

Financial Statements of

**CAPE BRETON-VICTORIA REGIONAL
CENTRE FOR EDUCATION**

Year ended March 31, 2022

CAPE BRETON-VICTORIA REGIONAL CENTRE FOR EDUCATION

Financial Statements

March 31, 2022

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Independent Auditor's Report

To the Honourable Becky Druhan, Minister, Education and Early Childhood Development

Opinion

We have audited the financial statements of Cape Breton-Victoria Regional Centre for Education (the Centre for Education), which comprise the statements of financial position as at March 31, 2022, the statements of operations and accumulated surplus, change in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

Other Matters

The financial statements of Cape Breton-Victoria Regional Centre for Education for the year ended March 31, 2021 were reported on by another firm of professional accountants who expressed an unqualified opinion on those financial statements on June 28, 2021.

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 Centre for Education 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.

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

Management is responsible for the preparation and fair presentation of the 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 Centre for Education'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 Centre for Education or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Centre for Education's financial reporting process.

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 Centre for Education'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 Centre for Education'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 Centre for Education 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.

Chartered Professional Accountants

Dartmouth, NS
June 29, 2022

CAPE BRETON-VICTORIA REGIONAL CENTRE FOR EDUCATION

Statement of Financial Position


As at March 31, 2022

	2022	2021
FINANCIAL ASSETS		
Cash and cash equivalents		
General	\$ 11,365,485	\$ 12,972,584
School-based funds	5,039,008	5,014,539
	<u>16,404,493</u>	<u>17,987,123</u>
Accounts receivable		
Province of Nova Scotia (note 2)	9,234,397	5,052,005
Municipal	1,273,507	-
First Nation (note 3)	-	245,337
Government of Canada (note 4)	787,321	798,693
Other	177,437	1,104,304
	<u>11,472,662</u>	<u>7,200,339</u>
Province of Nova Scotia, other		
Retirement service awards receivable – teaching (note 5)	726,026	749,628
Retirement service awards receivable – non-teaching (note 5)	-	125,280
Sick leave receivable – teaching (note 6)	13,339,517	14,098,664
Sick leave receivable – non-teaching (note 6)	1,309,034	1,392,541
	<u>15,374,577</u>	<u>16,366,113</u>
Total financial assets	<u>43,251,732</u>	<u>41,553,575</u>
FINANCIAL LIABILITIES		
Payables and accruals – trade	6,451,921	6,192,622
Teachers' salary payable	2,651,200	2,576,900
Non-teaching vacation pay payable	1,296,349	1,275,009
Other salary payable	2,118,006	2,008,547
	<u>12,517,476</u>	<u>12,053,078</u>
Payables and accruals – government		
Province of Nova Scotia	2,557,020	90,117
Government of Canada	-	50,603
Municipalities	20,367	18,318
	<u>2,577,387</u>	<u>159,038</u>
Province of Nova Scotia, other		
Retirement service awards obligation – teaching (note 6)	726,026	749,628
Retirement service awards obligation – non-teaching (note 6)	-	125,280
Accrued sick leave obligation – teaching (note 7)	13,339,517	14,098,664
Accrued sick leave obligation – non-teaching (note 7)	1,309,034	1,392,541
	<u>15,374,577</u>	<u>16,366,113</u>
Contaminated sites liability	-	464,322
Liability for future environmental clean-up	523,875	495,624
Deferred revenue	5,676,998	5,375,451
Total financial liabilities	<u>36,670,313</u>	<u>34,913,626</u>
NET FINANCIAL ASSETS	<u>6,581,419</u>	<u>6,639,949</u>
NON-FINANCIAL ASSETS		
Prepaid expenses	1,170,238	933,170
Tangible capital assets (note 7)	196,175	257,546
Total non-financial assets	<u>1,366,413</u>	<u>1,190,716</u>
ACCUMULATED SURPLUS	<u>\$ 7,947,832</u>	<u>\$ 7,830,665</u>

Contingencies (note 12)

See accompanying notes to financial statements.

