

Consolidated Financial Statements

Thunder Bay Catholic District School Board

August 31, 2022

THUNDER BAY CATHOLIC
DISTRICT SCHOOL BOARD

Management Report

Management's Responsibility for the Consolidated Financial Statements

The accompanying consolidated financial statements of the Thunder Bay Catholic District School Board are the responsibility of 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 their approval of the consolidated financial statements.

The 2022 consolidated financial statements for the Thunder Bay Catholic District School Board have been audited by Grant Thornton LLP, independent external auditors appointed by the Board. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Board's consolidated financial statements.

Director of Education

Superintendent,
Business and Corporate Services

Dec-5/22
Date

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Independent Auditor's Report

To the Board of Trustees of
Thunder Bay Catholic District School Board

Opinion

We have audited the consolidated financial statements of Thunder Bay Catholic District School Board ("the Board"), which comprise the consolidated statement of financial position as at August 31, 2022, and the consolidated statements of operations and accumulated surplus, change in net debt and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements are prepared, in all material respects, in accordance with the basis of accounting described in Note 1(a) 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

We draw attention to Note 1(a) to the consolidated financial statements which describes the basis of accounting used in the preparation of these consolidated financial statements and the significant difference 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 and fair presentation of these consolidated financial statements in accordance with the basis of accounting described in Note 1(a) to 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 a 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.

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Those charged with governance are responsible for overseeing the Board's 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Board and the organizations it controls 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

Thunder Bay, Canada
December 5, 2022

Chartered Professional Accountants
Licensed Public Accountants

Thunder Bay Catholic District School Board Statement 1
Consolidated Statement of Financial Position

As at August 31	2022	2021
	$	$
FINANCIAL ASSETS		
Cash and cash equivalents	**5,311,711**	7,694,474
Investments *[note 2]*	**223,141**	220,222
Accounts receivable *[note 4]*	**7,433,172**	6,496,778
Accounts receivable - Government of Ontario *[note 3]*	**30,643,241**	33,904,023
TOTAL FINANCIAL ASSETS	**43,611,265**	48,315,497
LIABILITIES		
Accounts payable and accrued liabilities	**7,719,721**	8,529,558
Long-term debt *[note 6]*	**15,366,386**	16,530,163
Deferred revenue *[note 8]*	**4,240,830**	4,375,848
Deferred capital contributions *[note 9]*	**78,122,797**	76,016,897
Retirement and other employee future benefits liabilities *[note 10]*	**2,858,412**	2,845,958
TOTAL FINANCIAL LIABILITIES	**108,308,146**	108,298,424
NET DEBT	**(64,696,881)**	(59,982,927)
NON-FINANCIAL ASSETS		
Tangible capital assets *[note 13]*	**79,547,217**	77,683,025
Prepaid expenses	**37,166**	49,505
Inventory	**587,495**	94,807
TOTAL NON-FINANCIAL ASSETS	**80,171,878**	77,827,337
ACCUMULATED SURPLUS *[note 14]*	**15,474,997**	17,844,410

See accompanying notes to the consolidated financial statements.

On behalf of the Board:

Director of Education

Chair of the Board

Thunder Bay Catholic District School Board Statement 2
Consolidated Statement of Operations and Accumulated Surplus

Year ended August 31	2022 Budget	2022 Actual	2021 Actual
	$ *[note 1[l]]*	$	$
REVENUES			
Grants for Student Needs *[note 11]*			
Provincial legislative grants	**92,047,443**	**92,224,548**	92,300,268
Education Property Tax	**11,933,633**	**10,841,454**	11,465,439
Provincial grants - other	**1,487,686**	**5,947,180**	4,881,001
School Generated Funds	**1,645,700**	**1,356,694**	521,227
Federal grants and fees	**2,600,058**	**2,488,906**	2,335,372
Investment income	**-**	**50,189**	102,088
Other revenues - school boards	**600,000**	**693,672**	775,841
Other fees and revenues	**130,680**	**957,388**	923,611
Amortization of deferred capital contributions	**6,669,802**	**5,614,865**	6,490,428
TOTAL REVENUES	**117,115,002**	**120,174,896**	119,795,275
EXPENSES			
Instruction	**85,264,070**	**89,274,254**	90,460,560
Administration	**5,469,840**	**5,054,629**	5,032,223
Transportation	**6,806,550**	**6,955,717**	6,753,939
Pupil accommodation	**15,789,171**	**16,490,660**	16,776,255
School Generated Funds	**1,645,700**	**1,333,708**	549,867
Other	**2,451,494**	**3,435,341**	2,506,571
TOTAL EXPENSES *[note 12]*	**117,426,825**	**122,544,309**	122,079,415
Annual surplus (deficit)	**(311,823)**	**(2,369,413)**	(2,284,140)
Accumulated surplus, beginning of year	**17,105,856**	**17,844,410**	20,128,550
Accumulated surplus, end of year *[note 14]*	**16,794,033**	**15,474,997**	17,844,410

See accompanying notes to the consolidated financial statements.

