

Financial Statements of

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

Year ended March 31, 2023

CAPE BRETON-VICTORIA REGIONAL CENTRE FOR EDUCATION

Financial Statements

March 31, 2023

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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, 2023, 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, 2023, 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.

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

Halifax, NS
June 26, 2023

CAPE BRETON-VICTORIA REGIONAL CENTRE FOR EDUCATION

Statement of Financial Position

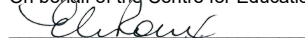
As at March 31, 2023

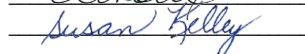
	2023	2022
FINANCIAL ASSETS		
Cash and cash equivalents		
General	\$ 12,200,425	\$ 11,365,485
School-based funds	5,078,403	5,039,008
	17,278,828	16,404,493
Accounts receivable		
Province of Nova Scotia (Note 2)	4,793,414	9,234,397
Municipal	-	1,273,507
Government of Canada (Note 3)	674,066	787,321
Other	1,271,516	177,437
	6,738,996	11,472,662
Province of Nova Scotia, other		
Retirement service awards receivable – teaching (note 4)	698,667	726,026
Sick leave receivable – teaching (note 5)	12,603,893	13,339,517
Sick leave receivable – non-teaching (note 5)	1,364,681	1,309,034
	14,667,241	15,374,577
Total financial assets	38,685,065	43,251,732
FINANCIAL LIABILITIES		
Payables and accruals – trade	5,787,904	6,451,921
Teachers' salary payable	2,760,567	2,651,200
Non-teaching vacation pay payable	1,175,698	1,296,349
Other salary payable	2,337,008	2,118,006
	12,061,177	12,517,476
Payables and accruals - government		
Province of Nova Scotia	41,672	2,557,020
Government of Canada	71	-
Municipalities	37,805	20,367
	79,548	2,577,387
Province of Nova Scotia, other		
Retirement service awards obligation – teaching (note 4)	698,667	726,026
Accrued sick leave obligation – teaching (note 5)	12,603,893	13,339,517
Accrued sick leave obligation – non-teaching (note 5)	1,364,681	1,309,034
	14,667,241	15,374,577
Liability for future environmental clean-up	-	523,875
Deferred revenue	5,392,590	5,676,998
Total financial liabilities	32,200,556	36,670,313
NET FINANCIAL ASSETS	6,484,509	6,581,419
NON-FINANCIAL ASSETS		
Prepaid expenses	1,654,389	1,170,238
Tangible capital assets (note 6)	209,932	196,175
Total non-financial assets	1,864,321	1,366,413
ACCUMATED SURPLUS	\$ 8,348,830	\$ 7,947,832

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, 2023

	2023		2022
	Budget	Actual	Actual
REVENUES			
Province of Nova Scotia	\$ 157,644,836	\$ 158,800,249	\$ 152,196,925
Municipal contributions	18,032,109	18,032,109	17,733,289
Regional Centre generated	1,332,977	3,837,932	2,189,170
School-based funds	3,500,000	3,631,498	2,215,294
Government of Canada	1,685,288	1,682,842	1,543,764
	182,195,210	185,984,630	175,878,442
EXPENSES			
School service	132,917,301	131,543,875	126,522,096
Property services	16,163,810	21,201,832	21,510,087
Transportation	6,811,817	7,046,363	6,540,685
Other programs	10,025,900	10,321,600	8,354,680
School-based funds	3,500,000	3,721,137	2,295,622
School services administration	5,429,464	4,524,305	3,964,855
Financial services	2,050,663	1,994,576	1,852,695
Technology services	1,816,526	1,935,810	1,463,015
Human resources	1,182,742	1,122,747	1,141,096
Operations administration	1,503,751	1,418,220	1,374,672
Office of the Regional Executive Director	676,124	640,127	636,140
Tangible capital asset amortization	117,112	113,040	105,632
	182,195,210	185,583,632	175,761,275
OPERATING SURPLUS	\$ -	\$ 400,998	\$ 117,167

See accompanying notes to financial statements.

