Grant Thornton

Consolidated Financial Statements

The Protestant Separate School Board of the Town of Penetanguishene

August 31, 2021

Contents

MANAGEMENT REPORT

Year ended August 31, 2021

Management's Responsibility for the Consolidated Financial Statements

The accompanying consolidated financial statements of the Protestant Separate School Board of the Town of Penetanguishene are the responsibility of the Board 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 judgement, 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 Grant Thornton 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.

Lynne Cousens **Board Chair**	**Sean Turner** **Manager of Finance & Treasurer**

February 14, 2022

Independent Auditor's Report

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To the Board of Trustees of
The Protestant Separate School Board of the Town of Penetanguishene

Opinion

We have audited the consolidated financial statements of The Protestant Separate School Board of the Town of Penetanguishene, (the "Board"), which comprise the consolidated statement of financial position as at August 31, 2021, and the consolidated statement of operations, changes in net assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Board as at August 31, 2021, and its results of operations and its cash flows for the year then ended in accordance with basis of accounting described in Note 1 of 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

We draw attention to Note 1 to 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.

Emphasis of matter - comparative information

We draw attention to Note 2 to the consolidated financial statements, which explains that certain comparative information presented for the year ended August 31, 2020 has been restated. 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 and fair presentation of the consolidated financial statements in accordance with the basis of accounting described in Note 1 of the consolidated financial statements, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Independent Auditor's Report (continued)

Auditor's Responsibilities for the Audit of the 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 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Grant Thornton LLP

Barrie, Canada
February 14, 2022

Chartered Professional Accountants
Licensed Public Accountants

The Protestant Separate School Board of the Town of Penetanguishene
Consolidated Statement of Operations

Year ended August 31	Budgeted	**2021**	2020 Restated (Note 2)
Revenue			
Provincial grants			
Grant for student needs	$ 4,956,703	**$ 4,617,253**	$ 4,640,646
Other	588,956	**692,260**	354,779
Local Taxation	310,652	**313,193**	312,334
Contributed capital	-	**-**	43,175
School generated funds	10,639	**5,799**	67,072
Other fees and revenues	174,099	**33,362**	14,830
	6,041,049	**5,661,867**	5,432,836
Expenses (Note 7)			
Instruction	5,109,378	**4,666,806**	4,377,423
Administration	407,273	**399,449**	374,678
Transportation	168,058	**163,116**	136,042
Pupil accommodation	418,799	**260,388**	265,738
School generated fund	10,639	**32,007**	43,453
Other	350,185	**272,600**	286,748
Total Expenses	6,464,332	**5,794,366**	5,484,082
Annual deficit	(423,283)	**(132,499)**	(51,246)
Accumulated surplus, beginning of year	5,629,536	**5,629,536**	5,680,782
Accumulated surplus, end of year	$ 5,206,253	**$ 5,497,037**	$ 5,629,536

See accompanying notes to the consolidated financial statements.

The Protestant Separate School Board of the Town of Penetanguishene
Consolidated Statement of Financial Position

August 31	2021	2020 Restated (Note 2)
Financial assets		
Cash and cash equivalents	**$ 1,399,749**	$ 1,125,457
Receivables	**228,879**	179,879
	1,628,628	1,305,336
Payables and accruals	**228,356**	210,549
Deferred revenue (Note 3)	**434,810**	263,886
Retirement and other employee future benefits liabilities (Note 4)	**48,344**	46,551
Net long-term liabilities (Note 6)	**950**	950
	712,460	521,936
Net financial assets (Page 6)	**916,168**	783,400
Non-financial assets		
Tangible capital assets (Note 8)	**4,580,869**	4,846,136
Accumulated surplus (Note 9)	**$ 5,497,037**	$ 5,629,536

Commitments (Note 11)

Signed on behalf of the Board

Director of Education, ____________________ Board Chair, ____________________

See accompanying notes to the consolidated financial statements.

The Protestant Separate School Board of the Town of Penetanguishene
Consolidated Statement of Cash Flows

Year ended August 31	**2021**	2020 Restated (Note 2)
Operating		
Annual deficit	**$ (132,499)**	$ (51,246)
Sources and (uses)		
Non-cash items including amortization, write downs and gains/loss on disposal	**274,376**	286,748
Decrease (increase) in receivables	**(49,000)**	(15,365)
Increase in payables and accruals	**17,807**	102,379
Increase (decrease) in deferred revenue	**170,924**	(112,894)
Increase in retirement and other employee future benefits liabilities	**1,793**	1,170
	283,401	210,792
Financing		
Decrease in capital lease obligations	**-**	(11,411)
Capital transactions		
Purchase of tangible capital assets	**(9,109)**	(25,332)
Increase in cash and cash equivalents	**274,292**	174,049
Cash and cash equivalents		
Cash and cash equivalents, beginning of year	**1,125,457**	951,408
Cash and cash equivalents, end of year	**$ 1,399,749**	$ 1,125,457

See accompanying notes to the consolidated financial statements.