Thunder Bay Catholic District School Board Statement 3
Consolidated Statement of Cash Flows

Year ended August 31	**2022**	2021
	$	$
OPERATIONS		
Annual surplus (deficit)	**(2,369,413)**	(2,284,140)
Non-cash charges		
Amortization of tangible capital assets *[note 13]*	**5,946,207**	6,928,600
Amortization of deferred capital contributions *[note 9]*	**(5,614,865)**	(6,490,428)
Net change in non-cash working capital balances		
Decrease (Increase) in accounts receivable	**(936,394)**	(1,681,459)
Increase (Decrease) in accounts payable and accrued liabilities	**(809,822)**	(4,940,188)
Increase in deferred revenue	**(135,018)**	1,640,345
(Increase) decrease in retirement and other employee future benefits liabilities	**12,454**	107,361
(Increase) decrease in prepaid expenses	**12,339**	(47,829)
(Increase) decrease in inventory	**(492,688)**	166,410
Cash provided by (applied to) operating transactions	**(4,387,200)**	(6,601,328)
INVESTING		
(Increase) decrease in investments	**(2,919)**	98,263
Cash applied to investing transactions	**(2,919)**	98,263
CAPITAL		
Acquisition of tangible capital assets *[note 13]*	**(7,810,401)**	(5,510,950)
Cash applied to capital transactions	**(7,810,401)**	(5,510,950)
FINANCING		
Decrease (increase) in accounts receivable – Government of Ontario	**3,260,769**	(376,032)
Grant received – deferred capital contributions *[note 9]*	**7,720,765**	5,362,540
Principal payments on long-term debt and capital lease obligations	**(1,163,777)**	(1,109,755)
Cash provided by (applied to) financing transactions	**9,817,757**	3,876,753
Increase (decrease) in cash and cash equivalents	**(2,382,763)**	(8,137,262)
Opening cash and cash equivalents	**7,694,474**	15,831,736
Closing cash and cash equivalents	**5,311,711**	7,694,474

See accompanying notes to the consolidated financial statements.

Thunder Bay Catholic District School Board Statement 4
Consolidated Statement of Change in Net Debt

Year ended August 31	2022 Budget	2022 Actual	2021 Actual
	$ *[note 1[l]]*	$	$
Annual surplus (deficit)	**(311,823)**	**(2,369,413)**	(2,284,140)
TANGIBLE CAPITAL ASSET ACTIVITIES			
Acquisition of tangible capital assets	**(6,358,338)**	**(7,810,401)**	(5,510,950)
Amortization of tangible capital assets	**6,886,210**	**5,946,207**	6,928,600
Total tangible capital asset activities	**527,872**	**(1,864,194)**	1,417,650
OTHER NON-FINANCIAL ASSET ACTIVITIES			
Acquisition of inventory	-	**(492,686)**	166,410
Acquisition of prepaid expenses	-	**(37,166)**	(49,505)
Use of prepaid expenses	-	**49,505**	1,676
Total other non-financial asset activities	**-**	**(480,347)**	118,581
Increase (decrease) in net debt	**527,872**	**(4,713,954)**	(747,909)
Net debt, beginning of year	-	**(59,982,927)**	(59,235,018)
Net debt, end of year	**527,872**	**(64,696,881)**	(59,982,927)

See accompanying notes to the consolidated 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 Consolidated Statement of Operations and Accumulated Surplus over the periods during which the asset is used to provide service at the same rate that amortization is recognized in respect of the related asset. The Regulation further requires that if the net book value of the depreciable tangible capital asset is reduced for any reason other than depreciation, a proportionate reduction of the deferred capital contribution along with a proportionate increase in the revenue be recognized. For Ontario school boards, these contributions include government transfers, externally restricted contributions and, historically, property tax revenue.