CAPE BRETON-VICTORIA REGIONAL CENTRE FOR EDUCATION

Statement of Accumulated Surplus

Year ended March 31, 2023, with comparative figures for 2022

	Unrestricted	School-based Funds	Reserve	2023 Total	2022 Total
Balance, beginning of year	\$ 3,309,271	\$ 4,376,319	\$ 262,242	\$ 7,947,832	\$7,830,665
Annual surplus (loss)	490,637	(89,639)	-	400,998	117,167
Balance, end of year	\$ 3,799,908	\$4,286,680	\$ 262,242	\$8,348,830	\$7,947,832

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, 2023

	2023	2023	2022
	Budget	Actual	Actual
NET FINANCIAL ASSETS, BEGINNING OF YEAR	\$ 6,581,419	\$ 6,581,419	\$ 6,639,949
Changes during the year			
Operating surplus	-	400,998	117,167
Acquisition of tangible capital assets	(127,000)	(126,797)	(44,261)
Amortization of tangible capital assets	117,112	113,040	105,632
Increase in prepaid expenses		(484,151)	(237,068)
(Decrease) in net financial assets	(9,888)	(96,910)	(58,530)
NET FINANCIAL ASSETS, END OF YEAR	\$ 6,571,531	\$ 6,484,509	\$ 6,581,419

See accompanying notes to financial statements.

CAPE BRETON-VICTORIA REGIONAL CENTRE FOR EDUCATION

Statement of Cash Flows

For the year ended March 31, 2023

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating surplus	\$ 400,998	\$ 117,167
Non-cash items		
Amortization of tangible capital assets	113,040	105,632
Change in non-cash operating working capital		
Decrease (increase) in accounts receivable	4,733,666	(4,272,323)
Increase in prepaid expenses	(484,151)	(237,068)
(Decrease) increase in payables and accruals – trade	(664,017)	259,299
Increase in salaries payable	207,718	205,099
(Decrease) increase in payables and accruals – government	(2,497,839)	2,418,349
(Decrease) in contaminated liability	-	(464,322)
(Decrease) increase in liability for future environmental clean-up	(523,875)	28,251
(Decrease) increase in deferred revenue	(284,408)	301,547
	1,001,132	(1,538,369)
CASH FLOWS FROM CAPITAL ACTIVITIES		
Purchase of tangible capital assets	(126,797)	(44,261)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	874,335	(1,582,630)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	16,404,493	17,987,123
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 17,278,828	\$ 16,404,493
Represented on the financial statements by		
General	\$ 12,200,425	\$ 11,365,485
School-based funds	5,078,403	5,039,008
	\$ 17,278,828	\$ 16,404,493

See accompanying notes to financial statements.

CAPE BRETON-VICTORIA REGIONAL CENTRE FOR EDUCATION

Notes to Financial Statements

For the year ended March 31, 2023

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, 2023

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) Financial Instruments

Cash and cash equivalents are measured at fair value. Accounts receivable and accounts payable are measured at cost or amortized cost. The carrying amount of each of these financial instruments is presented on the statement of financial position.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations.

Transaction costs are added to the carrying value for financial instruments measured using cost or amortized cost. Transaction costs are expensed for financial instruments measured at fair value.

(g) 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, 2023

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, 2023

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

	2023	2022
Teachers' salary accrual	\$ 2,760,567	\$ 2,651,200
ICIP	954,601	2,370,722
Covid/Operational pressures	-	2,355,000
TCA capital	653,985	586,844
Outdoor Classrooms	82,664	513,373
Information economy initiative	150,045	430,206
International student program	69,952	287,650
Non-Teaching Retro pay	-	23,813
Other	37,030	9,500
Gas tax rebate	84,570	6,089
	<u>\$ 4,793,414</u>	<u>\$ 9,234,397</u>

3. ACCOUNTS RECEIVABLE, GOVERNMENT OF CANADA

	2023	2022
Harmonized sales tax	\$ 674,066	\$ 787,321

CAPE BRETON-VICTORIA REGIONAL CENTRE FOR EDUCATION

Notes to Financial Statements

For the year ended March 31, 2023

4. 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.

Non-teaching employees are entitled to 50% of sick leave accrual upon retirement, death, resignation or termination, provided the employee has at least ten years of service or an employee with at least ten years of service on retirement, death, resignation or termination shall be entitled to \$250 for each year of service to a maximum of thirty-five years of service, whichever is greater.

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 \$698,677 as of March 31, 2023 (2022 - \$726,026).

