

GRANDVIEW SCHOOL AUTHORITY

AUDITED CONSOLIDATED FINANCIAL STATEMENTS

September 1, 2024 – August 31, 2025

Grandview School Authority

Table of Contents

Year Ended August 31, 2025

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 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.

Michael Barrett
Chair of the Board

Janet Harper
Secretary of the Board

December 15, 2025
Date

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 of August 31, 2025
- the consolidated statement of operations and accumulated surplus 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, 2025 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 represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- 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
December 15, 2025
Ajax, Ontario

Dawn Flett & Associates CHARTERED
PROFESSIONAL
ACCOUNTANT

GRANDVIEW SCHOOL AUTHORITY
CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDING AUGUST 31, 2025

	<u>2025</u> <u>Budget</u>	<u>2025</u> <u>Actual</u>	<u>2024</u> <u>Actual</u>
REVENUES			
Provincial grants- Grants for Student Needs	\$ 3,310,271	\$ 2,951,687	\$ 2,768,657
Provincial grants- other	-	2,769	3,700
School generated funds	-	975	2,066
Other fees & revenues	-	21,572	5,579
TOTAL REVENUE	<u>3,310,271</u>	<u>2,977,003</u>	<u>2,780,002</u>
EXPENSES			
Instruction	2,201,346	1,987,895	1,918,563
Administration	323,773	255,312	274,223
Transportation	486,710	420,214	323,515
Pupil Accommodation	298,442	291,488	246,223
School generated funds	-	807	2,342
Other	-	21,119	15,413
TOTAL EXPENSES	<u>3,310,271</u>	<u>2,976,835</u>	<u>2,780,279</u>
ANNUAL SURPLUS (DEFICIT)	-	168	(277)
Accumulated Surplus, beginning of year	-	2,324	2,601
Accumulated Surplus, end of year	<u>\$ -</u>	<u>\$ 2,492</u>	<u>\$ 2,324</u>

GRANDVIEW SCHOOL AUTHORITY

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT AUGUST 31, 2025

	<u>2025</u>	<u>2024</u>
FINANCIAL ASSETS		
Cash and cash equivalents	\$ 381,924	\$ 1,225,719
Accounts receivable	<u>35,028</u>	<u>24,008</u>
TOTAL FINANCIAL ASSETS	416,952	1,249,727
NON-FINANCIAL ASSETS		
Prepays	<u>44,475</u>	<u>34,833</u>
TOTAL ASSETS	<u>\$ 461,427</u>	<u>\$1,284,560</u>
FINANCIAL LIABILITIES		
Accounts payable and Accrued liabilities	\$ 456,665	\$ 1,279,966
NON – FINANCIAL LIABILITIES		
Deferred revenue (Note 2)	<u>2,270</u>	<u>2,270</u>
TOTAL LIABILITIES	458,935	1,282,236
NET ASSETS/ ACCUMULATED OPERATING SURPLUS	<u>2,492</u>	<u>2,324</u>
	<u>\$ 461,427</u>	<u>\$ 1,284,560</u>

Secretary of the Board

Chair of the Board

GRANDVIEW SCHOOL AUTHORITY
CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE YEAR ENDING AUGUST 31, 2025

	<u>2025</u>	<u>2024</u>
OPERATING TRANSACTIONS		
Annual Surplus (Deficit)	\$ 168	\$ (277)
(Increase) Decrease in Accounts receivable	(11,020)	(580)
(Increase) Decrease in Accounts payable & Accrued liabilities	(823,301)	277,000
Increase (Decrease) in Deferred revenues	-	(210)
Increase (Decrease) in Prepaids	(9,642)	(6,259)
Cash provided by (applied to) operating transactions	<u>(843,795)</u>	<u>269,674</u>
 CHANGE IN CASH AND CASH EQUIVALENTS	 (843,795)	 269,674
 Opening Cash and Cash Equivalents	 <u>1,225,719</u>	 <u>956,045</u>
 Closing Cash and Cash Equivalents	 <u>\$ 381,924</u>	 <u>\$1,225,719</u>

GRANDVIEW SCHOOL AUTHORITY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS AT AUGUST 31, 2025

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, 2025

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) 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, 2025

1. Significant Accounting Policies (Cont'd)

(e) 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.

