

Annapolis Valley Regional Centre for Education

Consolidated Financial Statements

March 31, 2022



Annapolis Valley
Regional Centre for Education

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Independent Auditor's Report

To the Regional Executive Director of the Annapolis Valley Regional Centre for Education

Opinion

We have audited the accompanying consolidated financial statements of **Annapolis Valley Regional Centre for Education**, which comprise the statement of financial position as at March 31, 2022, and the consolidated statement of operations and accumulated surplus, change in net debt and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the **Annapolis Valley Regional Centre for Education**, as at March 31, 2022, and the results of operations and changes in net financial assets for the year then ended, in accordance with Canadian public sector accounting standards.

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 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 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.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The current year's supplementary information included in the schedules on pages 7 to 13 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied, only to the extent necessary to express an opinion, in the audit of the financial statements taken as a whole.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards 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 Entity's financial reporting process.

Independent Auditor's Report (continued)

Auditor's Responsibilities 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 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 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.

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.

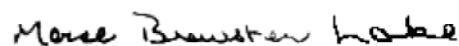
Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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 auditor's 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 auditor's 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.

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.

Berwick, Nova Scotia
June 21, 2022



Chartered Professional Accountants

**Annapolis Valley Regional Centre for Education
Consolidated Statement of Financial Position
As at March 31, 2022**

	2022	2021
Financial Assets		
Cash and Cash Equivalents		
Cash	\$ 12,734,387	\$ 11,004,930
School Based Funds (Note 3)	3,868,309	3,782,695
Total Cash and Cash Equivalents	16,602,696	14,787,625
Accounts Receivable		
Province of Nova Scotia	16,569,679	16,502,927
PNS - Teacher's Salary Accrual	2,469,800	2,380,600
Government of Canada	334,485	612,647
Other	357,656	626,628
PNS - Long-Term Service Awards	929,490	1,115,371
Total Accounts Receivable	20,661,110	21,238,173
Total Financial Assets	37,263,806	36,025,798
Financial Liabilities		
Accounts Payable and Accrued Liabilities - Trade	2,033,156	3,653,472
Other Payables & Accrued Liabilities	3,662,754	3,304,555
Teachers Salary Accruals	2,469,800	2,380,600
Payables and Accruals - Government		
Province of Nova Scotia	73,658	205,111
Municipalities	9,928	25,826
Government of Canada	1,516,568	1,514,100
Deferred Revenues	3,645,605	2,782,670
Long-Term Service Awards Liability (Note 8)	929,490	1,115,391
Long-Term Sick Leave Accrual (Note 7)	14,049,191	14,262,949
Total Financial Liabilities	28,390,150	29,244,674
Net Financial Assets	8,873,656	6,781,124
Non-Financial Assets		
Prepaid Expenses	16,005	771,015
Tangible Capital Assets (Schedule D)	1,126,946	1,244,210
Total Non-Financial Assets	1,142,951	2,015,225
Accumulated Surplus	\$ 10,016,607	\$ 8,796,349

Trust Funds Under Administration (Note 4)
Commitments (Note 5)
Contingencies (Note 6)

On Behalf of the Regional Centre


Deputy Minister


Regional Executive Director

**Annapolis Valley Regional Centre for Education
Consolidated Statement of Operations and Accumulated Surplus
For the Year Ended March 31, 2022**

	<u>2022 Budget</u>	<u>2022 Actual</u>	<u>2021 Actual</u>
Revenue (Schedule A)			
Province of Nova Scotia	\$ 145,312,716	\$ 147,627,627	\$ 144,566,935
Government of Canada	1,048,771	1,680,130	1,533,081
Municipal Contributions	24,817,256	24,817,248	23,970,972
School Generated Funds (Note 3)	4,000,000	2,337,822	1,497,560
Other Revenues	4,103,281	1,422,285	2,524,724
	<hr/>	<hr/>	<hr/>
Total Revenues	179,282,024	177,885,112	174,093,272
Expenses (Schedule B)			
Total Board Governance	-	-	(1,318)
Total Regional Management	5,290,491	5,204,207	8,315,096
Total School Management	17,272,934	16,776,425	17,025,839
Total Instruction	86,626,244	86,273,017	85,342,139
Total Student Support	27,714,292	27,899,581	25,402,956
Total Adult Education	489,366	493,154	481,647
Total Property Services	16,378,761	17,286,093	15,941,718
Total Student Transportation	11,552,025	11,841,188	11,205,276
Other Programs	9,013,599	7,989,687	7,323,767
School Generated Funds (Note 3)	4,000,000	2,425,739	1,775,839
Interest Expense	752,312	274,900	361,856
Amortization Expense	192,000	200,863	189,873
	<hr/>	<hr/>	<hr/>
Total Expenses	\$ 179,282,024	\$ 176,664,854	\$ 173,364,688
Centre for Education Annual Surplus	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	\$ -	\$ 1,220,258	\$ 728,584
Accumulated Surplus, Beginning of Year		<hr/>	<hr/>
		8,796,349	8,067,765
Accumulated Surplus, End of Year		<hr/> <hr/>	<hr/> <hr/>
		\$ 10,016,607	\$ 8,796,349
Committed Accumulated Surplus			
School Based Funds		\$ 2,769,653	\$ 2,857,570
Non-Financial Assets		<hr/>	<hr/>
		1,142,951	2,015,225
Total Committed Accumulated Surplus		<hr/>	<hr/>
		3,912,604	4,872,795
Uncommitted Accumulated Surplus		<hr/> <hr/>	<hr/> <hr/>
		\$ 6,104,003	\$ 3,923,554