On behalf of the Centre for Education

 Deputy Minister

 Regional Executive Director

CAPE BRETON-VICTORIA REGIONAL CENTRE FOR EDUCATION

Statement of Operations

For the year ended March 31, 2022

	2022		2021
	Budget	Actual	Actual
REVENUES			
Province of Nova Scotia	\$ 151,252,192	\$ 152,196,925	\$ 150,969,911
Municipal contributions	17,733,289	17,733,289	17,263,384
Regional Centre generated	1,405,571	2,189,170	3,087,022
School-based funds	4,200,000	2,215,294	2,652,756
Government of Canada	1,280,607	1,543,764	1,614,077
	175,871,659	175,878,442	175,587,150
EXPENSES			
School service	129,678,338	126,522,096	125,393,490
Property services	16,296,757	21,510,087	21,170,722
Transportation	7,151,699	6,540,685	6,443,854
Other programs	7,619,934	8,354,680	7,259,172
School-based funds	4,200,000	2,295,622	2,160,285
School services administration	4,176,220	3,964,855	4,214,024
Financial services	1,940,938	1,852,695	1,829,988
Technology services	1,450,332	1,463,015	2,920,955
Human resources	1,118,324	1,141,096	1,009,797
Operations administration	1,463,546	1,374,672	1,338,237
Office of the Regional Executive Director	655,311	636,140	566,933
Tangible capital asset amortization	120,260	105,632	138,678
	175,871,659	175,761,275	174,446,135
OPERATING SURPLUS	\$ -	\$ 117,167	\$ 1,141,015

See accompanying notes to financial statements.

CAPE BRETON-VICTORIA REGIONAL CENTRE FOR EDUCATION

Statement of Accumulated Surplus

Year ended March 31, 2022, with comparative figures for 2021

	Unrestricted	Internally Allocated School-based Funds	Internally Allocated Reserve	2022 Total	2021 Total
Balance, beginning of year	\$ 3,176,676	\$ 4,456,647	\$ 197,342	\$ 7,830,665	\$6,689,650
Annual surplus (loss)	132,595	(80,328)	64,900	117,167	1,141,015
Balance, end of year	\$ 3,309,271	\$4,376,319	\$ 262,242	\$7,947,832	\$7,830,665

See accompanying notes to financial statements.

CAPE BRETON-VICTORIA REGIONAL CENTRE FOR EDUCATION

Statement of Change in Net Financial Assets

For the year ended March 31, 2022

	2022	2022	2021
	Budget	Actual	Actual
NET FINANCIAL ASSETS, BEGINNING OF YEAR	\$ 6,639,949	\$ 6,639,949	\$ 5,629,026
Changes during the year			
Operating surplus	-	117,167	1,141,015
Acquisition of tangible capital assets	(85,500)	(44,261)	(170,699)
Amortization of tangible capital assets	120,260	105,632	138,678
Increase in prepaid expenses		(237,068)	(98,071)
(Decrease) increase in net financial assets	34,670	(58,530)	1,010,923
NET FINANCIAL ASSETS, END OF YEAR	\$ 6,674,709	\$6,581,419	\$ 6,639,949

See accompanying notes to financial statements.

CAPE BRETON-VICTORIA REGIONAL CENTRE FOR EDUCATION

Statement of Cash Flows

For the year ended March 31, 2022

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating surplus	\$ 117,167	\$ 1,141,015
Non-cash items		
Amortization of tangible capital assets	105,632	138,678
Change in non-cash operating working capital		
Increase in accounts receivable	(4,272,323)	(346,380)
Increase in prepaid expenses	(237,068)	(98,071)
Increase in payables and accruals – trade	259,299	2,265,371
Increase (decrease) in salaries payable	205,099	(363,585)
Increase in payables and accruals – government	2,418,349	11,693
(Decrease) increase in contaminated liability	(464,322)	12,647
Increase (decrease) in liability for future environmental clean-up	28,251	(231,745)
Increase (decrease) in deferred revenue	301,547	(932,925)
	(1,538,369)	1,596,698
CASH FLOWS FROM CAPITAL ACTIVITIES		
Purchase of tangible capital assets	(44,261)	(170,699)
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(1,582,630)	1,425,999
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	17,987,123	16,561,124
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 16,404,493	\$ 17,987,123
Represented on the financial statements by		
General	\$ 11,384,340	\$ 12,972,584
School-based funds	5,039,008	5,014,539
	\$ 16,404,493	\$ 17,987,123

See accompanying notes to financial statements.