The accounting policy requirements under Regulation 395/11 are significantly different from the requirements of 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 Consolidated Statement of Operations and Accumulated Surplus and certain related deferred revenues and deferred capital contributions would be recorded differently under Canadian Public Sector Accounting Standards.

[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 Thunder Bay Catholic District 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.

Consolidated entities:

Awards Trust Fund
School Generated Funds

Interdepartmental 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 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.

[e] Investments

Temporary investments consist of marketable securities which are liquid short-term investments with maturities of between three months and one year at the date of acquisition and are carried on the Consolidated Statement of Financial Position at the lower of cost or market value.

Long-term investments consist of investments that have maturities of more than one year. Long-term investments are recorded at cost, and assessed regularly for permanent impairment.

[f] 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.

[g] Deferred capital contributions

Contributions received or receivable for the purpose of acquiring or developing a depreciable tangible capital asset for use in providing services, or any contributions in the form of depreciable tangible assets received or receivable for use in providing services, shall be recognized as deferred capital contributions 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:

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

[h] 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 the Principals and Vice-Principals Associations, the following Employee Life and Health Trusts (ELHTs) were established in 2016-2017: Ontario Secondary School Teachers' Federation (OSSTF-EW) and Ontario English Catholic Teachers' Association (OECTA). The following ELHTs were established in 2017-2018: OCEW and Ontario Non-union Education Trust (ONE-T) for non-unionized employees including principals and vice-principals. Employees represented by Unifor were transferred to the OECTA ELHT as of November 1, 2018. The ELHTs provide health, dental and life insurance benefits to teachers (excluding daily occasional teachers), education workers (excluding casual and temporary staff), and other school board staff. Retirees belonging to the Non-union and Principal/Vice-Principal employee group will have completed the transition to the ELHT prior to August 31, 2019. The ELHT's will offer health, life and dental benefits to retired individuals after the retiree group transitions to the ELHT, until age 65. These benefits are provided through a joint governance structure between the bargaining/employee groups, school board trustees' associations and the Government of Ontario. After retirees' transition to the ELHT, the Board continues to be responsible for its share of cost of benefits based on the cost sharing arrangement prior to the transition to the ELHT. 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.

Depending on prior arrangements and employee groups, the Board continues to provide health, dental and life insurance benefits for retired individuals that were previously represented by the following unions/federations: OSSTF-EW, OECTA, OCEW and UNIFOR.

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 and dental 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 (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 accumulate 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 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 ("OMERS") 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.

[i] 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 of the benefits and risks incidental to ownership of property are accounted for as leased tangible capital assets. All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

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

Buildings and building improvements	40 years
Computer hardware	3 years
Computer software	5 years
Equipment	5 to 15 years
First-time equipping of schools	10 years
Furniture	10 years
Land improvements with finite lives	15 years
Leasehold improvements	over the lease term
Other buildings	20 years
Portable structures	20 years
Vehicles	5 to 10 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.

The useful life for computer hardware was revised from five years to three years based on new information related to the actual life of the assets. As such, additional amortization has occurred for these assets as needed to bring the net book value in line with this new policy.

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.

[j] 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, and 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.

Government transfers for capital are deferred as required by Regulation 395/11, recorded as deferred capital contributions ("DCC") and recognized as revenue in the Consolidated Statement of Operations and Accumulated Surplus at the same rate and over the same periods as the asset is amortized.

[k] 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.

[l] 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.

[m] 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 employee future benefits and tangible capital assets (useful lives). 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 Provincial Legislative Grants.

2. INVESTMENTS

Investments consist of Guaranteed Investment Certificates. The Guaranteed Investment Certificates mature 2022 - 2024 and bear interest at rates of 1.31 – 3.65%.

3. ACCOUNTS RECEIVABLE – GOVERNMENT OF ONTARIO

The Province of Ontario ("Province") replaced variable capital funding with a one-time debt support grant in 2009-10. The 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 accounts receivable.

The Ministry of Education introduced a cash management strategy effective September 1, 2019. 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.

	2022	2021
	$	$
Capital grants	**18,832,293**	20,514,880
Delayed grant payment	**11,810,948**	13,389,143
	30,643,241	33,904,023

4. ACCOUNTS RECEIVABLE

	2022 $	2021 $
Due from Municipalities	**1,328,521**	1,298,427
Other	**6,104,651**	5,198,351
	7,433,172	6,496,778

5. SHORT-TERM BORROWING

The Board has lines of credit available to the maximum of $8,025,000 to address operating requirements and/or to bridge capital expenditures.