The Protestant Separate School Board of the Town of Penetanguishene
Consolidated Statement of Changes in Net Assets

Year ended August 31	Budgeted	**2021**	2020 Restated (Note 2)
Annual deficit	$ (423,283)	**$ (132,499)**	$ (51,246)
Acquisition of tangible capital assets	-	**(9,109)**	(25,332)
Amortization of tangible capital assets	350,185	**272,600**	286,748
Loss on disposal of tangible capital assets	-	**1,776**	-
	350,185	**265,267**	261,416
(Decrease) increase in net assets	(73,098)	**132,768**	210,170
Net assets, beginning of year	783,400	**783,400**	573,230
Net assets, end of year	$ 710,302	**$ 916,168**	$ 783,400

See accompanying notes to the financial statements.

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. School authorities are not expected to report deferred capital contributions since school authorities do not meet the Ministry of Education's corporate threshold for this reporting requirement.

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

- government transfers, 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 would be recorded differently under Canadian Public Sector Accounting Standards.

1. Significant accounting policies, continued

(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 Protestant Separate School Board (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.

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

(c) Cash and cash equivalents

Cash and cash equivalents are comprised 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 short maturity term of less than 90 days.

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

(f) Retirement and Other Employee Future Benefits

The Board provides defined retirement and other future benefits to specified employee groups. These benefits include pension, life insurance, health care benefits, dental benefits, retirement gratuity, worker's compensation and long-term disability benefits.

As part of ratified labour collective agreements for unionized employees that bargain centrally and ratified central discussions with Teachers and Education Workers, the following Employee Life and Health Trusts (ELHTs) were established in 2016-2017: Elementary Teachers' Federation of Ontario (ETFO). The following ELHTs were established in 2017-2018: Ontario Non-union Education Trust (ONE-T) for non-unionized employees including principals and other school board staff. The ELHTs provide health, dental and life insurance benefits to teachers (excluding daily occasional teachers), education workers (excluding casual and temporary staff), Principals and Vice Principals, and other school board staff. These benefits are provided through a joint governance structure between the bargaining/employee groups, school board trustees' associations and the Government of Ontario. Boards no longer administer health, life and dental plans for their employees and instead are required to fund the ELHTs on a monthly basis based on a negotiated amount per full-time equivalency (FTE). Funding for the ELHTs is based on the existing benefits funding embedded within the Grants for Student Needs (GSN), including additional ministry funding in the form of a Crown contribution and Stabilization Adjustment.

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. These 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 using the employee's salary, banked sick days (if applicable) 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 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 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.

1. Significant accounting policies, continued

(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, 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 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:

Buildings	20 - 40 years
Portable structures	20 years
Equipment	5 - 15 years
First time equipping of schools	10 years
Leasehold improvements	Over the lease term
Computer hardware	5 years

Assets under construction and assets that relate to pre-acquisition and pre-construction costs are not amortized until the asset is available for productive use.

Land permanently removed from service and held for resale is recorded at the lower of cost and estimated net realizable value. Cost includes amounts for improvements to prepare the land for sale or servicing. Buildings permanently removed from service and held for resale cease to be amortized and are recorded at the lower of carrying value and estimated net realizable value. Tangible capital assets which meet the criteria for financial assets are reclassified as “assets held for sale” on the consolidated statement of financial position.

Works of art and cultural and historic assets are not recorded as assets in these consolidated financial statements.

(h) 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.

1. Significant accounting policies, continued

(i) 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.

(j) Long term debt

Long term debt is recorded net of related sinking fund asset balances.

(k) Budget Figures

Budget figures have been provided for comparison purposes and have been derived from the 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.

(l) Use of estimates

The preparation of consolidated 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. Accounts subject to significant estimates include accruals, retirement and other employee future benefit liabilities and amortization. Actual results could differ from these estimates.

(m) 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, property tax revenue received from the municipalities is recorded as part of Provincial Legislative Grants.

