99,917	102,175
<b>Accumulated Surplus/ (Deficit)</b>	<b>\$ -</b>	<b>\$ -</b>

### 19. REPAYMENT OF "55 SCHOOL BOARD TRUST" FUNDING

On June 1, 2003, the Board received \$1,823,717 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.

As a result of the above agreement, the liability in respect of the NPF debt is no longer reflected in the Board's financial position. The flow-through of \$135,868 (2024 - \$135,868) in grants in respect of the above agreement for the year ended August 31, 2025, is recorded in these consolidated financial statements.

# Huron-Perth Catholic District School Board

## Notes to Consolidated Financial Statements

August 31, 2025

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### 20. RELATED PARTY DISCLOSURES

The Board carries long term debt financed through the Ontario Financing Authority (OFA) which is a provincial agency and related party. This borrowing was incurred to finance capital projects and is included in the Statement of Financial Position as a long-term debt, in the amount of \$3,175,535 (2024- \$3,458,599). The Board made principal payments of \$283,064 (2024 - \$269,546) and recorded an expense for interest payments of \$169,034 (2024 - \$182,551) related to this debt. Repayment terms are provided in Note 10.

### 21. CONTRACTUAL OBLIGATIONS AND CONTINGENT LIABILITIES

In the normal course of business, various claims and litigious matters may be pending by and against the Board. In respect of any outstanding claims, in managements judgement, no material exposure exists on the eventual settlement of such litigation. Accordingly, no provision has been made in the accompanying consolidated financial statements.

At August 31, 2025 the Board has commitments related to construction contracts in the amount of \$498,673 (2024 - \$1,696,883).

### 22. 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:

- 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;
- Increased clarity regarding presentation of budget comparatives on Statement of Operations
- Financing transactions presented separately from operating, capital and investing transactions on Statement of Cash Flows 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.

# **Huron-Perth Catholic District School Board**

## **Notes to Consolidated Financial Statements**

**August 31, 2025**

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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.