

Appendix 16: BASIC CAPITAL EXPENDITURES

Figure EXP App 16: Basic Capital Expenditures

Line No.	Expenditure Type	2018 GRA (2017/18B)	2019 GRA (2017/18A)	Difference (2019 GRA - 2018 GRA)	2018 GRA (2018/19F)	2019 GRA (2018/19FB) ⁽¹⁾	Difference (2019 GRA - 2018 GRA)
	<i>(C\$000s, except where noted)</i>						
1	Land and Building	5,621	3,599	(2,022)	2,786	2,422	(364)
2	Automobiles	1,118	330	(788)	1,133	924	(209)
3	Office Equipment/Systems Furniture/ Demountable Walls	1,370	959	(411)	856	-	(856)
4	Data Processing Equipment	905	116	(789)	2,016	2,023	7
5	Deferred Development	13,890	18,104	4,214	20,983	7,436	(13,547)
						<u> </u>	<u>(20,983)</u>
6	Impairment of Deferred Development	-	(18,678)	(18,678)	-	-	-
7	Subtotal - Expenditures	22,904	4,430	(18,474)	27,774	12,805	(14,969)
						<u> </u>	<u>(22,405)</u>
8	Implementation Expense	2,443	1,781	(662)	2,566	3,420	854
9	Impairment of Deferred Development	-	18,678	18,678	-	-	-
10	Total Expenses	25,347	24,889	(458)	30,340	16,225	(14,115)
						<u> </u>	<u>(21,551)</u>

⁽¹⁾2018/19FB Deferred development did not report the correct amount due to incorrect link. The correct amount of 7,436 agrees to Appendix 17.

NOTE: Basic % of capital estimated

2017/18

Land and Building

1 Land and Building costs are lower than expected for 2017/18 mainly due to decreased
2 spending for various buildings.

Automobiles

3 The number of vehicles requiring replacement decreased.

Office Equipment / Systems Furniture

4 Equipment spending on Systems Furniture for various locations did not materialize.

Data Processing Equipment

5 Data Processing equipment costs are lower than the 2018 GRA forecast mainly due to
6 some deferred IT division spending.

Deferred Development

1 Deferred Development is higher in comparison to the 2018 GRA submission mainly
2 due to higher Partner Portal, Corporate Learning Management and High School Driver
3 Education - Phase 3.

Impairment of Deferred Development

4 Impairment of the following initiatives were recognized in 2017/18; portion of Physical
5 Damage Re-engineering – Phase 3, Customer Claims Reporting System, portion of
6 Enhanced DR Capabilities, High School Driver Education – Phase 2, PDR Remote
7 Estimating, Finance Re-engineering, HRMS – Phase 3 & 4, and Technology Innovation
8 and Capabilities.

Implementation Expense

9 Implementation Expenses are lower than the 2018 GRA forecast mainly due to
10 reduction in Credit Card Strategy expenses.

2018/19

Land and Building

11 Land and Building costs are forecasted to be slightly lower than the 2018 GRA
12 submission mainly due to expected decrease in spending for various buildings.

Automobiles

13 The forecasted number of vehicles that require replacement has decreased.

Office Equipment / Systems Furniture

14 Expected spending on Systems Furniture for various locations has been deferred.

Data Processing Equipment

1 Data Processing equipment costs are forecasted to be slightly higher in comparison to
2 the 2018 GRA.

Deferred Development

3 Deferred Development forecast is lower in comparison to the 2018 GRA submission
4 mainly due to reductions in Customer Claims Reporting Systems, HRMS-Ph3/4, Legacy
5 Systems Modernization and Insertions of Work offset by increases in Customer Self-
6 Service, Credit Card Strategy and High School Driver Education - Phase 3.

Implementation Expense

7 Implementation Expenses are higher than the 2018 GRA forecast mainly due to
8 increases in Legacy Systems Modernization, Enhanced Direct Repair Capabilities and
9 Financial Re-engineering Initiative offset by reduction in the Insertions of Work
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