2. Change in accounting policy

During the year, the Board adopted for a voluntary change in accounting policy to derecognize deferred capital contributions previously recorded per 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. However, the Board is a school authority and is not required to record deferred capital contributions per Ministry guidance. Therefore, the deferred capital contributions were derecognized. This change in accounting policy was applied retrospectively and the figures for 2020 have been restated.

	As previously reported	Adjustment	Restated
Consolidated Statement of Operations for the year ended August 31, 2020			
Contributed capital	$ 177,315	$ (134,140)	$ 43,175
Annual surplus (deficit)	82,894	(134,140)	(51,246)
Accumulated surplus, beginning of year	2,252,607	3,428,175	5,680,782
Accumulated surplus, end of year	2,335,501	3,294,035	5,629,536
Consolidated Statement of Financial Position as at August 31, 2020			
Deferred capital contributions	3,294,035	(3,294,035)	-
Net financial (debt) assets	(2,510,635)	3,294,035	783,400
Accumulated surplus	2,335,501	3,294,035	5,629,536
Consolidated Statement of Cash Flows for the year ended August 31, 2020			
Annual surplus (deficit)	82,894	(134,140)	(51,246)
Amortization of contributed capital earned	(177,315)	177,315	-
Deferred capital contributions received	43,175	(43,175)	-
Consolidated Statement of Changes in Net (Debt) Assets for the year ended August 31, 2020			
Annual surplus (deficit)	82,894	(134,140)	(51,246)
Increase in net assets	344,310	(134,140)	210,170
Net (debt) assets, beginning of year	(2,854,945)	3,428,175	573,230
Net (debt) assets, end of year	(2,510,635)	3,294,035	783,400

3. 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, 2021 is comprised of:

	2021	2020
School Renewal Deferred Revenue		
Balance, beginning of year	**$ 86,621**	$ 71,925
Externally restricted revenue	**41,189**	42,504
Revenue recognized in the period	**(20,561)**	(27,808)
Balance, end of year	**107,249**	86,621
Mental Health Lead Travel Expenses		
Balance, beginning of year	**6,473**	6,915
Externally restricted revenue	**-**	-
Revenue recognized in the period	**-**	(442)
Adjustment	**(6,473)**	-
Balance, end of year	**-**	6,473
Special Education		
Balance, beginning of year	**109,697**	162,985
Externally restricted revenue	**837,385**	868,380
Revenue recognized in the period	**(735,726)**	(921,668)
Balance, end of year	**211,356**	109,697
Mental Health Leader		
Balance, beginning of year	**19,010**	47,795
Externally restricted revenue	**7,957**	7,061
Adjustment	**6,473**	(35,846)
Balance, end of year	**33,440**	19,010
Broadband Upgrade		
Balance, beginning of year	**10,652**	32,348
Externally restricted revenue	**-**	-
Revenue recognized in the period	**(10,652)**	(21,696)
Balance, end of year	**-**	10,652
Education Project Grants		
Balance, beginning of year	**-**	2,700
Externally restricted revenue	**-**	-
Revenue recognized in the period	**-**	(2,700)
Balance, end of year	**-**	-

3. Deferred revenue, continued

		2021		2020
Multi-Disciplinary Team Project				
Balance, beginning of year		**31,433**		52,113
Externally restricted revenue		**37,856**		-
Revenue recognized in the period		**-**		(20,680)
Balance, end of year		**69,289**		31,433
Priorities and Partnerships Fund (PPF)				
Balance, beginning of year		**-**		-
Externally restricted revenue		**13,476**		-
Revenue recognized in the period		**-**		-
Balance, end of year		**13,476**		-
	$	**434,810**	$	263,886

4. Retirement and other employee future benefits

	Retirement Benefits	Other Employee Future Benefits	**2021 Total Employee Future Benefits**	2020 Total Employee Future Benefits
a) Employee future benefits liabilities:				
Accrued employee future benefits obligation	$ 44,551	$ 3,507	**$ 48,058**	$ 47,509
Unamortized actuarial gains	286	-	**286**	(958)
Employee future benefit liabilities	$ 44,837	$ 3,507	**$ 48,344**	$ 46,551
b) Employee future benefits expenses:				
Current year benefit cost	$ -	$ 3,507	**$ 3,507**	$ 3,291
Interest on accrued benefit obligation	619	-	**619**	897
Recognized actuarial gains	(958)	(2,076)	**(3,034)**	(914)
Employee future benefit expenses	$ (339)	$ 1,431	**$ 1,092**	$ 3,274

During the year, benefit payments of $1,215 (2020 - $188) were made.