Interest on the operating facilities equal the bank's prime lending rate less 1.65% [3.05% at year-end]. All loans under the operating facility are unsecured, due on demand and are in the form of bankers' acceptance notes and bank overdrafts.

As at August 31, 2022, the amount drawn under the operating facilities were $nil [2021 - $nil].

6. LONG-TERM DEBT

Long-term debt reported on the Consolidated Statement of Financial Position is comprised of the following:

	2022 $	2021 $
Ontario Financing Authority		
Debenture payable in fifty semi-annual instalments of $164,151 for principal and interest at 4.56% per annum, maturing November 15, 2031.	2,508,396	2,715,215
Debenture payable in fifty semi-annual instalments of $477,760 for principal and interest at 4.90% per annum, maturing March 3, 2033.	7,937,375	8,483,801
Debenture payable in fifty semi-annual instalments of $141,222 for principal and interest at 5.062% per annum, maturing March 13, 2034.	2,489,950	2,640,610
Debenture payable in thirty semi-annual instalments of $88,450 for principal and interest at 4.337% per annum, maturing November 15, 2024.	414,876	568,761
Debenture payable in fifty semi-annual instalments of $90,496 for principal and interest at 5.232% per annum, maturing April 13, 2035.	1,683,269	1,772,671
Debenture payable in fifty semi-annual instalments of $16,631 for principal and interest at 4.833% per annum, maturing March 11, 2036.	332,520	349,105
	15,366,386	16,530,163

Principal payments relating to long-term debt of $15,366,386, outstanding as at August 31, 2022, are due as follows:

	Principal $	**Interest** $	**Total** $
2022	1,220,438	736,983	1,957,421
2023	1,279,865	677,556	1,957,421
2024	1,253,834	617,369	1,871,203
2025	1,224,872	555,648	1,780,520
2026	1,285,430	495,091	1,780,521
Thereafter	9,101,947	2,083,310	11,185,257
	15,366,386	5,165,957	20,532,343

7. DEBT CHARGES

Total payments for the year for long-term debt were:

	2022 $	2021 $
Principal payments	**1,163,777**	1,109,755
Interest payments	**793,644**	847,667
	1,957,421	1,957,422

8. DEFERRED REVENUE

Revenues received 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, 2022 is comprised of:

	Balance as at August 31, 2021 $	**Externally restricted revenue and investment income $**	**Revenue recognized in period $**	**Transfers to deferred capital contributions $**	**Balance as at August 31, 2022 $**
Internal audit	501,961	**376,404**	**429,601**	**-**	**448,764**
Awards Trust	407,227	**6,426**	**-**	**-**	**413,653**
PPF grants	214,717	**1,395,355**	**1,214,518**	**-**	**395,554**
Proceeds on disposition	304,910	**-**	**-**	**-**	**304,910**
School Board and other	338,947	**(10,343)**	**127,363**	**-**	**201,241**
Special education	616,455	**15,310,522**	**15,907,341**	**-**	**19,636**
SEA formula based	-	**259,288**	**259,288**	**-**	**-**
School renewal	1,334,642	**1,377,508**	**964,282**	**242,325**	**1,505,543**
SHSM	59,490	**112,000**	**171,490**	**-**	**-**
Indigenous education	-	**2,491,412**	**2,491,412**	**-**	**-**
Ministry PPE	-	**1,497,614**	**910,118**	**-**	**587,496**
Temporary accommodation	108,106	**-**	**-**	**-**	**108,106**
Experiential learning	35,335	**352,345**	**369,420**	**-**	**18,260**
RNEF	104,624	**105,312**	**209,988**	**-**	**-**
Tuition fee	14,300	**14,300**	**14,300**	**-**	**14,300**
Library Staff	84,573	**85,287**	**169,860**	**-**	**-**
NSI Banker Board	96,623	**1,932,828**	**1,867,340**	**-**	**162,111**
Mental health workers	153,938	**156,127**	**310,085**	**-**	**-**
MOE Broadband	-	**41,106**	**-**	**-**	**41,106**
ISP PVP	-	**20,150**	**-**	**-**	**20,150**
	4,375,848	**25,523,641**	**25,416,406**	**242,325**	**4,240,830**

9. DEFERRED CAPITAL CONTRIBUTIONS

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

	2022	2021
	$	$
Opening balance	**76,016,897**	77,144,785
Additions to deferred capital contributions	**7,720,765**	5,362,540
Revenue recognized in the period	**(5,614,865)**	(6,490,428)
	78,122,797	76,016,897

