



GRANDVIEW SCHOOL AUTHORITY

AUDITED CONSOLIDATED FINANCIAL STATEMENTS

September 1, 2022 – August 31, 2023

Grandview School Authority

(Formerly Campbell Children’s School Authority)

Table of Contents

Year Ended August 31, 2023

Consolidated Financial Statements

Management Report

Independent Auditors’ Report

Consolidated Statement of Operations page 5

Consolidated Statement of Financial Position..... page 6

Consolidated Statement of Cash Flow..... page 7

Notes to Consolidated Financial Statements page 8

Management Report

The accompanying financial statements of the Grandview School Authority, formerly Campbell Children's School Authority, are the responsibility of the Board management and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board of The Canadian Institute of Chartered Accountants. A summary of the significant accounting policies are described in Note 2 to the financial statements. The preparation of 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 financial statements. These systems are monitored and evaluated by management.

The Board meets with management to review the financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the financial statements.

The financial statements have been audited by Dawn Flett & Associates, independent external auditors appointed by the Board. The accompanying Auditors' Report outlines their responsibility, the scope of their examination and their opinion on the Board's financial statements.



Janet Harper
Secretary of the Board



Kristin Burditt
Chair of the Board

March 7, 2024
Date



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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of Grandview School Authority

Opinion

We have audited the consolidated financial statements of the Grandview School Authority (the Entity), which comprise:

- the consolidated statement of financial position as at August 31, 2023
- the consolidated statement of operations and accumulated surplus for the year then ended
- the consolidated statement of change in net debt for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements")

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Entity as at August 31, 2023, and its consolidated results of operations and its consolidated cash flows for the year then ended 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.

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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other 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- Financial Reporting Framework

We draw attention to Note 1 in the financial statements, which describes the applicable financial reporting framework and the purpose of the financial statements.

As a result, the financial statements may not be suitable for another purpose.

Our opinion is not modified in respect of this matter.

Dawn Flett & Associates CHARTERED
PROFESSIONAL
ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT (CONT'D)

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

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

In preparing the financial statements, management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibility for the Audit of the Financial Statements

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

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

INDEPENDENT AUDITOR'S REPORT (CONT'D)

- 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 Entity'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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represents the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group Entity to express an opinion on the 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.

Dawn Flett & Associates

Chartered Professional Accountant, Licensed Public Accountant
March 7, 2024
Ajax, Ontario

Dawn Flett & Associates CHARTERED
PROFESSIONAL
ACCOUNTANT

GRANDVIEW SCHOOL AUTHORITY
(FORMERLY CAMPBELL CHILDREN'S SCHOOL AUTHORITY)
CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDING AUGUST 31, 2023

	<u>2023</u>	<u>2023</u>	<u>2022</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
REVENUES			
Provincial grants- Grants for Student Needs	\$2,803,020	\$2,286,315	\$2,412,847
Provincial grants- other	67,512	5,315	61,186
School generated funds	-	-	104
Other fees & revenues	-	1,498	962
TOTAL REVENUE	<u>2,870,532</u>	<u>2,293,128</u>	<u>2,475,099</u>
EXPENSES			
Instruction	1,888,042	1,532,962	1,652,160
Administration	294,852	230,134	257,006
Transportation	351,805	281,356	266,409
Pupil Accommodation	267,021	241,863	237,271
School generated funds	-	1,641	105
Other	68,812	5,315	62,148
TOTAL EXPENSES	<u>2,870,532</u>	<u>2,293,271</u>	<u>2,475,099</u>
ANNUAL SURPLUS/(DEFICIT)	-	(143)	-
Accumulated Surplus/ (Deficit), beginning of year	<u>-</u>	<u>2,744</u>	<u>2,744</u>
Accumulated Surplus/ (Deficit), end of year	<u>\$ -</u>	<u>\$ 2,601</u>	<u>\$ 2,744</u>

GRANDVIEW SCHOOL AUTHORITY
(FORMERLY CAMPBELL CHILDREN'S SCHOOL AUTHORITY)
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT AUGUST 31, 2023

	<u>2023</u>	<u>2022</u>
FINANCIAL ASSETS		
Cash and cash equivalents	\$ 956,045	\$ 808,449
Accounts receivable	23,428	41,967
Prepays	<u>28,574</u>	<u>27,746</u>
TOTAL FINANCIAL ASSETS	<u>\$1,008,047</u>	<u>\$ 878,162</u>
LIABILITIES		
Accounts payable and Accrued liabilities	\$1,002,966	\$ 873,123
Deferred revenue	<u>2,480</u>	<u>2,295</u>
TOTAL LIABILITIES	<u>1,005,446</u>	<u>875,418</u>
ACCUMULATED SURPLUS	<u>2,601</u>	<u>2,744</u>
TOTAL LIABILITIES AND ACCUMULATED SURPLUS	<u>\$1,008,047</u>	<u>\$ 878,162</u>



 Secretary of the Board



 Chair of the Board

GRANDVIEW SCHOOL AUTHORITY
(FORMERLY CAMPBELL CHILDREN'S SCHOOL AUTHORITY)
CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE YEAR ENDING AUGUST 31, 2023