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

TEACHING

			2023	2022
	Actual Obligation	Unamortized Losses	Total	Total
Balance, beginning of year	\$ 639,859	\$ 86,167	\$ 726,026	\$ 749,628
Interest cost	17,900	-	17,900	16,800
Amortization of actuarial (gains) losses	-	(6,407)	(6,407)	(9,438)
Benefit payments	(38,852)	-	(38,852)	(30,964)
Actuarial loss	(30,600)	30,600	-	-
Balance, end of year	\$ 588,307	\$ 110,360	\$ 698,667	\$ 726,026

CAPE BRETON-VICTORIA REGIONAL CENTRE FOR EDUCATION

Notes to Financial Statements

For the year ended March 31, 2023

4. RETIREMENT SERVICE AWARDS (CONTINUED)

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

TEACHING

	2023	2022
Interest obligation	\$ 17,900	\$ 16,800
Amortization of actuarial losses	(6,407)	(9,438)
	\$ 11,493	\$ 7,362

5. 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, 2023. 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 \$12,603,893 as of March 31, 2023 (2022 - \$13,339,517) – teaching; \$1,364,681 as of March 31, 2023 (2022 - \$1,309,034) – non-teaching.

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

TEACHING

			2023	2022
	Actual Obligation	Unamortized Losses	Total	Total
Balance, beginning of year	\$ 7,756,220	\$ 5,583,297	\$ 13,339,517	\$ 14,098,664
Current service cost	554,600	-	554,600	547,700
Interest cost	222,200	-	222,200	210,500
Sick leave taken	(829,600)	-	(829,600)	(823,600)
Amortization of actuarial loss	-	(682,824)	(682,824)	(693,747)
Actuarial (gain) loss	(219,200)	219,200	-	-
Balance, end of year	\$ 7,484,220	\$ 5,119,673	\$ 12,603,893	\$ 13,339,517

CAPE BRETON-VICTORIA REGIONAL CENTRE FOR EDUCATION

Notes to Financial Statements

For the year ended March 31, 2023

5. ACCRUED SICK LEAVE (CONTINUED)

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

	2023	2022
Current service cost	\$ 554,600	\$ 547,700
Interest cost	222,200	210,500
Amortization of actuarial loss	(682,824)	(693,747)
	\$ 93,976	\$ 64,453

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

NON-TEACHING

			2023	2022
	Actual Obligation	Unamortized Gains (Losses)	Total	Total
Balance, beginning of year	\$ 1,997,869	\$ (688,835)	\$ 1,309,034	\$ 1,392,541
Current service cost	231,800	-	231,800	177,600
Interest cost	57,400	-	57,400	36,900
Sick leave taken	(297,200)	-	(297,200)	(298,800)
Amortization of actuarial loss	-	63,647	63,647	793
Actuarial (gain) loss	(26,300)	26,300	-	-
Balance, end of year	\$ 1,963,569	\$ (598,888)	\$ 1,364,681	\$ 1,309,034

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

	2023	2022
Current service cost	\$ 231,800	\$ 177,600
Interest cost	57,400	36,900
Amortization of actuarial loss	63,647	793
	\$ 352,847	\$ 215,293

CAPE BRETON-VICTORIA REGIONAL CENTRE FOR EDUCATION

Notes to Financial Statements

For the year ended March 31, 2023

5. ACCRUED SICK LEAVE (CONTINUED)

Key assumptions used in the determination of the benefit obligation as at March 31, 2023 included:

	Teachers	Non-Teachers
Discount rate	2.96%	2.96%
Salary increase	1.5%-2%	2.5%-3.5%
Termination	5.0% in first 2 years of employment	0%
Mortality	Males 107% and Females 99% of CPM-2014	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	60% at age 60 100% at age 65

6. TANGIBLE CAPITAL ASSETS

	2023		2022	
	Cost	Accumulated amortization	Net	Net
Service vehicles	\$ 1,992,785	\$ 1,782,853	\$ 209,932	\$ 196,175

7. 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, 2023, the Centre had \$259,348 (2022 - \$541,500) of such funds on deposit together with a corresponding liability of \$259,348 (2022 - \$541,500).

CAPE BRETON-VICTORIA REGIONAL CENTRE FOR EDUCATION

Notes to Financial Statements

For the year ended March 31, 2023

8. 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. An expense is included in the Centre's statement of operations for the related pension amounts in the amount of \$11,040,300.

(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 \$1,228,359 (2022 - \$1,259,915) 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, 2023 statement of operations are employer contributions of \$188,860 (2022 - \$151,265), which represents the pension cost to the Centre for Education.

9. INSURANCE

The Centre is a subscriber to a self-insurance plan with the Nova Scotia School Insurance Exchange with all Regional Centres for Education in Nova Scotia, the Conseil scolaire acadien provincial (CSAP) and the Nova Scotia Community College. The Exchange covers property, liability and errors and omissions insurance for all subscribers for claims within a self-insured retention per occurrence with an annual aggregate per policy. From time to time, the Centre may receive claims against the organization, which would be covered through this insurance.