**Annapolis Valley Regional Centre for Education
Consolidated Statement of Changes in Net Financial Assets
For the Year Ended March 31, 2022**

	<u>2022 Budget</u>	<u>2022 Actual</u>	<u>2021 Actual</u>
Net Financial Assets, Beginning of Year	\$ 6,781,121	\$ 6,781,124	\$ 6,203,633
Changes in the Year			
Centre for Education Annual Surplus	-	1,220,258	728,584
Acquisition of Tangible Capital Assets	-	(83,599)	(174,606)
Disposal of Assets	-	-	1,513
Amortization of Tangible Capital Assets	192,000	200,863	189,873
(Increase) Decrease in Prepaid Expenses	-	755,010	(167,873)
Increase in Net Financial Assets	<u>192,000</u>	<u>2,092,532</u>	<u>577,491</u>
Net Financial Assets, End of Year	<u>\$ 6,973,121</u>	<u>\$ 8,873,656</u>	<u>\$ 6,781,124</u>

**Annapolis Valley Regional Centre for Education
Consolidated Statement of Cash Flow
For the Year Ended March 31, 2022**

	2022	2021
Operating Activities		
Centre of Education Annual Surplus	\$ 1,220,258	\$ 728,584
Add: Items Not Affecting Cash		
Amortization of Tangible Capital Assets	200,863	189,873
	1,421,121	918,457
Changes in Non-Cash Working Capital		
Change in Prepaid Expenses	755,010	(167,873)
Change in Deferred Revenue	862,935	603,025
Change in Accounts Receivable	577,063	(1,371,400)
Change in Accounts Payable	(1,317,800)	3,821,708
Change in Long-Term Debt	(399,659)	(140,937)
Cash Provided by Operating Activities	1,898,670	3,662,980
Capital Activities		
Acquisition of Tangible Capital Assets	(83,599)	(174,606)
Loss on Disposal of Assets	-	1,513
Cash Provided by Capital Activities	(83,599)	(173,093)
Net Increase in Cash and Cash Equivalents	1,815,071	3,489,887
Cash and cash equivalents at beginning of year	14,787,625	11,297,738
Cash and cash equivalents at end of year	\$ 16,602,696	\$ 14,787,625

**Annapolis Valley Regional Centre for Education
Schedule A - Supplementary Details of Revenues
For the Year Ended March 31, 2022**

	<u>2022 Budget</u>	<u>2022 Actual</u>	<u>2021 Actual</u>
Revenues:			
Province of Nova Scotia:			
Operating	\$ 120,387,444	\$ 120,178,757	\$ 117,251,035
Restricted	16,274,312	15,948,332	17,837,580
Other	6,387,760	8,920,243	6,987,639
Recoveries	-	110,495	110,081
Teachers Salary Accrual	2,263,200	2,469,800	2,380,600
Total Province of Nova Scotia	<u>145,312,716</u>	<u>147,627,627</u>	<u>144,566,935</u>
Government of Canada:			
IA Northern Development	748,149	738,134	803,801
Secretary of State	300,622	288,614	224,885
Other	-	653,382	504,395
Total Government of Canada	<u>1,048,771</u>	<u>1,680,130</u>	<u>1,533,081</u>
Municipal Contributions:			
Mandatory	24,817,256	24,817,248	23,970,972
Total Municipal Contributions	<u>24,817,256</u>	<u>24,817,248</u>	<u>23,970,972</u>
School Generated Funds:			
School Generated Funds (Note 3)	4,000,000	2,337,822	1,497,560
Total School Generated Funds	<u>4,000,000</u>	<u>2,337,822</u>	<u>1,497,560</u>
Other Revenues:			
RCE Generated - Other	365,383	310,463	217,076
Other Revenue - Schools	1,293,785	566,680	521,702
Tuition - Students	1,061,944	35,350	415,758
Registration	1,061,944	76,718	965,843
Rental Revenue	-	2,191	4,058
Interest/Investments	105,000	97,204	121,826
Recoveries - Non-Governmental	-	37,663	30,754
Non-Government Grants	215,225	260,183	244,555
Gain (Loss) on Sale of Assets	-	-	(1,513)
Donations	-	35,833	4,665
Total Other Revenues	<u>4,103,281</u>	<u>1,422,285</u>	<u>2,524,724</u>
Total Revenues	<u>\$ 179,282,024</u>	<u>\$ 177,885,112</u>	<u>\$ 174,093,272</u>