CAPE BRETON-VICTORIA REGIONAL CENTRE FOR EDUCATION

Notes to Financial Statements

For the year ended March 31, 2022

The Cape Breton-Victoria Regional Centre for Education is incorporated under the provisions of the Education Act of the Province of Nova Scotia and its principal business activity is operating a regional school system serving the Cape Breton Regional Municipality and the Municipality of the County of Victoria. The Centre for Education is registered as a charitable organization under the Income Tax Act and, therefore, is exempt from income tax and may issue official receipts to donors for income tax purposes.

1. SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

These financial statements are prepared in accordance with Canadian generally accepted accounting principles for the public sector which, for purposes of the Centre for Education's financial statements, are represented by the accounting standards established by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada (CPA).

These financial statements have been prepared using the following significant accounting policies:

(a) Cash and cash equivalents

Cash and cash equivalents consist of cash on deposit net of outstanding cheques and deposits.

(b) Revenues

Provincial government transfers for operating and capital purposes are recognized as revenue in the period in which all eligibility criteria and/or stipulations have been met and the amounts are authorized. Any funding received prior to satisfying these conditions is deferred until conditions have been met. When revenue is received without eligibility credits or stipulations, it is recognized when transfer(s) from the Province of Nova Scotia and Municipalities are authorized.

All non-government contribution or grant/revenues that are externally restricted such that they must be used for a specified purpose are recognized as revenue in the period in which the resources are used for the purpose or purposes specified. Any externally restricted inflow received before the criterion has been met is reported as a liability until the resources are used for the purpose or purposes specified.

Each year, contributions by volunteers support the delivery of certain programs within schools. Due to the difficulty in determining or otherwise estimating the value of these contributions and because these services are not otherwise purchased, contributed services are not quantified and recognized in these financial statements.

CAPE BRETON-VICTORIA REGIONAL CENTRE FOR EDUCATION

Notes to Financial Statements

For the year ended March 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Revenues (continued)

The Centre for Education recognizes as revenue provincial government transfers representing the year over year change in the accrued retirement and service awards obligation and accrued sick leave obligation as the transfer has been authorized.

(c) Expenses

Expenses are recorded on an accrual basis and include the cost of supply inventories purchased during the year. Provisions are made for contingent liabilities when it is likely that a liability exists and the amount can be reasonably determined. These provisions are updated as estimates are revised.

(d) Financial assets

Cash and cash equivalents are recorded at cost which approximates market value.

Accounts receivable are recorded at the principal amount less valuation allowance. These allowances are recorded where collectability is considered doubtful.

(e) Financial liabilities

Teachers' salary and benefit costs are accrued at year end. As directed by the Province of Nova Scotia, an offsetting receivable is recorded from the Province. The annual accrual and offsetting receivable are adjusted as required.

Salaries, vacation pay and benefits of non-teaching employees are also accrued at year end. There is no equivalent offsetting receivable from the Province except for vacation pay.

(f) Net financial assets

Net financial assets represents the financial assets less direct financial liabilities of the Centre for Education.

CAPE BRETON-VICTORIA REGIONAL CENTRE FOR EDUCATION

Notes to Financial Statements

For the year ended March 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Non-financial assets

Tangible capital assets have useful lives extending beyond the accounting period, are held for use in the production or supply of goods and services and are not intended for sale in the ordinary course of operations. Tangible capital assets are recorded at gross historical cost (or estimated cost when the actual cost is unknown) and include all costs directly attributable to the acquisition, construction, development and installation of the tangible capital asset, except interest. Contributions are not netted against the cost of the related tangible asset. All tangible capital assets are capitalized in accordance with Province of Nova Scotia thresholds and are amortized over the estimated useful life of the asset. The amortization expense is recorded in the statement of operations.

Amortization of tangible capital assets is provided using the following methods and annual rate:

Asset	Basis	Rate
Service vehicles	Declining balance	35%

Prepaid expenses are cash disbursements or other transfers of economic resources 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 good or service is used or consumed.