10. RETIREMENT AND OTHER EMPLOYEE FUTURE BENEFITS

Retirement and Other Employee Future Benefits Liabilities

	2022			2021
	Retirement Gratuity Benefits	**Other Employee Future Benefits**	**Total Employee Future Benefits**	Total Employee Future Benefits
	$	$	$	$
Accrued employee future benefit obligations	**1,641,814**	**1,372,315**	**3,014,129**	3,204,661
Unamortized actuarial gain (loss)	**(155,717)**	**-**	**(155,717)**	(358,703)
Employee future benefits liability	**1,486,097**	**1,372,315**	**2,858,412**	2,845,958

Retirement and Other Employee Future Benefits Expenses

	2022			2021
	Retirement Gratuity Benefits $	**Other Employee Future Benefits** $	**Total Employee Future Benefits** $	Total Employee Future Benefits $
Current year benefit cost	**-**	**576,990**	**576,990**	698,895
Interest on accrued benefit obligation	**32,959**	**17,160**	**50,119**	43,402
Gain (loss) on plan amendments	**78,263**	**(14,007)**	**64,256**	141,640
Employee future benefits expenses*	**111,222**	**580,143**	**691,365**	883,937
Benefit payments	**(194,971)**	**(483,939)**	**(678,910)**	(776,576)
Change in liability	**(83,749)**	**96,204**	**12,455**	107,361

Retirement gratuity benefits are being amortized over the Employee Average Remaining Service Life (EARSL) which has been determined to be 8 years.

***** Excluding pension contributions to the OMERS, a multi-employer pension plan, described below.

Actuarial Assumptions

The accrued benefit obligations for employee future benefit plans as at August 31, 2022 are based on actuarial assumptions of future events determined for accounting purposes as at August 31, 2022. These actuarial 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:

	2022 %	2021 %
Inflation	2.00	1.50
Health care cost escalation (declining each year)	5.00	7.00
Dental care cost escalation (declining each year)	5.00	4.50
Discount on accrued benefit obligations	3.90	1.80

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.

[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, the Board contributed $1,473,505 [2021 - $1,486,827] to the plan. As this is a multi-employer pension plan, these contributions are the Board's pension benefit expenses. No pension liability for this type of plan is included in the Board's consolidated financial statements.

[iii] Retirement Gratuities

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

Provisions and interest credits totalling $1,031,000 [2021 - $1,031,000] have been restricted for settlement of retirement gratuities by Board motion and form part of Accumulated Surplus.

[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's 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. Until August 31, 2015, employees retiring on or after August 31, 2013 no longer qualified for Board subsidized premiums or contributions. With effect from August 31, 2015, the Board reinstated health and dental post-retirement benefits for certain active employees at August 31, 2015, along with certain retirees that retired after August 31, 2013.

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 4½ years for employees receiving payments from the Workplace Safety and Insurance Board, where the collective agreement negotiated prior to 2012 included such a provision.

The Board has restricted $793,345 [2021 - $793,345] by motion to assist with financing future claims and the insurance deductible on any catastrophic claims.

[ii] Long-Term Disability Salary Compensation

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.

[iii] 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 cost expensed in the Consolidated Statement of Operations and Accumulated Surplus is $135,089 [2021 - $224,169].

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, 2022 and is based on the average daily salary and banked sick days of employees at August 31, 2022.

[iv] Life Insurance Benefits

The Board provides a separate life insurance benefit plan for certain retirees. The premiums are based on the Board’s experience or the rate for active employees. Depending on the year in which a retiree has retired and the Board’s prior arrangements, retiree’s premiums could be subsidized by the Board. The benefit costs and liabilities related to the subsidization of these retirees under the group plan are included in the Board’s consolidated financial statements.

[v] Health Care and Dental Benefits

The Board sponsors a separate plan for certain retirees to provide group health care and dental benefits. The premiums are based on the Board’s experience or the rate for active employees. Depending on the year in which a retiree has retired and the Board’s prior arrangements, retirees’ premiums could be subsidized by the Board. The benefit costs and liabilities related to the plan are included in the Board’s consolidated financial statements

11. GRANTS FOR STUDENT NEEDS

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-six (86) percent of the consolidated revenues of the board are directly controlled by the provincial government through the grants for student needs. The payment amounts of this funding are as follows:

	2022 Budget $	**2022 Actual** $	2021 Actual $
Provincial Legislative Grants	92,047,443	**92,224,548**	92,299,598
Education Property Tax	11,933,633	**10,841,454**	11,465,439
Grants for Student Needs	103,981,076	**103,066,002**	103,765,037

12. EXPENSES BY OBJECT

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

	2022 Budget $	**2022 Actual** $	2021 Actual $
	[note 1[l]]		
Expenses			
Salaries and wages	76,304,530	**79,001,375**	80,383,574
Employee benefits	12,938,600	**13,412,081**	13,518,224
Staff development	543,270	**391,244**	300,769
Supplies and services	7,543,377	**10,333,521**	9,040,727
Interest	793,644	**776,093**	833,452
Rental	10,000	**-**	—
Fees and contracted services	8,258,100	**7,880,057**	7,946,475
Other	2,503,394	**3,470,024**	2,577,727
School Generated Funds	1,645,700	**1,333,708**	549,867
Amortization of tangible capital assets	6,886,210	**5,946,206**	6,928,600
	117,426,825	**122,544,309**	122,079,415

13. TANGIBLE CAPITAL ASSETS

	Cost				Accumulated Amortization				Net Book Value	
	Balance September 1, 2021 $	Additions and Transfers $	Disposals and Write-downs $	Balance August 31, 2022 $	Balance September 1, 2021 $	Amortization $	Disposals and Write-downs $	Balance August 31, 2022 $	August 31, 2022 $	August 31, 2021 $
Land	**398,507**	**-**	**-**	**398,507**	—	-	-	-	**398,507**	**398,507**
Land improvements	**12,570,575**	**940,417**	**-**	**13,510,992**	**9,298,222**	**1,057,357**	**-**	**10,355,579**	**3,155,413**	**3,272,353**
Buildings (40 years)	**125,033,893**	**3,837,880**	-	**128,871,773**	**54,081,348**	**3,760,801**	**-**	**57,842,149**	**71,059,623**	**70,952,545**
Leasehold improvements – land	**20,370**	**-**	**-**	**20,370**	—	-	-	-	**20,370**	**20,370**
Leasehold improvements – building	**21,761**	**-**	**-**	**21,761**	**7,616**	**2,176**	**-**	**9,792**	**11,969**	**14,145**
Computer hardware	**1,984,099**	**1,653,975**	**(753,397)**	**2,884,677**	**928,872**	**874,976**	**(753,397)**	**1,050,451**	**1,834,226**	**1,055,227**
Computer software	**10,531**	**155,473**	**-**	**166,004**	**5,268**	**17,653**	**-**	**22,921**	**143,083**	**5,263**
Equipment (10 years)	**1,032,267**	**227,287**	**(23,962)**	**1,235,592**	**300,066**	**110,393**	**(23,962)**	**386,497**	**819,094**	**732,201**
Equipment (15 years)	**69,229**	**-**	**-**	**69,229**	**69,229**	-	-	**69,229**	-	—
First-time equipping (10 years)	**662,128**	**-**	**(90,961)**	**571,167**	**389,609**	**61,665**	**(90,961)**	**360,313**	**210,854**	**272,519**
Furniture (10 years)	**42,348**	**-**	**-**	**42,348**	**25,280**	**4,235**	**-**	**29,515**	**12,833**	**17,068**
Portable structures	**1,167,181**	**-**	**-**	**1,167,181**	**846,494**	**56,951**	**-**	**903,445**	**263,736**	**320,687**
Vehicles (< 10,000 pounds)	**67,909**	**-**	**-**	**67,909**	**67,909**	-	-	**67,909**	-	—
Construction in progress (40 years)	**622,138**	**995,369**	**-**	**1,617,507**	—	-	-	-	**1,617,507**	**622,138**
Other	**2,541,992**	**-**	**-**	**2,541,992**	**2,541,992**	-	-	**2,541,992**	-	**2**
Total	**146,244,928**	**7,810,401**	**(868,320)**	**153,187,009**	**68,561,905**	**5,946,207**	**(863,320)**	**73,639,792**	**79,547,217**	**77,683,025**

[a] Write-down of tangible capital assets -
The write-down of tangible capital assets during the year was $868,319 [2021 - $1,102,131].

[b] Assets under construction
Assets having a value of $1,617,507 [2021 - $622,138] have not been amortized.
Amortization will commence when the asset is put into service.