Annapolis Valley Regional Centre for Education
Schedule B - Supplementary Details of Expenses
For the Year Ended March 31, 2022

	<u>2022 Budget</u>	<u>2022 Actual</u>	<u>2021 Actual</u>
Expenses:			
Board Governance:			
Board Secretary	\$ -	\$ -	\$ (1,318)
Total Board Governance	<u>-</u>	<u>-</u>	<u>(1,318)</u>
Regional Management:			
Management Services	1,389,079	1,305,141	1,349,154
Financial Services	2,004,415	1,986,521	1,173,935
Human Resources Services	1,036,889	858,163	864,077
Communication Services	92,937	91,040	88,029
ITS - Regional	767,171	963,342	4,839,901
Total Regional Management	<u>5,290,491</u>	<u>5,204,207</u>	<u>8,315,096</u>
School Management & Support:			
School Management	11,677,044	11,496,424	11,564,646
Program & Curriculum Support	4,420,254	4,023,290	4,306,159
ITS - Site Specific	1,175,636	1,256,711	1,155,034
Total School Management	<u>17,272,934</u>	<u>16,776,425</u>	<u>17,025,839</u>
Instructional & School Services:			
Instruction	83,280,648	83,339,016	82,390,700
Guidance Services	2,726,177	2,371,961	2,400,793
Library Services	619,419	562,040	550,646
Total Instruction	<u>86,626,244</u>	<u>86,273,017</u>	<u>85,342,139</u>
Student Support:			
Program Management	11,695,481	11,219,492	10,636,066
Instruction	11,746,719	12,059,039	11,621,756
Program & Curriculum Support	4,272,092	4,621,050	3,145,134
Total Student Support	<u>27,714,292</u>	<u>27,899,581</u>	<u>25,402,956</u>
Adult Education:			
Instruction	489,366	493,154	481,647
Total Adult Education	<u>489,366</u>	<u>493,154</u>	<u>481,647</u>
Property Services:			
Management Services	1,335,012	1,281,550	1,193,694
Custodial Services	6,904,238	6,988,381	6,075,010
Maintenance Services	7,569,327	8,366,101	8,206,369
Grounds Services	570,184	650,061	466,645
Total Property Services	<u>16,378,761</u>	<u>17,286,093</u>	<u>15,941,718</u>

Annapolis Valley Regional Centre for Education
Schedule B - Supplementary Details of Expenses (Continued)
For the Year Ended March 31, 2022

	<u>2022 Budget</u>	<u>2022 Actual</u>	<u>2021 Actual</u>
Student Transportation:			
Management Services	699,643	632,980	591,471
Transportation	4,684,377	4,868,252	4,579,992
Maintenance	1,493,397	1,626,890	1,461,970
Transportation (Contract)	4,674,608	4,713,066	4,571,843
Total Student Transportation	<u>11,552,025</u>	<u>11,841,188</u>	<u>11,205,276</u>
Other Expenses:			
Other Programs	9,013,599	7,989,687	7,323,767
School Based Funds (Note 3)	4,000,000	2,425,739	1,775,839
Interest Expense	752,312	274,900	361,856
Amortization Expense	192,000	200,863	189,873
Total Other Expenses	<u>13,957,911</u>	<u>10,891,189</u>	<u>9,651,335</u>
Total Expenses	<u><u>\$ 179,282,024</u></u>	<u><u>\$ 176,664,854</u></u>	<u><u>\$ 173,364,688</u></u>

Annapolis Valley Regional Centre for Education
Schedule C - Supplementary Details of Trusts and School Based Funds
For the Year Ended March 31, 2022