(h) Accumulated surplus

Accumulated surplus represents the financial assets and non-financial assets of the Centre for Education less the financial liabilities. This represents the accumulated balance of net surplus arising from the operations of the Centre for Education.

CAPE BRETON-VICTORIA REGIONAL CENTRE FOR EDUCATION

Notes to Financial Statements

For the year ended March 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) School Based Funds

These financial statements include funds arising from certain school and student activities that are controlled and administered locally by each school, but for which the Centre for Education is accountable. Revenues from school-based funds are recognized as the funds are received. School fund activities are recorded as funds are expended.

(j) Use of estimates

The preparation of the financial statements requires management to make a number of estimates and assumptions relating to the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. Significant items subject to such estimates and assumptions include the carrying value of capital assets, valuation of post retirement benefits and obligations, valuation allowance of accounts receivable and obligations resulting from employee contract negotiations.

2. ACCOUNTS RECEIVABLE, PROVINCE OF NOVA SCOTIA

	2022	2021
Teachers' salary accrual	\$ 2,651,200	\$ 2,576,900
ICIP	2,370,722	-
Covid/Operational pressures	2,355,000	-
TCA capital	586,844	2,180,591
Outdoor Classrooms	513,373	-
Information economy initiative	430,206	126,622
International student program	287,650	-
Non-Teaching Retro pay	23,813	117,810
Other	9,500	45,017
Gas tax rebate	6,089	5,065
	<u>\$ 9,234,397</u>	<u>\$ 5,052,005</u>

CAPE BRETON-VICTORIA REGIONAL CENTRE FOR EDUCATION

Notes to Financial Statements

For the year ended March 31, 2022

3. ACCOUNTS RECEIVABLE, FIRST NATION

	2022	2021
Tuition Receivable	\$ -	\$ 245,337

4. ACCOUNTS RECEIVABLE, GOVERNMENT OF CANADA

	2022	2021
Harmonized sales tax	\$ 787,321	\$ 798,693

5. RETIREMENT SERVICE AWARDS

Teachers receive a service award upon retirement, disability, death or termination, when entitled to a vested pension, under the contracts between the Nova Scotia Teachers' Union local and the predecessor boards. The contracts prescribe the formulae used in calculating the payment as well as the period over which the payment is to be made.

The Province of Nova Scotia assumed responsibility for the payment of service awards for all qualifying Centre for Education employees effective April 1, 2002. As a result, Centres for Education were required to make certain entries on their financial statements beginning with the year ending March 31, 2002, to record the value of projected liabilities, as well as a corresponding receivable from the Province of Nova Scotia. These entries have been determined by the Nova Scotia Department of Finance in relation to an independent actuarial evaluation performed for them. This evaluation calculated the present value of the service awards payable for past services for the Centre for Education to be \$726,026 as of March 31, 2022 (2021 - \$749,628) – teaching; nil as of March 31, 2022 (2021 - \$125,280) – non-teaching.

CAPE BRETON-VICTORIA REGIONAL CENTRE FOR EDUCATION

Notes to Financial Statements

For the year ended March 31, 2022

5. RETIREMENT SERVICE AWARDS (CONTINUED)

The information below provides further detail on the calculation of the accrued retirement service award obligations.

TEACHING

			2022	2021
	Actual Obligation	Unamortized Losses	Total	Total
Balance, beginning of year	\$ 605,523	\$ 144,105	\$ 749,628	\$ 762,749
Interest cost	16,800	-	16,800	18,200
Amortization of actuarial losses	-	(9,438)	(9,438)	(9,094)
Benefit payments	(30,964)	-	(30,964)	(22,227)
Actuarial loss	48,500	(48,500)	-	-
Balance, end of year	\$ 639,859	\$ 86,167	\$ 726,026	\$ 749,628

The information below provides further detail on the calculation of retirement service award expense.

	2022	2021
Interest obligation	\$ 16,800	\$ 18,200
Amortization of actuarial losses	(9,438)	(9,094)
	\$ 7,362	\$ 9,106

CAPE BRETON-VICTORIA REGIONAL CENTRE FOR EDUCATION

Notes to Financial Statements

For the year ended March 31, 2022

5. RETIREMENT SERVICE AWARDS (CONTINUED)

The information below provides further detail on the calculation of the accrued retirement service award obligations.

