

Yellowknife District No. 1 Education Authority

(Yellowknife Education District No. 1)

Financial Statements

June 30, 2013





Yellowknife District No. 1 Education Authority

(the Authority)

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Yellowknife District No. 1 Education Authority

(the Authority)

Management Responsibility for Financial Reporting

**To the Minister of Education, Culture and Employment
Government of the Northwest Territories**

The accompanying financial statements have been prepared by management, which is responsible for the reliability, integrity, and objectivity of the information provided. They have been prepared in accordance with Canadian Public Sector Accounting Standards. Where necessary, the statements include amounts that are based on informed judgments and estimates by management, giving appropriate consideration to reasonable limits of materiality.

In discharging its responsibility for the integrity and fairness of the financial statement and for the accounting systems from which they are derived, management maintains the necessary system of internal controls designed to provide assurance that transactions are authorized, assets are safeguarded, and proper records are maintained. These controls include quality standards in hiring and training employees, written policies and procedures manuals, and accountability for performance within appropriate and well-defined areas of responsibility. The board's management recognizes its responsibility for conducting the council's affairs in accordance with the requirements of applicable laws and sound business principles, and for maintaining standards of conduct that are appropriate to a District Education Authority.

The auditors annually provide an independent, objective audit for the purpose of expressing an opinion on the financial statements in accordance with Canadian generally accepted auditing standards. The auditors also consider whether the transactions that have come to their notice in the course of this audit are, in all significant respects, in accordance with specified legislation and directives from the Department of Education, Culture, and Employment of the Government of the Northwest Territories.

Metro Huculak
Superintendent
Yellowknife District No. 1 Education Authority

Independent Auditors' Report

To the Minister of Education, Culture and Employment Government of the Northwest Territories

We have audited the accompanying financial statements of the Yellowknife District No. 1 Education Authority (the Authority), which comprise of the statement of financial position as at June 30, 2013, statements of changes in net financial resources, funds, surplus and reserves, operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation of the financial statements 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 Authority's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independent Auditors' Report (continued)

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Yellowknife District No. 1 Education Authority as at June 30, 2013, and the results of its operations, changes in net financial resources, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Report on Other Legal and Regulatory Requirements

We further report in accordance with the Financial Administration Act that, in our opinion, proper books of account have been kept by Yellowknife District No. 1 Education Authority, the financial statements are in agreement therewith and the transaction that have come under our notice, have, in all significant respects, been within the statutory powers of Yellowknife District No. 1 Education Authority.



Yellowknife, Northwest Territories
September 20, 2013

Chartered Accountants

(the Authority)
Statement of Financial Position
Statement 1

As at June 30	2013	2012
	\$	\$
FINANCIAL ASSETS		
Cash	2,086,504	1,575,351
Portfolio investments (Note 4)	6,871,974	5,989,387
Due from GNWT (Note 5)	139,460	104,118
Other accounts receivable (Note 6)	726,736	833,072
	9,824,674	8,501,928
LIABILITIES		
Accounts payable and accrued liabilities	608,268	666,489
Wages and employee deductions payable (Note 7)	3,734,424	2,902,770
Leave and termination benefits (Note 8)	1,874,485	1,854,999
Deferred revenue (Note 9)	1,494,136	3,750
	2,113,361	3,073,920
NET FINANCIAL RESOURCES		
NON-FINANCIAL ASSETS		
Prepaid Expenses	103,409	114,455
Tangible Capital Assets (Schedule 1)	17,646,499	18,623,663
	17,749,908	18,738,118
	19,863,269	21,812,038
ACCUMULATED SURPLUS		
Represented by:		
Operating Fund (Note 11)	1,004,429	2,018,191
Investment in tangible capital assets	17,646,499	18,623,663
Decentralized Surplus	298,116	255,959
Capital Fund Reserve	904,165	904,165
Playground/Recreational Equipment Fund Reserve	10,060	10,060
	19,863,269	21,812,038

Approved on behalf of the board:

Trustee

Trustee



Yellowknife District No. 1 Education Authority

(the Authority)

Statement of Changes in Net Financial Resources

Statement 2

For the ended June 30,	2013	2012
	\$	\$
Annual surplus / (deficit)	(1,948,769)	(349,624)
Change in prepaid expenses	11,046	(72,308)
Acquisition of tangible capital assets (budget \$110,000)	(161,976)	(256,767)
Amortization of tangible capital assets	1,139,140	1,193,951
Increase (decrease) in net financial resources	(960,559)	515,252
Net financial resources, beginning of year	3,073,920	2,558,668
Net financial resources, end of year	2,113,361	3,073,920



Yellowknife District No. 1 Education Authority

(the Authority)

Statement of Funds

Statement 3

For the year ended June 30,	2013 \$	2012 \$
OPERATING FUND		
Balance, beginning of year	2,018,191	1,379,747
Excess (deficiency) of revenue over expenditures (Statement 5)	(1,948,769)	(349,624)
Transfer (to) from Capital Fund (budget \$110,000)	(161,977)	(256,767)
Transfer (to) from Investment in Tangible Capital Assets	1,139,141	(1,193,949)
Transfer (to) from Decentralized Surplus (Deficit)	(42,157)	50,886
Balance, end of year	1,004,429	2,018,191
INVESTMENT IN TANGIBLE CAPITAL ASSETS		
Balance, beginning of year	18,623,663	19,560,845
Acquisition of tangible capital assets	161,977	256,767
Amortization	(1,139,141)	(1,193,949)
Balance, end of year	17,646,499	18,623,663



Yellowknife District No. 1 Education Authority
(the Authority)
Statement of Surplus and Reserves

Statement 4

For the period July 1 through June 30,	2013	2012
	\$	\$
DECENTRALIZED SURPLUS		
Balance, beginning of year	255,959	192,514
Surpluses expended by schools in current year	-	114,331
Transfer (to) from Operating Fund	42,157	(50,886)
Balance, end of year	298,116	255,959
CAPITAL FUND RESERVE		
Balance, beginning of year	904,165	904,165
Balance, end of year	904,165	904,165
PLAYGROUND/RECREATIONAL EQUIPMENT FUND RESERVE		
Balance, beginning of year	10,060	124,391
Transfer (to) from schools	-	(114,331)
Balance, end of year	10,060	10,060



Yellowknife District No. 1 Education Authority

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Statement of Operations

Statement 5

For the period July 1 through June 30,	2013 Budget \$	2013 Actual \$	2012 Actual \$
REVENUE			
Government of the Northwest Territories			
Regular contributions (Note 3a)	24,373,154	24,372,505	24,086,569
Other contributions	179,300	201,669	389,706
Aboriginal languages	60,000	78,714	73,799
French revenue	410,000	417,150	818,745
	25,022,454	25,070,038	25,368,819
Property tax requisitioned (Note 3c)	5,656,000	5,621,618	5,585,423
Education authority generated funds			
Rental income	370,000	232,392	320,232
Portfolio investment income			
- portfolio investment income	200,000	(56,553)	232,049
- gains (losses) on portfolio investments	-	(1,011)	-
- unrealized gains (losses) on portfolio investments	-	97,094	-
Other (Note 10)	606,315	523,780	709,040
	1,176,315	795,702	1,261,321
Total revenue	31,854,769	31,487,358	32,215,563
EXPENDITURES (Schedule 2)			
School programs	21,266,736	20,955,886	20,494,999
Inclusive schooling	5,778,695	5,733,387	5,534,200
Accommodation	158,500	187,442	183,479
Operations and maintenance	2,884,675	3,051,604	3,025,125
Administration	1,633,053	1,638,910	1,454,087
Aboriginal language/cultural programs	804,110	729,757	679,348
Total operating expenditures	32,525,769	32,296,986	31,371,238
Excess (deficiency) before amortization	(671,000)	(809,628)	844,325
Amortization	-	1,139,141	1,193,949
Excess (deficiency) of revenue over expenditures	(671,000)	(1,948,769)	(349,624)
Opening accumulated surplus		21,812,037	22,161,661
Closing accumulated surplus		19,863,268	21,812,037