Trusts & Foundation

	March 2021	Additions	Interest	Disbursements	March 2022
ARRA Library Trust	\$ 3,662	\$ -	\$ 54	\$ -	\$ 3,716
AVRSB BD Mem Sch Fd	6,703	100	89	-	6,892
Raymond Banks Memorial	12,064	-	160	-	12,224
Barteaux Trust	46	-	1	-	47
Bateman Trust	5,166	-	68	-	5,234
Beals Trust	426,868	-	5,669	4,700	427,837
Beattie Trust	12,190	-	163	232	12,121
Borden Trust	3,947	-	53	83	3,917
Brannon Trust	446	-	6	50	402
Brazil, Duane Mem	7,189	-	95	1,000	6,284
Bruce Memorial Award	1,039	-	14	-	1,053
Carter Trust	6	-	-	-	6
Card Trust	50,820	-	672	1,077	50,415
Charles Eaves Award	17,177	-	227	-	17,404
Clarke	6,956	-	93	-	7,049
Coldwell Trust	5,183	-	69	-	5,252
Cummings Trust	15,223	276	205	-	15,704
Dakin Trust	5,802	-	79	300	5,581
Dalton Trust	18,492	-	247	-	18,739
Daniel Arnold Memorial	78	-	1	-	79
DeEll Trust	54,777	-	740	774	54,743
Dorothy Russell	130	1,000	12	-	1,142
Eastern Star	40,248	100	531	-	40,879
Fairn	32,589	-	450	6,000	27,039
Harvey	4,405	-	58	-	4,463
Haskell Trust	24,231	-	327	1,000	23,558
Hibbard Trust	12,311	-	163	217	12,257
Horton Golden Trust	3,817	-	50	500	3,367
Hudgins Trust	476	-	6	-	482
Inglis Trust	22,041	-	292	456	21,877
IODE Olympic Chapter	69,992	-	942	5,000	65,934
IIOF Wolfville	17,711	-	234	-	17,945
Jones - BRES	8,318	-	110	-	8,428
Jones - BRHS	18,639	-	247	-	18,886
Johnston Trust	30,059	-	405	1,200	29,264
Johnston L & D Trust	29,275	-	395	1,200	28,470
Lightfoot Trust	167	-	2	-	169
Lyons Trust	5,073	-	67	-	5,140
MacFarlane	11	-	-	-	11
MacNutt Trust	53,129	-	735	5,000	48,864
Mitchell Trust	1,953	-	26	40	1,939
MRHS 40th Ann. Trust	23,645	-	319	500	23,464
Neily Trust	456	-	6	-	462
Nixon Trust	6,773	-	90	-	6,863
Candice Parker Trust	2,545	150	37	500	2,232
Paul Bethune	51,236	-	684	1,000	50,920
Harry E. Parker Trust	6,256	-	89	500	5,845
Rena B. Parker Trust	39,917	-	528	1,656	38,789

Annapolis Valley Regional Centre for Education
Schedule C - Supplementary Details of Trusts and School Generated Funds (Continued)
For the Year Ended March 31, 2022

	March 2021	Additions	Interest	Disbursements	March 2022
Frank Pecora Mem Bursary	187	-	3	-	190
Quartermain Trust	22	-	-	-	22
Rainforth Trust	664	-	9	-	673
Sinnott Trust	11,563	-	153	-	11,716
Terri Spinney Mem	75	-	1	-	76
Earle Spicer Trust	28,911	-	383	300	28,994
Bill Wade Memorial	8,111	9,000	180	4,500	12,791
Whitman Memorial	8,905	-	118	1,000	8,023
WKDHS Memorial	8,112	-	109	300	7,921
Worthylake Trust	8	-	3	-	11
Champlain Refresh	(1,161)	-	-	-	(1,161)
Horton Refresh	107	-	-	-	107
Northeast Kings Refresh	(19,751)	39,418	-	-	19,667
Pine Ridge Refresh	7	-	-	-	7
Champlain Capital Fund	1,750	-	-	-	1,750
Horton Capital Fund	11,458	-	-	5,083	6,375
Northeast Kings Capital Fund	4,868	-	-	4,650	218
Pine Ridge Capital Fund	202	-	-	-	202
Total Trusts	1,223,275	50,044	16,469	48,818	1,240,970
Foundation Total	609,649	160,554	(316)	112,397	657,490
Total Trusts & Foundation	\$ 1,832,924	\$ 210,598	\$ 16,153	\$ 161,215	\$ 1,898,460
School Generated Funds					
	March 2021	Additions	Interest	Disbursements	March 2022
Aldershot Elementary	\$ 22,813	\$ 38,024	\$ -	\$ 33,396	\$ 27,441
Annapolis East Elementary	36,501	72,187	-	73,063	35,625
Annapolis West Education Centre	103,488	60,855	26	81,808	82,561
Avon View High	260,645	163,160	-	164,689	259,116
Berwick Elementary	54,750	21,769	-	19,775	56,744
Bridgetown Regional Elementary	9,995	-	-	-	9,995
Bridgetown Regional Community	113,846	128,399	-	119,554	122,691
Brooklyn District Elementary	19,840	21,016	-	27,180	13,676
Cambridge & District Elementary	41,773	(637)	-	15,085	26,051
Central Kings Rural High	232,380	152,199	-	156,120	228,459
Champlain Elementary	18,412	16,365	-	19,951	14,826
Clark Rutherford Memorial	17,262	18,335	-	17,938	17,659
Coldbrook & District	62,156	61,356	-	57,900	65,612
Dr Arthur Hines Elementary	16,635	20,350	-	22,747	14,238
Dwight Ross Elementary	6,093	27,194	-	30,552	2,735
Evangeline Middle	91,091	23,980	-	48,648	66,423
Falmouth District	13,744	28,907	-	25,319	17,332
Gaspereau Valley Elementary	20,346	31,872	-	31,688	20,530

Annapolis Valley Regional Centre for Education
Schedule C - Supplementary Details of Trusts and School Generated Funds (Continued)
For the Year Ended March 31, 2022