CAPE BRETON-VICTORIA REGIONAL CENTRE FOR EDUCATION

Notes to Financial Statements

For the year ended March 31, 2023

10. FINANCIAL INSTRUMENT RISK MANAGEMENT

The Centre of Education is exposed to credit risk, liquidity risk and other price risk from its financial instruments. This note describes the Centre of Education's objectives, policies and processes for managing those risks and the methods used to measure them. Further qualitative and quantitative information in respect of these risks is presented below and throughout these financial statements.

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Centre of Education is exposed to credit risk through its cash and accounts receivable. At year end, 81% (2022 – 87%) of accounts receivable are due from the Province of Nova Scotia or the Government of Canada and are therefore deemed collectible. The Centre of Education manages its credit risk by only holding cash at provincially and federally regulated chartered banks.

(b) Liquidity risk

Liquidity risk is the risk that the Centre of Education will encounter difficulty in meeting obligations associated with financial liabilities. The Centre of Education is exposed to liquidity risk through its accounts payable. The Centre of Education manages this risk through continuous monitoring of cash flows.

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 (2022-NIL) had been drawn.

CAPE BRETON-VICTORIA REGIONAL CENTRE FOR EDUCATION

Schedule A – Trust Fund Balance Sheet (Unaudited)

For the year ended March 31, 2023

	2023	2022
ASSETS		
Cash and investments	\$ 377,429	\$ 373,085
FUND BALANCE		
Rossetti	\$ 161,699	\$ 162,170
George MacKay Bursary	151,707	148,235
Annie Bell Grady Memorial	18,714	19,093
Townsend	1,028	1,010
McDonagh	5,393	5,277
Panagiotakos	9,283	9,088
McQuarrie	3,048	3,050
Annie Hall	1,963	1,930
C.J.C.B.	2,494	2,494
Daniel Munroe	3,003	2,948
John D. MacLeod Memorial	928	913
T.L. Sullivan Memorial	1,861	1,822
Mary Elizabeth Brennan	2,284	2,246
William Hilchie Memorial	3,028	2,971
Isabel MacDermid Memorial	3,242	3,241
Wendell & Diane Coldwell Memorial	719	711
Jon David Corbett	3,105	3,046
Leonard Matheson	1,403	1,378
Ellen Dunn Balah	2,136	1,083
Minor Hockey	391	379
	\$ 377,429	\$ 373,085

CAPE BRETON-VICTORIA REGIONAL CENTRE FOR EDUCATION

Statement of Continuity of Scholarship Fund (Unaudited)

For the year ended March 31, 2023

	Rossetti	MacKay	Grady	Townsend	McDonagh	Panagiotakos	McQuarrie
Balance, beginning of year	\$ 162,170	\$ 148,235	\$ 19,093	\$ 1,010	\$ 5,277	\$ 9,088	\$ 3,050
Interest earned	829	4,822	621	33	171	295	48
	162,999	153,057	19,714	1,043	5,448	9,383	3,098
Scholarship awarded	1,300	1,350	1,000	15	55	100	50
Balance, end of year	\$ 161,699	\$ 151,707	\$ 18,714	\$ 1,028	\$ 5,393	\$ 9,283	\$ 3,048

	Annie Hall	C.J.C.B.	Munroe	Macleod	Sullivan	Brennan	Hilchie	MacDermid
Balance, beginning of year	\$ 1,930	\$ 2,494	\$ 2,948	\$ 913	\$ 1,822	\$ 2,246	\$ 2,971	\$ 3,241
Interest earned	63	-	95	30	59	73	97	51
	\$ 1,993	\$ 2,494	\$ 3,043	\$ 943	\$ 1,881	\$ 2,319	\$ 3,068	\$ 3,292
Scholarship awarded	30	-	40	15	20	35	40	50
Balance, end of year	\$ 1,963	\$ 2,494	\$ 3,003	\$ 928	\$ 1,861	\$ 2,284	\$ 3,028	\$ 3,242

	Coldwell	Corbett	Matheson	Dunn Balah	Minor Hockey	2023 Total	2022 Total
Balance, beginning of year	\$ 711	\$ 3,046	\$ 1,378	\$ 1,083	\$ 379	\$ 373,085	\$ 373,142
Interest earned	23	9	45	53	12	7,519	3,026
Deposit				1,000		1,000	1,022
	734	3,145	1,423	2,136	391	381,604	377,190
Scholarship awarded	15	40	20	-	-	4,175	4,105
Balance, end of year	\$ 719	\$ 3,105	\$ 1,403	\$ 2,136	\$ 391	\$ 377,429	\$ 373,085