ST. CLEMENT'S SCHOOL

Annual General Meeting
Treasurer's Report
October 28, 2026

I am pleased to present the Treasurer's Report for the fiscal year ended July 31, 2026, my first year as Treasurer for the School.

The School's results of operations and financial position continue to be strong with a 2025-26 fiscal year surplus of revenue over expenses from operations of approximately $640,000, up from a small deficit of approximately $89,000 in the prior year. We continue to maintain a strong liquidity position ending the fiscal year with $22.2 million of cash and investments on hand.

Statement of Operations

Key financial highlights from the Statement of Operations for the year ended July 31, 2026 are as follows:

Total revenues for the year were approximately $23.6 million, up from $22.2 million in the prior year driven by slightly higher enrollment, increased tuition fees, and higher donations. Revenues are comprised of the following significant items:

- Tuition of approximately $19.3 million from the 480 students who attended SCS for the full year as well as 4 students who joined the school in January;
- Acceptance fees of $788,500 from 83 new students;
- Donation revenue of approximately $1.0 million; and
- Investment income of approximately $550,000.

Total expenses for the year were approximately $23.0 million, up slightly from $22.2 million in the prior year. Expenses are comprised of the following significant items:

- Salaries and benefits for the School's employees are the most significant individual expense, totalling approximately $15.1 million;
- Facilities operations and maintenance expenses were $1.7 million;
- General and administration expenses were $1.6 million;
- Program materials expenses were $1.1 million; and
- Financial assistance was $825,000.

Higher facilities expenses include renovations to the Schoolhouse and the initial refresh of the main school building. Administration expenses include costs relating to the Principal search and significant advertising expenditures made to enhance the School's brand recognition. Twenty-five students received varying levels of financial assistance, demonstrating our continued commitment to support "mission-fit" qualified students. Investment income of approximately $550,000 during the year was lower than $784,000 in the prior year due to the lower return from one of the School's investment managers. The investment holdings with this manager are being liquidated and transferred to a new manager.

The actual surplus of revenue over expenses from operations of approximately $640,000 reported in the current fiscal year outperformed the budgeted deficit. The key drivers of the favourable variance to budget were:

- Incremental donations received of $339,000;
- Lower salaries and benefits due to staff complement;
- Lower program materials costs and administrative expenses; and
- Lower than forecasted interest expense as the Trailblazer loan was repaid in full in July 2025.

Statement of Financial Position

We continue to maintain a stable, strong balance sheet with the School's net assets as of July 31, 2026 of approximately $29.7 million, up from $27.8 million in the prior year.

As of July 31, 2026, the School had cash and investments totaling approximately $22.2 million, up from $18.8 million in the prior year. The increase reflects strong financial stewardship, supported by positive operating results, the continued generosity of our donor community and prudent management of the School's assets and liabilities.

We are grateful for the support received this past year for the Annual Giving campaign and the new Excellence Unbound Campaign. The Annual Fund in particular exceeded its campaign goal.

Donations will 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 our annual operating expenses. The Annual Fund is a key component of our annual budget for the School.

Enrolment levels and 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, 2026 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 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 and for their support and assistance with my onboarding as Treasurer.

Respectfully submitted,

Zahra Jamani, CPA, CA, CFA
Treasurer