	March 2021	Additions	Interest	Disbursements	March 2022
Glooscap Elementary	37,866	53,094	-	30,678	60,282
Hantsport	54,289	48,894	41	25,295	77,929
Highbury Education Centre	5,668	26,251	-	20,132	11,787
Horton High	328,063	249,110	-	216,580	360,593
Kings County Academy	110,969	69,771	1,258	77,199	104,799
Kings County Adult High	4,344	7,012	-	11,419	(63)
Kingston & District	44,515	64,427	-	58,765	50,177
LE Shaw Elementary	7,736	44,024	-	44,383	7,377
Lawrencetown Consolidated	28,785	14,365	-	15,973	27,177
Lawrencetown Education Centre	30,432	80,666	-	96,501	14,597
Middleton Regional High	92,889	87,529	91	100,110	80,399
New Minas Elementary	57,375	51,215	-	65,114	43,476
Northeast Kings Education Centre	226,730	175,249	-	179,965	222,014
Pine Ridge Middle	102,857	51,610	-	58,451	96,016
Port Williams Elementary	17,454	75,897	-	56,261	37,090
Somerset & District	11,937	40,251	-	42,476	9,712
St Mary's Elementary	40,102	22,818	-	31,257	31,663
Three Mile Plains District	12,541	8,770	-	8,271	13,040
West Hants Education Centre	19,352	20,327	-	21,914	17,765
West Hants Middle	59,491	52,710	-	66,661	45,540
West Kings District High	275,768	113,042	82	146,228	242,664
Windsor Adult High	14,269	5,819	-	7,664	12,424
Windsor Elementary	11,329	14,042	-	16,097	9,274
Windsor Forks District	29,732	22,878	-	23,689	28,921
Wolfville	91,307	51,223	-	59,245	83,285
Total School Generated Funds	\$ 2,857,571	\$ 2,336,325	\$ 1,498	\$ 2,425,741	\$ 2,769,653

Annapolis Valley Regional Centre for Education
Schedule D - Supplementary Details of Tangible Capital Assets
As of March 31, 2022

Cost:

	<u>Buildings</u>	<u>Vehicles</u>	<u>Building Betterments</u>	<u>2022</u>	<u>2021</u>
Opening Costs	\$ 427,952	\$ 855,976	\$ 1,024,654	\$ 2,308,582	\$ 2,183,991
Additions	-	83,599	-	83,599	174,606
Disposals	-	-	-	-	(50,015)
Closing Costs	<u>427,952</u>	<u>939,575</u>	<u>1,024,654</u>	<u>2,392,181</u>	<u>2,308,582</u>

Accumulated Amortization:

Opening Balance	208,266	452,010	404,096	1,064,372	923,001
Disposals	-	-	-	-	(48,502)
Amortization Expense	<u>10,984</u>	<u>158,851</u>	<u>31,028</u>	<u>200,863</u>	<u>189,873</u>
Closing Balance	<u>219,250</u>	<u>610,861</u>	<u>435,124</u>	<u>1,265,235</u>	<u>1,064,372</u>

Net Book Value	<u>\$ 208,702</u>	<u>\$ 328,714</u>	<u>\$ 589,530</u>	<u>\$ 1,126,946</u>	<u>\$ 1,244,210</u>
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Net Book Value:

Opening Balance, April 1, 2021	\$ 219,686	\$ 403,966	\$ 620,558	\$ 1,244,210	\$ 1,260,990
Closing Balance, March 31, 2022	<u>208,702</u>	<u>328,714</u>	<u>589,530</u>	<u>1,126,946</u>	<u>1,244,210</u>
Change In Net Book Value	<u>\$ (10,984)</u>	<u>\$ (75,252)</u>	<u>\$ (31,028)</u>	<u>\$ (117,264)</u>	<u>\$ (16,780)</u>

Annapolis Valley Regional Centre for Education
Notes to the Consolidated Financial Statements
March 31, 2022

1. Nature of Operations

The Annapolis Valley Regional Centre for Education is an independent legal entity as required under the Education Act. The Regional Centre provides educational services from Pre-Primary to Grade 12 at public schools within the Annapolis Valley. The Regional Centre is a registered charity under the Income Tax Act and is exempt from income tax and can issue official receipts to donors.

2. Summary of significant accounting policies

These consolidated financial statements are prepared in accordance with the Canadian Public Sector Accounting Standards established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada (CPA). These consolidated financial statements have been prepared using the following significant accounting policies:

Revenues

Revenues are recorded on an accrual basis. The main components of revenue are funding from the Province of NS, Government of Canada and Municipal Contributions. The Regional Centre receives contributions by volunteer support in the delivery of certain programs within the schools. Due to the difficulty in determining or estimating the value of these contributions, contributed services are not quantified and recognized in these financial statements. The Regional Centre recognizes as revenue provincial government transfers representing the year over year change in accrued benefit obligations as the transfer has been authorized.

Expenses

Expenses are recorded on the accrual basis. Provisions are made for probable losses on accounts receivable, and for contingent liabilities when it is likely that a liability exists and the amount can be reasonably determined.

Pension Liabilities

The Regional Centre contributes to Registered Retirement Savings Plans and Registered Pension Plans on behalf of the non-teaching employees. The Regional Centre's teachers are members of a pension plan established by the Province of Nova Scotia as required by the Teachers' Pension Act. The Province of Nova Scotia and the Nova Scotia Teachers' Union are responsible for funding this plan.