14. ACCUMULATED SURPLUS

Accumulated surplus consists of the following:

	2022 $	2021 $
Surplus		
Invested in non-depreciable capital assets	**398,507**	398,507
Amounts available for compliance - unappropriated	**-**	260,466
Amounts restricted for future use by Board motion	**6,967,690**	8,851,584
Amounts restricted for future use on capital	**8,512,442**	9,267,625
Unfunded amounts to be recovered	**(1,105,337)**	(1,612,480)
School Generated Funds	**701,695**	678,708
Total surplus	**15,474,997**	17,844,410

15. ONTARIO SCHOOL BOARD INSURANCE EXCHANGE ("OSBIE")

The Board is a member of the Ontario School Board Insurance Exchange ("OSBIE"), a reciprocal insurance company licenced under the Insurance Act. OSBIE insures general public liability, property damage and certain other risks. Liability insurance is available to a maximum of $20 million per occurrence liability and unlimited property.

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 experienced. The current five-year term expires December 31, 2022.

16. PARTNERSHIP IN STUDENT TRANSPORTATION SERVICES OF THUNDER BAY

The Board has entered into an agreement with the Lakehead District School Board and Conseil scolaire de district catholique des Aurores boréales 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 member Boards are shared. No partner is in a position to exercise unilateral control.

The Board's consolidated financial statements reflect its share of expenses directly invoiced to them by the bus line totalling $6,261,593 [2021 - $5,583,374]. The Board invoiced Conseil scolaire de district catholique des Aurores boréales (CSDC) for CSDC's share of bus line expenses totalling $693,672 [2021 - $775,455], which is recorded as revenue in the statement of operations. Student Transportation Services of Thunder Bay does have any assets, liabilities or accumulated surplus to report at year end.

17. DEFERRED SALARY LEAVE PLAN

A deferred salary leave plan went into effect on September 1, 1982. This plan is to afford teachers an opportunity to take one year's leave without pay through a deferral of salary. The Board establishes trust accounts for each teacher in the plan and deposits earnings regularly into the plan where the money is to accumulate interest until the year of absence. At year-end, the Board held $768,461 [2021 - $946,489] in trust for teachers in the plan.

18. AWARDS TRUST FUND

Included in the Board's consolidated financial statements are the following balances relating to transactions for the Awards Trust Fund:

	2022 $	2021 $
ASSETS		
Cash and cash equivalents	190,543	187,005
Accounts receivable	-	—
Investments	223,110	220,222
	413,653	407,227
FINANCIAL LIABILITIES AND NET FINANCIAL POSITION		
Deferred revenue – other	**413,653**	407,227
REVENUE		
Other fees and revenue	126,191	203,550
EXPENDITURES		
Other expenses	119,765	181,400

The amounts received by the Awards Trust Fund are restricted by legislation or agreement and may only be used for specific purposes. These amounts are recognized as revenue in the fiscal year the related expenditures are incurred.

19. REPAYMENT OF "55 SCHOOL BOARD TRUST" FUNDING

On June 1, 2003, the Board received $7,004,085 from 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. 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, 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.

20. RELATED PARTY DISCLOSURES

The school board received six loans from Ontario Financing Authority (OFA) between November 2006 and March 2011. The OFA loans were to finance various projects which the board was undertaking. The aggregate amount still owing on the loans is $15,366,386 [2021 - $16,530,163] for the principal portion and $5,165,957 [2021 - $5,959,600] for the interest portion (Note 6).

21. CONTINGENCIES

[a] The Board has been named in a class action lawsuit with multiple plaintiffs and multiple defendants relating to flooding and sewage backup issues experienced by certain residents of the City of Thunder Bay in 2012. The likelihood and amount of settlement is not determinable. The Board's share of settlement, if any, in excess of insurance coverage will be charged to operations in the year judgement is rendered. No provisions have been made in these consolidated financial statements in respect of the action.

[b] Due to the nature of operations, the Board is periodically subject to union grievances, the outcomes of which are not determinable. The settlement of these grievances, if any, will be accounted for in the periods in which the matters are resolved.

22. COMPARATIVE FIGURES

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

23. COVID-19

On March 11, 2020 the COVID-19 outbreak was declared a pandemic by the World Health Organization. Since this time, the pandemic has had significant financial, market and social impacts, due to government imposed lockdowns and social distancing requirements. The board has experienced physical closure of schools based on public health recommendations, implemented temporary virtual schooling, implemented mandatory working from home requirements for those able to do so, and cancelled fundraising events and other programs.