The employee future benefits expenses above exclude pension contributions to the Ontario Municipal Employees Retirement System, a multi-employer pension plan, described below.

4. Retirement and other employee future benefits, continued

Actuarial Assumptions

The accrued benefit obligations for employee future benefit plans as at August 31, 2021 are based on the most recent actuarial valuations completed for accounting purposes as at August 31, 2021. 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:

	2021	2020
Inflation		
Retirement gratuities	**1.50 %**	1.50 %
Carry-over sick leave credits	**1.50 %**	1.50 %
Continuation of subsidized group benefits while on LTD	**1.50 %**	1.50 %
Wage and salary escalation		
Carry-over sick leave credits	**2.00 %**	2.00 %
Health care cost trend		
Continuation of subsidized group benefits while on LTD	**8.00 %**	8.00 %
Dental care cost trend		
Continuation of subsidized group benefits while on LTD	**4.00 %**	4.00 %
Discount on accrued benefit obligations		
Retirement Gratuities	**1.80 %**	1.40 %
Continuation of subsidized group benefits while on LTD	**1.80 %**	1.40 %

Retirement Benefits

(i) Ontario Teachers' Pension Plan

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

(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, 2021, the Board contributed $68,803 (2020 - $80,122) 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.

4. Retirement and other employee future benefits, continued

(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 at August 31, 2012.

(iv) Retirement Life Insurance and Health Care Benefits

The Board provides life insurance, dental and health care benefits to certain employee groups after retirement until the members reach 65 years of age. The premiums are based on the Board experience and retirees’ premiums may be subsidized by the Board. The benefit costs and liabilities related to the plan are provided through an unfunded defined benefit plan and are included in the Board’s consolidated financial statements. Effective September 1, 2013, employees retiring on or after this date, do not qualify for board subsidized premiums or contributions.

Other Employee Future Benefits

(v) Workplace Safety and Insurance Board Obligations

The Board is is a Schedule 1 employer under the Workplace Safety and Insurance 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, 2021 were $12,869 (2020 - $17,383) and are included in the Board’s current year benefit costs. No liabilities for claims by its injured workers under the Act are included in the Board’s consolidated financial statements. School boards are required to provide salary top-up to a maximum of 4 ½ years for employees receiving payments from the Workplace Safety and Insurance Board, where collective agreements negotiated prior to 2012 included such provision.

(vi) Long-Term Disability Health Care Benefits

The Board provides long-term disability benefits including partial salary compensation during the period an employee is unable to work or until their normal retirement date. 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.

(vii) Sick Leave Top-Up Benefits

A maximum of 11 unused sick leave days from the current year may be carried forward into the following year only, to be used to top-up salary for illnesses paid through the short-term leave and disability plan in that year. The benefit costs expensed in the financial statements are $1,431 (2020 - $1,210). 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, 2021 (the date at which probabilities of usage were determined) and is based on the average daily salary and banked sick days of employees at August 31, 2021.

5. Temporary borrowing

The Board has lines of credit available to the maximum of $450,000 and a VISA limit of $50,000 to address operating requirements or to bridge capital expenditures.

Interest on the line of credit is at the bank's prime lending rate plus 0%. The interest rate on the VISA is 19.5% per annum. All loans are unsecured, due on demand and are in the form of bankers' acceptance notes and bank overdrafts.

As at August 31, 2021, the amount drawn under the bankers' acceptance facility was $Nil (2020- $Nil).

6. Net long-term liabilities

Net long term liabilities reported on the Consolidated Statement of Financial Position are comprised of the following:

	2021	2020
Old debentures	**$ 950**	$ 950

These are old debentures that have never been presented nor cashed. Therefore, there is no specified principal payment date relating to the above balance.

7. Expenses by object

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

	Budgeted	**2021**	2020
Salary and wages	$ 3,676,080	**$ 3,518,737**	$ 3,555,033
Employee benefits	672,954	**611,326**	691,138
Staff development	302,106	**35,552**	6,139
Supplies and services	561,339	**430,178**	302,458
Rental expense	46,130	**45,194**	42,436
Fees and contract services	455,578	**516,377**	381,449
Amortization on tangible capital assets	350,185	**274,375**	286,748
Transfers to other Boards	399,960	**362,627**	218,681
	$ 6,464,332	**$ 5,794,366**	$ 5,484,082