Net Debt

Net Debt represents the direct liabilities of the Regional Centre less financial assets.

Financial Instruments

Cash and cash equivalents are recorded at cost which approximates market value. The Regional Centre's financial instruments consist of cash and cash equivalents, receivables, payable and accruals and other liabilities. It is management's opinion that the Regional Centre is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximates their carrying values.

Cash and cash equivalents

Cash and cash equivalents included cash on hand, balances with banks, short term deposits and bank balances held by schools.

**Annapolis Valley Regional Centre for Education
Notes to the Consolidated Financial Statements
March 31, 2022**

2. Summary of significant accounting policies continued

Non Financial Assets

All capital acquisitions are now recorded using Tangible Capital Asset accounting. All non-financial assets previously recorded that do not meet these guidelines have been removed from these statements.

All tangible capital assets purchased by the Regional Centre are recorded as assets and amortized based on the Province of Nova Scotia's tangible capital asset accounting policy thresholds. The thresholds and amortization rates are as follows:

Buildings	\$250,000	Amortization	5%	Declining Balance
Vehicles	\$ 15,000	Amortization	35%	Declining Balance
Building betterments	\$150,000	Amortization	5%	Declining Balance

Prepaid Expenses are cash disbursements for goods or services, other than Tangible Capital Assets and inventories of supplies, of which some or all will provide economic benefits in one or more future periods. The prepaid amount is recognized as an expense in the year the goods or service is used or consumed.

Accumulated Deficit/Surplus

Accumulated Deficit/Surplus represents the liabilities of the Regional Centre less financial assets, and non-financial assets. This represents the accumulated balance of net deficit/surplus arising from the operations of the Regional Centre.

Use of Estimates

In preparing the Regional Centre's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and reported amounts by fund of revenue and expenditure. Actual results could differ from these estimates.

3. School Based Funds

The Regional Centre is required to include in its financial statements the financial activities of its school sites. To meet this requirement, the Regional Centre has instituted a new school based funds policy to promote appropriate internal controls, provided each site with a standard computer based accounting system and established common reporting standards for school based funds. The following is a summary of these financial activities, a site by site listing is provided in Schedule C.

March 31, 2021	Additions	Interest	Disbursements	Schedule C - SBF	Deferred Revenue	March 31, 2022
\$2,857,571	\$2,336,325	\$1,497	\$2,425,739	\$2,769,654	\$1,098,655	\$3,868,309

(Student Council Funds are included in the School Based Funds totals. Cafeteria funds are no longer school based and are administered in the regional Financial System.)

**Annapolis Valley Regional Centre for Education
Notes to the Consolidated Financial Statements
March 31, 2022**

4. Trust funds

The Annapolis Valley Regional Centre for Education manages a number of trust funds primarily for the generation of scholarships and awards. A summary of the trusts and their activity is found in Schedule C of these financial statements. Effective April 1, 1997, the Regional Centre incorporated the activities of the former Kings County District School Board Foundation. These are now carried as a separate Trust Account.

5. Contractual Obligations

Contract	Vendor	2022-23	2023-24	2024-25	2025-26
Contracted School Bus Transportation Services	Stock Transportation	\$4,751,609	\$4,870,381	\$5,037,139	\$5,128,177
Regional Office Rent	Western Kings Health Society	\$336,999	\$336,999	\$336,999	\$336,999
West Hants Education Centre and Windsor Adult High Rent	BioMedica Diagnostics Inc.	\$172,386	\$43,413	-	-
NSSPI Photocopier	Xerox Canada	\$166,800	\$166,800	\$166,800	\$166,800
Totals		\$5,427,794	\$5,417,593	\$5,540,938	\$5,631,976

6. Accumulated sick leave liability

The Regional Centre has recognized in these consolidated financial statements, the liability associated with accumulated sick leave earned by teaching and non-teaching staff. The Regional Centre has recorded a corresponding receivable from the Province of Nova Scotia which has assumed responsibility for the liability up to March 31, 2022.

The non-teaching accumulated sick leave actuarial valuation was prepared by Eckler Ltd. based on data from March 31, 2021 to March 31, 2022. All assumptions used in the Sick Leave valuation have been chosen by the Province.

Fiscal Year	Benefit Obligation & Discount Rate per annum	
2020-2021 Fiscal – March 31, 2021	3.01%	
2021-2022 Fiscal – March 31, 2022	2.74%	
2022-2023 Fiscal – March 31, 2023	2.74%	
2023-2024 Fiscal – March 31, 2024	2.74%	
2024-2025 Fiscal – March 31, 2025	2.74%	

Year	Salary Growth Rate	Retirement Age	Percentage
April 1, 2020	3.0%	59	10%
April 1, 2021	3.0%	60	20%
April 1, 2022	2.5%	61- 64	10%
April 1, 2023	3.0%	65 - 69	50%
		70+	100%

**Annapolis Valley Regional Centre for Education
Notes to the Consolidated Financial Statements
March 31, 2022**

6. Accumulated sick leave liability continued

The teaching accumulated sick leave actuarial valuation was prepared by Eckler Ltd. based on valuation as of July 31, 2020 and extrapolated to March 31, 2022. The Province provided the information for the assumptions.