Yellowknife District No. 1 Education Authority

(the Authority)

Statement of Cash Flows

Statement 6

For the year ended June 30,	2013	2012
	\$	\$
OPERATING TRANSACTIONS		
Cash received from:		
Government of the Northwest Territories	25,098,995	25,691,505
City of Yellowknife - property tax requisitioned	7,047,705	4,217,649
Recoveries and general revenue	862,508	609,203
	<u>33,009,208</u>	<u>30,518,357</u>
Cash paid for:		
Compensation and benefits	(26,032,362)	(27,950,200)
Operations and maintenance	(5,421,131)	(3,522,637)
	<u>(31,453,493)</u>	<u>(31,472,837)</u>
CASH PROVIDED BY (USED FOR) OPERATING TRANSACTIONS	1,555,715	(954,480)
CAPITAL TRANSACTIONS		
Acquisitions of tangible capital assets	(161,975)	(256,767)
CASH USED FOR CAPITAL TRANSACTIONS	(161,975)	(256,767)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,393,740	(1,211,247)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	7,564,738	8,775,985
CASH AND CASH EQUIVALENTS AT END OF YEAR	8,958,478	7,564,738
REPRESENTED BY:		
Cash	2,086,504	1,575,351
Portfolio investment (Note 4)	6,871,974	5,989,387
	<u>8,958,478</u>	<u>7,564,738</u>



Yellowknife District No. 1 Education Authority

(the Authority)

Notes to Financial Statements

June 30, 2013

1. Nature of the Organization

The Yellowknife District No. 1 Education Authority (the "Authority"), was established by the *Education Act* of the Government of the Northwest Territories (GNWT). Its purpose is to administer and maintain the standards of education programs defined under the *Education Act* in the City of Yellowknife.

Consequently, the Authority is dependent on funding from the Department of Education, Culture, and Employment (ECE) of the GNWT.

The Council is an independent legal and accounting entity with an elected Board of Trustees as stipulated in Section 82 of the *Education Act*. The Board of Trustees has decision making authority, the power to delegate authority, the ability to significantly influence operations and the sole accountability for all fiscal matters.

2. Change in Accounting Policies

The Authority has adopted the following new accounting standards:

Government Transfers – Section PS 3410

Effective April 1, 2012, the Authority adopted the PSA Handbook Section PS 3410 – Government Transfers. This new section establishes recognition, measurement, presentation and disclosure standards related to Government Transfers reported in financial statements and is effective for years beginning on or after April 1, 2012. This accounting change had no significant impact on the Authority's financial statements.

Financial Instruments, Section PS 3450 and related amendments to Financial Statement Presentation, Section PS 1200

Effective April 1, 2012, the Authority adopted the PSA Handbook Section PS 3450, Financial Instruments, and related to Section PS 1201, Financial Statement Presentation. This new section establishes recognition, measurement, presentation and disclosure standards related to Financial Instruments reported in financial statements and is effective for years beginning on or after April 1, 2012. This accounting change had no significant impact on the Authority's financial statements.



June 30, 2013

2. Change in Accounting Policies (continued)

Foreign currency translation – Section PS 2601

Effective April 1, 2012, the Authority adopted the PSA Handbook Section PS 2601 – Foreign Currency Translation. This new section establishes recognition, measurement, presentation and disclosure standards related to Foreign Currency Translation reported in financial statements and is effective for years beginning on or after April 1, 2012. This accounting change had no significant impact on the Authority's financial statements.

Portfolio investments – Section PS 3041

Effective April 1, 2012, the Authority adopted the PSA Handbook Section PS 3041 – Portfolio Investments. This new section establishes recognition, measurement, presentation and disclosure standards related to Portfolio Investments reported in financial statements and is effective for years beginning on or after April 1, 2012.