For Fiscal 2022 the Ontario Ministry of Education provided additional funding and authorized the redirection of existing funding towards the costs related to implementing safe reopening measures and procuring personal protective equipment. The Ministry of Education in fiscal 2022 financed $4.5 million in Covid-19 related expenses with the remainder of expenses being funded by board surpluses and other savings. The Ministry of Education has committed to financing $1.5 million in the 2023 fiscal year with balance of expenses expected to be funded by accumulated surplus and savings.

The duration and ongoing impact of the COVID-19 pandemic remains unclear at this time. Although all 2021-22 financial impacts were managed, the full extent of the financial impact on the financial position and results of the board for future periods is not possible to reliably estimate.

24. IN-KIND TRANSFERS FROM THE MINISTRY OF GOVERNMENT AND CONSUMER SERVICES

The Board has recorded entries, both revenues and expenses, associated with centrally procured in-kind transfers of personal protective equipment (PPE) and critical supplies and equipment (CSE) received from the Ministry of Government and Consumer Services (MGCS). The amounts recorded were calculated based on the weighted average cost of the supplies as determined by MGCS and quantity information based on the Board's records. The in-kind revenue recorded for these transfers is $910,118 with expenses based on use of $1,004,926 for a net impact of $94,808.

25. 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.

While the timing of standard adoption can vary, certain standards must be adopted concurrently. The requirements in PS 1201 *Financial Statement Presentation,* PS 2601 *Foreign Currency Translation*, PS 3041 *Portfolio Investments* and PS 3450 *Financial Instruments* must be implemented at the same time. The board has not adopted any new accounting standards for the year ended August 31, 2022.

i. Standards applicable for fiscal years beginning on or after April 1, 2022 (in effect for the board as of September 1, 2022 for the year ending August 31, 2023):

   PS1201 *Financial Statement Presentation* replaces PS 1200 *Financial Statement Presentation*. This standard establishes general reporting principles and standards for the disclosure of information in government financial statements. The standard introduces the Statement of Remeasurement Gains and Losses separate from the Statement of Operations. Requirements in PS 2601 *Foreign Currency Translation*, PS 3450 *Financial Instruments*, and PS 3041 *Portfolio Investments*, which are required to be adopted at the same time, can give rise to the presentation of gains and losses as remeasurement gains and losses.

   PS 2601 *Foreign Currency Translation* replaces PS 2600 *Foreign Currency Translation*. The standard requires monetary assets and liabilities denominated in a foreign currency and non-monetary items denominated in a foreign currency that are reported as fair value, to be adjusted to reflect the exchange rates in effect at the financial statement date. Unrealized gains and losses arising from foreign currency changes are presented in the new Statement of Remeasurement Gains and Losses.
   PS 3401 *Portfolio Investments* replaces PS 3040 *Portfolio Investments*. The standard provides revised guidance on accounting for, and presentation and disclosure of, portfolio investments to conform to PS 3450 *Financial Instruments*. The distinction between temporary and portfolio investments has been removed in the new standard, and upon adoption, PS 3030 *Temporary Investments* will no longer apply.

   PS 3280 *Asset Retirement Obligations (ARO)* establishes the accounting and reporting requirements for legal obligations associated with the retirement of tangible capital assets controlled by a government or government organization. A liability for a

retirement obligation can apply to tangible capital assets either in productive use or no longer in productive use.

PS 3450 *Financial Instruments* establishes accounting and reporting requirements for all types of financial instruments including derivatives. The standard requires fair value measurement of derivatives and portfolio investments in equity instruments that are quoted in an active market. All other financial instruments will generally be measured at cost or amortized cost. Unrealized gains and losses arising from changes in fair value are presented in the Statement of Remeasurement Gains and Losses.

ii. Standards applicable for fiscal years beginning on or after April 1, 2023 (in effect for the board for as of September 1, 2023 for the year ending August 1, 2024):

PS 3400 *Revenue* establishes standards on how to account for and report on revenue, specifically differentiating between transactions that include performance obligations (i.e. the payor expects a good or service from the public sector entity), referred to as exchange transactions, and transactions that do not have performance obligations, referred to as non-exchange transactions.

PSG-8 *Purchased Intangibles* provides guidance on the accounting and reporting for purchased intangible assets that are acquired through arm's length exchange transactions between knowledgeable, willing parties that are under no compulsion to act.

PS 3160 *Public Private Partnerships (P3s)* provides specific guidance on the accounting and reporting for public private partnerships between public and private sector entities where the public sector entity procures infrastructure using a private sector partner.