Fiscal Year	Benefit Obligation & Discount Rate per annum
2019-2020 Fiscal – March 31, 2020	3.24%
2020-2021 Fiscal – March 31, 2021	3.01%
2021-2022 Fiscal – March 31, 2022	2.74%
2022-2023 Fiscal – March 31, 2023	2.74%
2023-2024 Fiscal – March 31, 2024	2.74%
2024-2025 Fiscal – March 31, 2025	2.74%

The retirement for 2021-2022 fiscal year is assumed to be 50% at the Rule of 85, with the remainder at earlier of 35 years of credited service, age 62 with 10 years credited service, and age 65 with 2 years credited service. No termination prior to retirement assumed with regards to withdrawal prior to retirement.

Year	Salary Growth Rate
July 31, 2020	0.5%
August 1, 2020	1.5%
July 31, 2021	0.5%
August 1, 2021	1.5%
August 1, 2022	1.5%
August 1, 2023	2.0%
August 1, 2024	2.0%

It is assumed that the expected sick leave utilization is 7.9 days per school year for males and 9.1 days per year for females. The expected net sick leave accrual for a full time employee is 20 days less expected current year sick leave used (12.1 days for males and 10.9 days for females).

**Annapolis Valley Regional Centre for Education
Notes to the Consolidated Financial Statements
March 31, 2022**

Non-Teaching - Accumulated Sick Leave	2022	2021
Opening benefit obligation, beginning of the year	\$ 1,709,134	\$ 1,665,934
Current service cost	281,900	275,100
Interest on obligation	47,400	50,700
Impact of plan amendment	-	0
Other (past service, transfers, etc)	-	0
Less: sick leave taken	(280,000)	(274,500)
Actuarial (gains) losses	627,400	(8,100)
Closing benefit obligation, end of year	2,385,834	1,709,134
Pension assets, at market related values	0	0
Funded status - surplus (deficiency)	(2,385,834)	(1,709,134)
Unamortized actuarial (gains) losses	757,125.00	144,184.00
Accrued benefit asset (liability)	\$ (1,628,709)	\$ (1,564,950)
Teachers - Accumulated Sick Leave		
Opening benefit obligation, beginning of the year	\$ 7,526,554	\$ 9,397,954
Current service cost	715,500	857,700
Interest on obligation	209,500	286,800
Impact of plan amendment	-	-
Other (past service, transfers, etc)	-	-
Less: sick leave taken	(778,800)	(915,600)
Actuarial (gains) losses	150,800	(2,100,300)
Closing benefit obligation, end of year	7,823,554	7,526,554
Pension assets, at market related values	0	0
Funded status - surplus (deficiency)	(7,823,554)	(7,526,554)
Unamortized actuarial (gains) losses	(4,596,928)	(5,171,445)
Accrued benefit asset (liability)	(12,420,482)	(12,697,999)
Total Sick Leave Liability	\$ (14,049,191)	\$ (14,262,949)

**Annapolis Valley Regional Centre for Education
Notes to the Consolidated Financial Statements
March 31, 2022**

7. Service Awards

During the 2000-2001 and the 2013-2014 fiscal years, the Province of Nova Scotia assumed full responsibility for accumulated liability associated with teaching and non-teaching employee retirement allowances. Regional Centres are responsible only for the current service cost of this benefit. The projected liability is offset by a corresponding receivable from the Province. The amount of the projected liability has been determined by the Nova Scotia Department of Finance, based on an actuarial valuation.

The non-teachers retiring allowance actuarial valuation was prepared by Eckler Ltd. The data was extrapolated from March 31, 2018 to March 31, 2021 to create an actuarial valuation as at March 31, 2021 based on assumption as to that date. To enable the Province to satisfy the disclosure requirements under CPA PS 3250, we have relied on the prior actuary's valuation of the accrued benefit obligations as at March 31, 2021 and extrapolated those results to March 31, 2022 based on the assumptions as of that date. All assumptions used in the Service award valuation have been chosen by the Province.

Fiscal Year	Benefit Obligation & Discount Rate per annum	
2020-2021 Fiscal – March 31, 2021	3.01%	
2021-2022 Fiscal – March 31, 2022	2.74%	
2022-2023 Fiscal – March 31, 2023	2.74%	
2023-2024 Fiscal – March 31, 2024	2.74%	
2024-2025 Fiscal – March 31, 2025	2.74%	

Year	Salary Growth Rate	Retirement Age	Percentage
April 1, 2019	3.0%	59	10%
April 1, 2020	3.0%	60	20%
April 1, 2021	3.0%	61- 64	10%
April 1, 2022	2.5%	65 - 69	50%
April 1, 2023	3.0%	70+	100%

For March 31, 2022 benefit obligation and estimated fiscal 2022/2023 expense determination:
60% at age 60 100% at age 65

The teachers' retirement allowance actuarial valuation was prepared by Eckler Ltd. based on valuation as on July 31, 2021 and extrapolated to March 31, 2022. The Province provided the information for the assumptions.