Tax revenue – Section PS 3510

Effective April 1, 2012, the Authority adopted the PSA Handbook Section PS 3510 – Tax Revenue. This new section establishes recognition, measurement, presentation and disclosure standards related to Tax Revenue reported in financial statements and is effective for years beginning on or after April 1, 2012. This accounting change had no significant impact on the Authority's financial statements.



Yellowknife District No. 1 Education Authority

(the Authority)

Notes to Financial Statements

June 30, 2013

3. Accounting Policies

The financial statements of (the "Authority") have been prepared in accordance with Canadian generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants.

a) Government of the Northwest Territories - Regular Contributions

The regular contributions from the Government of the Northwest Territories (GNWT) is determined by a funding formula, based on student enrolment and price and volume fluctuation, and is received in monthly installments. The Authority retains surpluses and is responsible for deficits. Any funding requests, over and above those levels provided by the formula, must be first approved by the Government of the Northwest Territories.

The Authority is economically dependent on the Government of the Northwest Territories to provide funding for continued operations.

b) Government transfers

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

Operating transfers are recognized as revenue in the period in which the events giving rise to the transaction occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be determined.

Capital transfers or transfers of tangible capital assets are initially recognized as deferred revenue and subsequently recognized as revenue when the related tangible capital asset are recognized as acquired or built.



June 30, 2013

3. Accounting Policies (continued)

c) Property Tax Requisitioned

The *Education Act of the Northwest Territories*, by virtue of Section 136(2), empowers a Board of Education to determine the amount, after taking into consideration territorial grants and other revenue, that is to be requisitioned from the municipality within the territory under the jurisdiction of the Board. This requisitioned amount is one portion of the property tax paid annually by property owners. The City of Yellowknife is advised subsequent to the adoption of the budget of the amount of the requisition of the Yellowknife Education District No. 1 and is responsible for the collection of taxes.

Section 136(4) of the *Education Act* requires the amount requisitioned to be paid in equal quarterly installment on or before the first day of the months of June, September, December and March. As the fiscal year of the Yellowknife Education District No. 1 does not coincide with the taxation year, the local tax revenue receivable on June 1st is the first payment for the next fiscal year, therefore, this amount is recorded as deferred revenue. There is no additional liability.

d) Revenue Recognition - Other

Revenue from rentals is earned as the facilities are used. Interest revenue and revenue from portfolio investments is recognized as accrued based on the contracted rate. Other revenue is recorded as the service is provided and receipt is reasonably assured.

e) Fund Accounting

The Authority uses fund accounting to separate transactions.

The Operating Fund accounts for the Authority's operating and administrative activities.

The Investment in Tangible Capital Assets reports the transactions related to tangible capital assets.

The Decentralized Surplus is the operating surpluses retained by the individual schools.

The Capital Fund Reserve is funding set aside by the Authority for any repairs or maintenance to the district assets.

The Playground/Recreation Equipment Fund Reserve is a matching grant fund to assist schools and parent advisory groups to purchase playground/recreational equipment.



June 30, 2013

3. Accounting Policies (continued)

f) Materials and Supplies

Materials and supplies are considered a cost of operations and are expensed to the applicable program when received.

g) Tangible Capital Assets

Tangible capital assets with a cost lower than a threshold value of \$50,000 will be expensed in the year of acquisition or amortized at a rate of 100%. Assets with an acquisition value more than \$50,000 are capitalized and amortized using the straight-line method.

Asset Category Amortization Period:

Land and improvements - Indefinite

Buildings - 40 years

Equipment and furnishings - 4 - 10 years

All capital facilities planning and construction undertaken by the Authority, excluding the Administration Building and Nordic Arms, are funded by the Government of the Northwest Territories and subject to their capital planning and approval process. Capital contributions received but not spent at year end, are recorded as deferred revenue.

h) Budget Data

The *Education Act* of the Northwest Territories requires that Education Authorities prepare an annual budget, as outlined in Section 117, Duties and Powers of Education Bodies. The budget is legally adopted by a motion of the Authority which also establishes a tax levy to support the approved budget in accordance with Section 135, Assessment and Taxation, of the *Education Act*.