NON-TEACHING

			2022	2021
	Actual Obligation	Unamortized Losses	Total	Total
Balance, beginning of year	\$ 122,730	\$ 2,550	\$ 125,280	\$ 237,935
Interest cost	3,385	-	3,385	4,601
Amortization of actuarial losses	-	(128,665)	(128,665)	(53,177)
Benefit payments			-	(64,079)
Actuarial gain	(126,115)	126,115	-	-
Balance, end of year	\$ -	\$ -	\$ -	\$ 125,280

The information below provides further detail on the calculation of retirement service award expense.

	2022	2021
Interest obligation	\$ 3,385	\$ 4,601
Amortization of actuarial losses	(128,665)	(53,177)
	\$ (125,280)	\$ (48,576)

Key assumptions used in the determination of the benefit obligation as at March 31, 2022 included:

	Teachers	Non-Teachers
Discount rate	2.74%	2.74%
Salary increase	1.5%-2%	2.5%-3.0%
Retirement age	50% at rule of 85, remainder at earlier of 35 years of credited service, age 62 with 10 years of credited service, and age 65 with 2 years of credited service	10% at age 59; 20% at age 60; 10% at age 61-64; 50% at age 65-69; 10% at age 70

CAPE BRETON-VICTORIA REGIONAL CENTRE FOR EDUCATION

Notes to Financial Statements

For the year ended March 31, 2022

6. ACCRUED SICK LEAVE

The Centre for Education has recognized in these consolidated financial statements, the liability associated with accumulated sick leave earned by teaching and non-teaching staff. The Centre for Education has recorded a corresponding receivable from the Province of Nova Scotia which has assumed responsibility for the liability up to March 31, 2022. These entries have been determined by the Nova Scotia Department of Finance in relation to an independent actuarial evaluation performed for them.

This evaluation calculated the present value of the accumulated sick leave for past services for the Centre for Education to be \$13,339,517 as of March 31, 2022 (2021 - \$14,098,664) – teaching; \$1,309,034 as of March 31, 2022 (2021 - \$1,392,541) – non-teaching.

The information below provides further detail on the calculation of the accrued benefit obligation.

TEACHING

			2022	2021
	Actual Obligation	Unamortized Losses	Total	Total
Balance, beginning of year	\$ 7,679,620	\$ 6,419,044	\$ 14,098,664	\$ 14,656,372
Current service cost	547,700	-	547,700	699,800
Interest cost	210,500	-	210,500	294,500
Sick leave taken	(823,600)	-	(823,600)	(1,019,000)
Amortization of actuarial loss	-	(693,747)	(693,747)	(533,008)
Actuarial loss	142,000	(142,000)	-	-
Balance, end of year	\$ 7,756,220	\$ 5,583,297	\$ 13,339,517	\$ 14,098,664

The information below provides further detail on the calculation of accumulated sick leave expense.

	2022	2021
Current service cost	\$ 547,700	\$ 699,800
Interest cost	210,500	294,500
Amortization of actuarial loss	(693,747)	(533,008)
	\$ 64,453	\$ 461,292

CAPE BRETON-VICTORIA REGIONAL CENTRE FOR EDUCATION

Notes to Financial Statements

For the year ended March 31, 2022

6. ACCRUED SICK LEAVE (CONTINUED)

The information below provides further detail on the calculation of the accrued benefit obligation.

NON-TEACHING

			2022	2021
	Actual Obligation	Unamortized Gains (Losses)	Total	Total
Balance, beginning of year	\$ 1,390,769	\$ 1,772	\$ 1,392,541	\$ 1,465,609
Current service cost	177,600	-	177,600	173,300
Interest cost	36,900	-	36,900	43,100
Sick leave taken	(298,800)	-	(298,800)	(292,900)
Amortization of actuarial loss	-	793	793	3,432
Actuarial loss	691,400	(691,400)	-	-
Balance, end of year	\$ 1,997,869	\$ (688,835)	\$ 1,309,034	\$ 1,392,541

The information below provides further detail on the calculation of accumulated sick leave expense.

