

**Ministry of Education**

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**Ministère de l'Éducation**

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**2015: SB10**

**MEMORANDUM TO:** Directors of Education  
Senior Business Officials

**FROM:** Marie Li  
Director  
Financial Analysis and Accountability Branch

**DATE:** April 17, 2015

**SUBJECT:** INTERIM FINANCIAL REPORTING

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In the fall of 2009 the Ministry released memorandum 2009: SB38 (**Interim Financial Reporting**) recommending best practices and providing a sample Interim Financial Reporting template.

This initial template was developed by a working group of Ministry staff and representatives from several school boards.

Since then financial reporting within school boards has been impacted by the implementation of PSAB accounting rules and changes to how boards report their Accumulated Surplus / (Deficit) on Schedule 5. To help bring interim financial reporting in line with these changes the template has been revised. Attached to this memo is an updated template.

This template reflects the following changes: IFR Dashboard / Summary Schedule

1. Operating Grants and Capital Grants lines have replaced Provincial Grants in the Revenue section in order to provide more detail.
2. Capital has been renamed to Pupil Accommodation in the Expenditure section.
3. Transportation has been added to the Expenditure section to provide more detail.

4. PSAB Adjustments have been added to the Expenditure section to ensure the reporting agrees to the Accumulated Surplus / (Deficit) (Schedule 5 in EFIS).
5. Prior Year Accumulated Surplus / (Deficit) has been added so the closing Accumulated Surplus / (Deficit) for Compliance balance is being reported.

#### Grants Summary

1. The upper section now matches Section 1 from EFIS for Total Allocations.
2. The Adjustments section has been added so the report reconciles to Total Legislative Grants provided.
3. Other Revenues, Total Taxation and Deferred Revenues sections have been added so the report agrees to Schedule 9 in EFIS for Total Revenues.

#### Expenditure Summary

1. Classroom and Non-Classroom Instruction have been grouped together
2. Pupil Accommodation has been expanded to provide more detail
3. Other has been expanded to provide more detail
4. All sections include Amortization and Write-downs
5. PSAB adjustments has been included so the Summary schedule agrees to the Accumulated Surplus / (Deficit).

As a reminder, other key recommendations for effective interim financial reporting from the initial release of memorandum 2009: SB38 were:

1. Establish a reporting cycle at the beginning of the year, sharing the proposed cycle with Trustees in September;
2. Provide a minimum of 3 in-year reports in a consistent format with each report containing the same performance indicators;
3. Include non-financial performance indicators in the report (eg. enrolment and staffing); and
4. Explain key variances and form a conclusion.

The Risk Assessment section of the Grants and Expenditure Summaries is a useful tool to gauge whether the forecast (in the budget assessment) is on track or whether based on prior years, there appears to be a potential pressure or a savings beyond those that may already be reflected in the budget forecast. This is only an indicator and does not mean that the forecast is right or wrong.

If you have any questions on the above, please contact Jeffrey Lewis at (416) 325-0607 or [jeffrey.lewis@ontario.ca](mailto:jeffrey.lewis@ontario.ca) or your Ministry Financial Analyst.

*Original signed by*

Marie Li  
Director  
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