



Report of the Treasurer
Annual General Meeting, October 29, 2025

I am pleased to present the Treasurer's Report for St. Clement's School ("the School") for the fiscal year ended July 31, 2025.

Overall, the School's results of operations and financial position continue to be strong with a small 2024-25 fiscal year deficiency of revenue over expenses from operations of \$89,000, down from the excess of approximately \$1.5 million in the prior year but ahead of budget.

Last year's results benefitted from a significant donation resulting from the liquidation of The Thomas Wesley Powell Foundation Trust Fund while this year's results included depreciation expenses arising from the completion of the School's west end expansion project. Excluding the increased depreciation expenses, there was an excess of revenue over expenses from operations of \$1.4 million for the 2024-2025 fiscal year.

The School continues to maintain a strong liquidity position ending the fiscal year with \$18.8 million of cash and investments on hand.

Statement of Operations

Key highlights from the Statement of Operations for the year ended July 31, 2025 are as follows:

Total revenues for the year were approximately \$22.2 million, up slightly from \$22.0 million in the prior year. Revenues are comprised of the following significant items:

- Tuition of approximately \$18.1 million from the 474 students who attended the full year;
- Acceptance fees of \$864,500 from 91 new students;
- Donation revenue of approximately \$676,000; and
- Investment income of approximately \$784,000.

Total expenses for the year were approximately \$22.2 million, up from \$20.5 million in the prior year because of salary increases and higher depreciation expenses resulting from the west end expansion project.

Expenses comprised the following significant items:

- Salaries and benefits for the School's employees are the most significant individual expense, totalling approximately \$14.8 million;
- Facilities operations and maintenance expenses were \$1.3 million; and
- Financial assistance of \$908,000 for 30 students receiving varying levels of financial assistance - demonstrating the School's continued commitment to support "mission-fit" qualified students.

The actual deficiency of revenue over expenses from operations of \$89,000 reported in the current fiscal year was lower than the budgeted deficit. The key drivers of the favourable variance to budget were:

- Lower program and Advancement expenses of \$229,000 related to the timing of various Advancement events and lower spending in certain programs and IT costs; and
- Higher investment income due to stronger performance in the equity markets.

Statement of Financial Position

The School continues to maintain a stable, strong balance sheet with the School's net assets as of July 31, 2025 of approximately \$27.8 million, up from \$27.5 million in the prior year.

As of July 31, 2025, the School had cash and investments totalling approximately \$18.8 million, down from \$19.1 million in the prior year. The decrease in cash and investments resulted primarily from the repayment of the term loan of \$3.5 million related to the construction of the western expansion, partially offset by the collection of Trailblazer Campaign donation pledges of \$1.6 million.

We are grateful for the past support received for the Trailblazer fund-raising campaign. With the overwhelming success of that campaign, we have launched the Trailblazer+ campaign to assist with updating the look and feel of the existing building.

We are also grateful for the ongoing support that the School receives for the Annual Giving campaign, which exceeded its goal of \$650,000 last year. Donations continue to be a vital component of the funding of the School's enriched program as currently tuition and acceptance fees alone do not cover the annual operating expenses. The Annual Fund is a key component of the annual budget for the School.

Enrolment levels, tuition and acceptance fees remain key variables in determining the annual budget. When setting the tuition levels, the Finance Committee and the Board carefully consider the coming year's operating requirements as well as longer term funding needs to sustain the building and facilities and our programs.

The School has received an unqualified audit opinion on its financial statements for the fiscal year ended July 31, 2025 from the School's independent external auditor, Hogg, Shain & Scheck. The Board of Governors have approved the financial statements. I will be seeking resolutions to receive the financial statements, as presented and approved by the Board, and to renew the appointment of Hogg, Shain & Scheck as independent external auditors.

The Board and the Finance Committee members would like to thank Carol Ann Millington and her Finance team for their continued support and dedication in guiding the financial performance of the School.

I would also like to thank the members of the Finance Committee for their time, contributions and valuable perspectives on financial matters throughout the year. I am grateful to have had the opportunity to serve as Treasurer of the School for the past two years and I am pleased to welcome Zahra Jamani, who will be assuming the role of Treasurer this upcoming school year.

Zahra has served on the Finance Committee for the past three years and has demonstrated strong leadership skills and sound financial acumen. The Finance Committee and St. Clement's School will continue to prosper under her capable leadership.

Respectfully submitted,

Tim Deacon, FCPA, FCA
Treasurer