	2022	2021
Current service cost	\$ 177,600	\$ 173,300
Interest cost	36,900	43,100
Amortization of actuarial loss	793	3,432
	\$ 215,293	\$ 219,832

Key assumptions used in the determination of the benefit obligation as at March 31, 2022 included:

	Teachers	Non-Teachers
Discount rate	2.74%	2.74%
Salary increase	1.5%-2%	2.5%-3.5%
Termination	5.0% in first 2 years of employment	0%
Mortality	100% CPM – 2014 Public	0%
Retirement age	50% at rule of 85, remainder at earlier of 35 years of credited service, age 62 with 10 years of credited service, and age 65 with 2 years of credited service	10% at age 59; 20% at age 60; 10% at age 61-64; 50% at age 65-69; 10% at age 70

CAPE BRETON-VICTORIA REGIONAL CENTRE FOR EDUCATION

Notes to Financial Statements

For the year ended March 31, 2022

7. TANGIBLE CAPITAL ASSETS

			2022	2021
	Cost	Accumulated amortization	Net	Net
Service vehicles	\$ 1,865,989	\$ 1,669,814	\$ 196,175	\$ 257,546

8. DEFERRED TEACHERS' SALARIES

Under the terms of the teachers' contract, the Centre for Education withholds a portion of certain eligible teachers' salaries and deposits it with the Nova Scotia Teachers' Credit Union. These amounts are subsequently withdrawn by the teachers in a year when they are on leave of absence. As at March 31, 2022, the Centre had \$541,500 (2021 - \$657,265) of such funds on deposit together with a corresponding liability of \$541,500 (2021 - \$657,265).

9. PENSION PLANS

(a) Teachers

The Centre for Education's teachers are members of the pension plan established by the Province of Nova Scotia pursuant to the Teachers' Pension Act. The Province of Nova Scotia has accepted responsibility for funding this plan. A provision is included in the Centre's statement of operations for the related pension amounts in the amount of \$10,773,500.

(b) Non-teachers

The Centre for Education's Canadian Union of Public Employees (CUPE) and some of its Confidential staff participate in a money purchase pension plan which is accounted for by the Centre for Education as a defined contribution plan. Employer pension costs of \$1,259,915 (2021 - \$1,280,569) are included in the statement of operations which represent the cost of employer contributions for current service of participating employees during the year. Employees and the Centre for Education both contribute at the rate of 5% (CUPE) and 9% (Confidential non-CUPE) of pensionable earnings.

The Centre for Education also contributes to a RRSP plan for some of its (Confidential non-CUPE and PSAANS) employees. Employees and the Centre for Education both contribute at the rate of 9% of pensionable earnings. Included in the March 31, 2022 statement of operations are employer contributions of \$151,265 (2021 - \$127,507), which represents the pension cost to the Centre for Education.

CAPE BRETON-VICTORIA REGIONAL CENTRE FOR EDUCATION

Notes to Financial Statements

For the year ended March 31, 2022

10. INSURANCE

The Centre for Education is a member of the School Insurance Exchange, which provides all insurance coverage, with the exception of fleet insurance, which is contracted to a private carrier.

11. RELATED PARTY TRANSACTIONS

These financial statements do not include certain expenses paid on behalf of the Centre for Education by the Province of Nova Scotia, including but not limited to:

- Payments for the medical premiums.

12. CONTINGENCIES

The Centre for Education has been named a defendant in a legal matter and other grievances. The outcome of the matters are not determinable and settlement, if any, cannot be reasonably estimated. Therefore, no provision has been made in the financial statements.

13. LINE OF CREDIT

The Region has an available line of credit in the amount of \$1,635,000. As of year-end NIL (2021-NIL) had been drawn.

CAPE BRETON-VICTORIA REGIONAL CENTRE FOR EDUCATION

Notes to Financial Statements

For the year ended March 31, 2022

14. IMPACT OF COVID-19 ON OPERATIONS

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, Cape Breton-Victoria 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.