Fiscal Year	Benefit Obligation & Discount Rate per annum
2020-2021 Fiscal – March 31, 2021	3.01%
2021-2022 Fiscal – March 31, 2022	2.74%
2022-2023 Fiscal – March 31, 2023	2.74%
2023-2024 Fiscal – March 31, 2024	2.74%
2024-2025 Fiscal – March 31, 2025	2.74%

The retirement for 2021-2022 fiscal year is assumed to be 50% at the Rule of 85, with the remainder at earlier of 35 years of credited service, age 62 with 10 years credited service, and age 65 with 2 years credited service. No termination prior to retirement assumed with regards to withdrawal prior to retirement.

Year	Salary Growth Rate
August 1, 2019	1.5%
July 31, 2020	0.5%
August 1, 2020	1.5%
July 31, 2021	0.5%
August 1, 2021	1.5%
August 1, 2022	1.5%
August 1, 2023	2.0%

**Annapolis Valley Regional Centre for Education
Notes to the Consolidated Financial Statements
March 31, 2022**

7. Service Awards continued

Prior to August 1, 2015, liabilities were determined using the projected unit credit method, prorated on service as required by CPA PS 3250. Under this method, an equal proportion of the estimated total benefit is allocated to each year of service. The present value of benefits attributed to service prior to the valuation date is determined and referred to as the benefit obligation, or actuarial liability.

Since benefits have been curtailed effective August 1, 2015, the valuation method has changed such that the total liability is no longer pro-rated on service. The liability is based on service accrued to August 1, 2015, using projected earning at retirement.

Non-Teachers - Retiring Allowances	2022	2021
Opening benefit obligation, beginning of the year	\$ 114,666	\$ 182,049
Current service cost	-	-
Interest on obligation	3,100	4,456
Impact of curtailment	-	-
Other (past service, transfers, etc)	-	-
Less: benefits paid	(1,750)	(70,238)
Actuarial (gains) losses	86,100	(1,600)
Closing benefit obligation, end of year	202,116	114,667
Pension assets, at market related values	-	-
Funded status - surplus (deficiency)	(202,116)	(114,667)
Unamortized actuarial (gains) losses	113,665	41,673
Accrued benefit asset (liability)	\$ (88,451)	\$ (72,993)
Teachers - Retiring Allowances		
Opening benefit obligation, beginning of the year	\$ 618,688	\$ 699,087
Current service cost	-	-
Interest on obligation	14,900	19,900
Impact of curtailment	-	-
Other (past service, transfers, etc)	-	-
Less: benefits paid	(189,224)	(111,399)
Actuarial (gains) losses	196,600	11,100
Closing benefit obligation, end of year	640,964	618,688
Pension assets, at market related values	-	-
Funded status - surplus (deficiency)	(640,964)	(618,688)
Unamortized actuarial (gains) losses	(200,074)	(423,710)
Accrued benefit asset (liability)	\$ (841,039)	\$ (1,042,399)
Total Retiring Allowance Liability	\$ (929,490)	\$ (1,115,392)

**Annapolis Valley Regional Centre for Education
Notes to the Consolidated Financial Statements
March 31, 2022**

8. COVID-19

As a result of the COVID-19 outbreak that was declared a pandemic on March 11, 2020, the Province operated under a provincial state of emergency from March 22, 2020, through to March 21, 2022. All public schools in the province were closed effective March 23, 2020, and a continuity of learning plan was implemented to enable at-home learning for students, which remained in effect for the remainder of the 2019-2020 school year.

Nova Scotia developed the Back-to-School plan for the 2020-21 school year and students returned to in-class instruction in September 2020 under various protocols, including such things as the extensive use of personal protective equipment by staff and students, enhanced cleaning and ventilation checks in schools, and cohorting of students. Effective April 28, 2021, all schools in the province were once again temporarily closed to reduce the spread of COVID-19 in the community. At that time, students moved to at-home virtual learning as intended in the Back-to-School Plan. The temporary closure ended on June 3, 2021, and students returned to in-class instruction for the remainder of the 2020-2021 school year.

Students returned to school in September 2021 with core public health measures in place, and an updated provincial Back to School Plan. Schools continued to follow the Public Health protocols developed as part of the Back-to-School Plan.

The enhanced safety measures of the Nova Scotia Back-to-School Plan have had both financial and operational impacts in the current fiscal year. However, **Annapolis Valley Regional Centre for Education** has not experienced any cash flow issues and has been working with the Department of Education and Early Childhood Development to ensure sufficient funding is available to address the incremental COVID-19 costs and continue as a going concern.

9. Comparative Figures

Certain of the 2021 comparative figures have been restated to conform to the financial statement presentation for 2022.