8. Tangible Capital Assets

	Opening Balance September 1, 2020	Costs: Additions/ Transfers	Costs: Disposals/ Transfers	**Closing Balance August 31, 2021**
Land	$ 230,260	$ -	$ -	**$ 230,260**
Land Improvements	51,043	-	-	**51,043**
Portables	701,984	-	-	**701,984**
Building	5,068,167	-	-	**5,068,167**
First-time equipping	67,567	9,108	-	**76,675**
Equipment - 5 years	86,101	-	-	**86,101**
Equipment - 15 years	67,246	-	-	**67,246**
Computer hardware	144,082	-	(85,637)	**58,445**
	$ 6,416,450	$ 9,108	$ (85,637)	**$ 6,339,921**
Leased assets included in above				
Computer hardware	$ 46,630	$ -	$ (46,630)	**$ -**
Equipment - 5 years	63,992	-	-	**63,992**
	$ 110,622	$ -	$ (46,630)	**$ 63,992**

	Opening Balance September 1, 2020	Accumulated amortization: Amortization	Accumulated amortization: Disposals	**Closing Balance August 31, 2021**	**Net Book Value 2021**	Net Book Value 2020
Land	$ -	$ -	$ -	**$ -**	**$ 230,260**	$ 230,260
Land improvements	44,238	3,403	-	**47,641**	**3,402**	6,805
Portables	81,259	35,099	-	**116,358**	**585,626**	620,725
Building	1,222,401	206,984	-	**1,429,385**	**3,638,782**	3,845,766
First-time equipping	14,491	7,212	-	**21,703**	**54,972**	53,076
Equipment - 5 years	79,742	3,729	-	**83,471**	**2,630**	6,359
Equipment - 15 years	12,394	4,483	-	**16,877**	**50,369**	54,852
Computer hardware	115,789	11,689	(83,861)	**43,617**	**14,828**	28,293
	$ 1,570,314	$ 272,599	$ (83,861)	**$ 1,759,052**	**$ 4,580,869**	$ 4,846,136
Leased assets included in above						
Computer hardware	$ 46,630	$ -	$ (46,630)	**$ -**	**$ -**	$ -
Equipment - 5 years	63,992	-	-	**63,992**	**-**	-
	$ 110,622	$ -	$ (46,630)	**$ 63,992**	**$ -**	$ -

9. Accumulated surplus

	2021	2020 Restated (Note 2)
The accumulated surplus consists of the following:		
Invested in tangible capital assets	**$ 4,580,869**	$ 4,846,136
Amounts restricted by Board for future use		
Employee future benefits	**(48,344)**	(46,551)
Operating accumulated surplus	**860,126**	699,357
School generated funds	**104,386**	130,594
	$ 5,497,037	$ 5,629,536

10. Ontario School Board Insurance Exchange (OSBIE)

The Board is a member of the Ontario School Board Insurance Exchange (OSBIE), a reciprocal insurance company licensed under the Insurance Act. OSBIE insures general public liability, property damage and certain other risks. Liability insurance is available to a maximum of $27,000,000 per occurrence.

The ultimate premiums over a five year period are based on the reciprocals and the Board's actual claims experience. Periodically, the Board may receive a refund or be asked to pay an additional premium based on its pro rata share of claims experience. The current five year term expires December 31, 2026.

11. Commitments

The minimum payments required under an operating lease for the Board office over the next five years are as follows:

2022	$ 39,607
2023	40,319
2024	40,581
2025	41,104
2026	41,365
Thereafter	13,788
	$ 216,764

12. COVID-19 pandemic

The outbreak of a novel strain of coronavirus ("COVID-19") was declared a global pandemic by the World Health Organization in March 2020. COVID-19 has severely impacted many economies around the globe. In many countries, including Canada, businesses were forced to cease or limit operations for long periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions.

On March 12, 2020, the Province of Ontario ordered the closure of all publicly funded schools. This closure was later extended to included the remainder of the 2019-2020 school year and education services were moved to a virtual learning platform.

During the 2020-2021 school year, students in publicly funded schools were either learning in school or via the virtual learning platform, depending on guidance and direction from the Ministry of Education and local public health units. Burkevale Protestant Separate School physically re-opened in September 2021, but at a reduced capacity due to virtual learning options offered.

As the impacts of COVID-19 continue, there could be further impacts on the Board, its students, and its funding sources. Management is actively monitoring the effect on the Board's financial condition, liquidity, operation, suppliers, and workforce. The duration and impact of COVID-19 is unknown at this time and it is not possible to reliably estimate the impact that the length and severity of these developments will have on the financial results and condition of the Board in future periods.

13. Comparative figures

Comparative figures have been adjusted to conform to changes in the current year presentation.