(f) 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>2,270</u>	\$ <u>21,119</u>	\$ <u>21,119</u>	\$ <u>2,270</u>

GRANDVIEW SCHOOL AUTHORITY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS AT AUGUST 31, 2025

3. Retirement Benefits

(a) Ontario Teachers' Pension Plan

Teachers and related employee groups are eligible to be members of the Ontario Teachers' Pension Plan, a defined benefit 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 School Authority's financial statements.

(b) Retirement Gratuities

The School Authority provides retirement gratuities to certain groups of employees hired prior to specified dates. The School Authority provides these benefits through an unfunded defined benefit plan. The benefit costs and liabilities related to this plan are included in the School Authority's financial statements. The amount of the gratuities payable to eligible employees at retirement is based on their salary, accumulated sick days and years of service at August 31, 2012. As of August 31, 2022 all retirement benefit gratuities have been paid in full.

(c) Hospitals of Ontario Pension Plan

All qualifying non-teaching employees of the School Authority are eligible to be members of the Hospitals of Ontario Pension Plan, a defined benefit plan which is a multi-employer average pay contributory plan. Employer contributions made to the plan during the period by the School Authority amounted to \$62,118 (2024: \$60,058). Those amounts have been included in employees' benefits expense in the Schedule of Expenditure.

4. Other Employee Future Benefits

Workplace Safety and Insurance Board Obligations

The School Authority is a Schedule 1 employer under the Workplace Safety and Insurance Act and, as such, the School Authority insures all claims by its injured workers under the Act. The School Authority's insurance premiums for the year ended August 31, 2025 were \$7,694 (2024: \$7,386) and are included in the School Authority's current year benefit costs. No liabilities for claims by its injured workers under the Act are included in the School Authority'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.

GRANDVIEW SCHOOL AUTHORITY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS AT AUGUST 31, 2025

5. Expenditures By Object

The following is a summary of the current and capital expenditures reported on the statement of financial activities by object:

	<u>2025</u> <u>Budget</u>	<u>2025</u> <u>Actual</u>	<u>2024</u> <u>Actual</u>
Current expenditures			
Salary and wages	\$ 1,844,923	\$ 1,707,757	\$ 1,676,463
Employee benefits	422,459	349,765	358,420
Staff development	18,356	9,875	8,653
Supplies and services	77,691	53,962	54,679
Fees and contract services	834,742	724,045	588,897
Other	112,100	131,431	93,167
	<u>\$ 3,310,271</u>	<u>\$ 2,976,835</u>	<u>\$ 2,780,279</u>

6. 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. The school board entered into this agreement on January 1, 1998. OSBIE insures general liability, property damage and certain other risks. Liability insurance is available to a maximum of \$27,000,000 per occurrence.

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

Premiums paid to OSBIE for the policy year ending December 31, 2025 amounted to \$2,801 (2024: \$2,784).

7. Commitments

Transportation

The School Board has entered into an agreement with Stock Transportation for the period of July 1, 2025 to July 1, 2026 to provide transportation services to students at a daily rate of \$285.47 and a rate of \$0.83 per excess km.

GRANDVIEW SCHOOL AUTHORITY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS AT AUGUST 31, 2025

Online Learning

The School Board has entered into an agreement with Seesaw Learning Canada for the period of August 1, 2025 to July 31, 2028 for access to an online platform for learning at the rate of \$4,617.51 with no applicable taxes for the entire term.

Student Data Application

The School Board has entered into an agreement with PCG Canada ULC for the period of September 1, 2025 to August 31, 2026 for access to a student data application at a rate of \$4,377 including applicable taxes for the contract term.

Telecommunications

The School Board has entered into an agreement with TELUS Business Solutions for the period of June 1, 2025, to May 30, 2027, at a monthly rate of \$269.50 including applicable taxes.