15. COMPARATIVE FIGURES

Certain 2021 comparative figures have been reclassified to conform with the financial statement presentation adopted for the current year. The Restricted cash and investment – scholarships (both receivable and liability), which are trusts under administration, have been removed from the Statement of Financial Position and disclosed in Schedules following the notes to the financial statements (Trust Fund Balance Sheet and Supplementary Details of Trust Funds). Also, the Liability for future environmental clean-up and corresponding accounts receivable from the Province of Nova Scotia for one of our schools have been removed. These adjustments to the comparative figures resulted in no change to beginning or ending accumulated surplus or net financial assets as at March 31, 2021 nor operating surplus for the year then ended.

CAPE BRETON-VICTORIA REGIONAL CENTRE FOR EDUCATION

Schedule A – Trust Fund Balance Sheet (Unaudited)

For the year ended March 31, 2022

	2022	2021
ASSETS		
Cash and investments	\$ 373,085	\$ 373,142
FUND BALANCE		
Rossetti	\$ 162,170	\$ 163,079
George MacKay Bursary	148,235	148,405
Annie Bell Grady Memorial	19,093	18,930
Townsend	1,010	1,016
McDonagh	5,277	5,286
Panagiotakos	9,088	9,110
McQuarrie	3,050	3,064
Annie Hall	1,930	1,943
C.J.C.B.	2,494	2,494
Daniel Munroe	2,948	2,962
John D. MacLeod Memorial	913	925
T.L. Sullivan Memorial	1,822	1,836
Mary Elizabeth Brennan	2,246	2,262
William Hilchie Memorial	2,971	2,986
Isabel MacDermid Memorial	3,241	3,243
Wendell & Diane Coldwell Memorial	711	725
Jon David Corbett	3,046	3,059
Leonard Matheson	1,378	1,386
Ellen Dunn Balah	1,083	55
Minor Hockey	379	376
	\$ 373,085	\$ 373,142

See accompanying notes to financial statements.

CAPE BRETON-VICTORIA REGIONAL CENTRE FOR EDUCATION

Schedule B – Supplementary Details of Trust Funds (Unaudited)

For the year ended March 31, 2022

	Rossetti	MacKay	Grady	Townsend	McDonagh	Panagiotakos	McQuarrie
Balance, beginning of year	\$ 163,079	\$ 148,405	\$ 18,930	\$ 1,016	\$ 5,286	\$ 9,110	\$ 3,064
Interest earned	1,191	1,280	163	9	46	78	46
	\$ 164,270	\$ 149,685	\$ 19,093	\$ 1,025	\$ 5,332	\$ 9,188	\$ 3,110
Scholarship awarded	2,100	1,450	0	15	55	100	60
Balance, end of year	\$ 162,170	\$ 148,235	\$ 19,093	\$ 1,010	\$ 5,277	\$ 9,088	\$ 3,050

	Annie Hall	C.J.C.B.	Munroe	Macleod	Sullivan	Brennan	Hilchie	MacDermid
Balance, beginning of year	\$ 1,943	\$ 2,494	\$ 2,962	\$ 925	\$ 1,836	\$ 2,262	\$ 2,986	\$ 3,243
Interest earned	17	-	26	8	16	19	25	48
	\$ 1,960	\$ 2,494	\$ 2,988	\$ 933	\$ 1,852	\$ 2,281	\$ 3,011	\$ 3,291
Scholarship awarded	30	-	40	20	30	35	40	50
Balance, end of year	\$ 1,930	\$ 2,494	\$ 2,948	\$ 913	\$ 1,822	\$ 2,246	\$ 2,971	\$ 3,241

	Coldwell	Corbett	Matheson	Dunn Balah	Minor Hockey	2022 Total	2021 Total
Balance, beginning of year	\$ 725	\$ 3,059	\$ 1,386	\$ 55	\$ 376	\$ 373,142	\$ 373,813
Interest earned	6	27	12	6	3	\$ 3,026	\$ 4,699
Deposit				1,022		1,022	-
	\$ 731	\$ 3,086	\$ 1,398	\$ 1,083	\$ 379	\$ 377,190	\$ 378,512
Scholarship awarded	20	40	20	-	-	4,105	5,370
Balance, end of year	\$ 711	\$ 3,046	\$ 1,378	\$ 1,083	\$ 379	\$ 373,085	\$ 373,142

See accompanying notes to financial statements.