	<u>2023</u>	<u>2022</u>
OPERATING TRANSACTIONS		
Annual Surplus (Deficit)	\$ (143)	\$ -
(Increase) Decrease in accounts receivable	18,539	(23,236)
(Increase) Decrease in Accounts payable & Accrued liabilities	129,842	398,704
Increase (Decrease) in deferred revenues - operating	185	(362)
Increase (Decrease) employee benefits payable	-	(30,498)
Increase (Decrease) in prepaid expenses	(828)	20,250
Cash provided by (applied to) operating transactions	<u>147,595</u>	<u>364,858</u>
CHANGE IN CASH AND CASH EQUIVALENTS	147,595	364,858
Opening Cash and Cash Equivalents	<u>808,450</u>	<u>443,592</u>
Closing Cash and Cash Equivalents	<u>\$ 956,045</u>	<u>\$ 808,450</u>

GRANDVIEW SCHOOL AUTHORITY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS AT AUGUST 31, 2023

1. Significant Accounting Policies

The consolidated financial statements are prepared by the School Authority 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.

GRANDVIEW SCHOOL AUTHORITY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS AT AUGUST 31, 2023

1. Significant Accounting Policies (Cont'd)

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.

(b) 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.

(c) 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.

(d) Retirement and Other Employee Future Benefits

The School Authority provides defined retirement and other future benefits to specified employee groups. These benefits include pension, retirement gratuity, worker's compensation and sick leave plan. In 2012, changes were made to the School Authority's retirement gratuity plan and sick leave plan. The School Authority has adopted the following policies with respect to accounting for those employee benefits:

GRANDVIEW SCHOOL AUTHORITY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS AT AUGUST 31, 2023

1. Significant Accounting Policies (Cont'd)

- (i) **The cost 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, long-term inflation rates and discount rates. In prior years, the cost of retirement gratuities that vested or accumulated over the periods of service provided by the employee were actuarially determined using management's best estimate of salary escalation, accumulated sick days at retirement and discount rates. As a result of the plan change, the cost of retirement gratuities are determined using the employee's salary, banked sick days and years of service as at August 31, 2012. The changes resulted in a plan curtailment and any unamortized actuarial gains and losses were recognized as at August 31, 2012. An actuarial report updating the plan to August 31, 2018 identified an unamortized actuarial gain of \$13,124 based on factoring in the expected date of payment for remaining retirement gratuity. The net gain will be recognized over the expected remaining service life.**

The update to August 31, 2018 identified an unamortized actuarial loss of \$3,688 based on the expected date of payment for the remaining retirement gratuity.

As of August 31, 2022 the remaining retirement gratuity has been fully paid.

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

- (ii) **The costs of multi-employer defined pension plan benefits, such as the Hospitals of Ontario Pension Plan, is the employer's contribution due to the plan during the year.**
- (iii) **The costs of insured benefits are the employer's portion of insurance premiums owed for coverage of employees during the year.**

(e) Government Transfers

Government transfers, which include legislative grants, are recognized in the 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.

GRANDVIEW SCHOOL AUTHORITY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS AT AUGUST 31, 2023

1. Significant Accounting Policies (Cont'd)

(f) Budget Figures

Budget figures have been provided for comparison purposes and have been derived from the budget approved by the School Authority and the Ministry of Education. The budget approved by the School Authority 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 are unaudited.

(g) Use of Estimates

The preparation of financial statements in conformity with Canadian public sector accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the year. Actual results could differ from these estimates. Significant estimates include assumptions used in estimating accounts payable and accrued liabilities and retirement and other employee future benefit liabilities.

2. Deferred Revenue

Revenue received that has been set aside for specific purposes by legislation, regulation or agreement are included in deferred revenue in the statement of financial position. Revenue is recognized as expenses are incurred.

Deferred revenue set aside for specific purposes by legislation, regulation or agreement is comprised of:

	<u>Opening Balance</u>	<u>Funds Received</u>	<u>Expenses Incurred</u>	<u>Closing Balance</u>
Donations	\$ <u>2,202</u>	\$ <u>185</u>	\$ <u>-</u>	\$ <u>2,387</u>

GRANDVIEW SCHOOL AUTHORITY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS AT AUGUST 31, 2023

3. Retirement and Other Employee Future Benefits

(a) Retirement and Other Employee Future Benefit Liabilities

	<u>2023</u> Total Employee <u>Future Benefits</u>	<u>2022</u> Total Employee <u>Future Benefits</u>
Accrued employee future benefit obligations at August 31	\$ -	\$ 30,498
Interest on accrued benefit obligation	-	741
Employment payment	-	<u>(31,239)</u>
Employee benefits payable per financial statements	<u>\$ -</u>	<u>\$ -</u>

(b) Retirement and Other Employee Future Benefit Expenses

	<u>2022</u> Total Employee <u>Future Benefits</u>	<u>2021</u> Total Employee <u>Future Benefits</u>
Interest on accrued benefit obligation	\$ -	\$ 741
Amortization of actuarial gain	-	-
Employee future benefit expenses (income) *	<u>\$ -</u>	<u>\$ 741</u>

* Excluding pension contributions to the Hospitals of Ontario Pension Plan, a multi-employer pension plan described in Note 4 (c).

(c) 2012 Plan Changes

In 2012, changes were made to the School Authority's retirement plan and sick leave plan. As a result, employees eligible for retirement gratuity will receive payout upon retirement based on their accumulated vested sick days under the plan, years of service and salary as of August 31, 2012. All accumulated non-vested sick days are eliminated as of September 1, 2012, and were replaced with a short-term leave and disability plan.