The annual budget includes estimates of revenue and expenditures for the Operating Fund. Budgets are considered a management control and planning tool and as such are incorporated into the accounting system of the Authority.

The budget figures presented are those approved by the Authority on June 12, 2012 and have not been audited.



June 30, 2013

3. Accounting Policies (continued)

i) Financial Instruments

(i) Measurement of financial instruments

The Authority initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

The Authority subsequently measures its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost include cash, accounts receivable and due from GNWT.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

Financial assets measured at fair value include portfolio investments.

(ii) Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of possible impairment. When a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset or group of assets, a write-down is recognized in net income. The write down reflects the difference between the carrying amount and the higher of:

- the present value of the cash flows expected to be generated by the asset or group of assets;
- the amount that could be realized by selling the assets or group of assets and;
- the net realizable value of any collateral held to secure repayment of the assets or group of assets.

When the events occurring after the impairment confirm that a reversal is necessary, the reversal is recognized in net income up to the amount of the previously recognized impairment.

All significant financial assets and financial liabilities of the Authority are either recognized or disclosed in the financial statements together with available information for a reasonable assessment of future cash flows, interest rate risk and credit risk. Where practicable the fair values of financial assets and financial liabilities have been determined and disclosed; otherwise only available information pertinent to fair value has been disclosed.



Yellowknife District No. 1 Education Authority

(the Authority)

Notes to Financial Statements

June 30, 2013

3. Accounting Policies (continued)

j) Use of Estimates

The preparation of these financial statements in conformity with the financial guidelines of ECE requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the updated amounts of revenue and expenses during the period. Actual results could differ from those estimates.

k) Non-financial Assets

Tangible capital and other non-financial assets are accounted for as assets by the Authority because they can be used to provide services in future periods. These assets do not normally provide resources to discharge liabilities unless they are sold.

4. Portfolio Investments

	2013 \$	2012 \$
Altimira High Interest Cash Performer Mutual Fund	1,025,817	2,017,624
RBC Premium Money Market Fund	2,114,814	1,182,089
<u>Investments in bonds (see table below)</u>	<u>3,731,343</u>	<u>2,789,674</u>
	6,871,974	5,989,387

The Authority authorized the investment of cash in the GNWT investment pool consisting of the CIBC Wood Gundy Altamira High Interest Cash Performer mutual funds and the RBC Premium Money Market fund. The investments are recorded at fair market value plus any interest earned to June 30, 2013.



Yellowknife District No. 1 Education Authority

(the Authority)

Notes to Financial Statements

June 30, 2013

4. Portfolio Investments (continued)

The table below presents the fair value of the Authority's investments in bonds as at June 30, 2013 together with the change in fair value from their cost base. The fair value of the Authority's investments were determined by reference to published price quotations in an active market.

	2013 Market Value \$	2013 Book Value \$
Bonds		
1.0% Government of Canada, due November 1, 2014	588,548	589,947
1.5% Government of Canada, due November 1, 2013	247,355	248,025
1.5% Government of Canada, due December 1, 2044	72,704	83,147
2.95% Canada Housing Trust No.1, due March 15, 2014	193,197	194,495
2.45% Canada Housing Trust No.1, due December 15, 2015	35,811	36,104
2.05% Canada Housing Trust No. 1, due June 15, 2017	153,931	156,883
8.00% Government of Canada, due June 1, 2023	108,872	115,675
4% Government of Canada, due June 1, 2041	8,473	9,027
3.5% Financement Quebec, due December 1, 2016	118,926	120,656
4.5% Province of New Brunswick, due June 2, 2020	29,724	30,372
4.4% Province of Ontario, due June 2, 2019	181,041	185,844
4.70% Province of Ontario, due June 2, 2037	55,964	58,682
4.75 Province of Saskatchewan, due June 1, 2040	72,306	79,150
6.5% Province of Ontario, due March 8, 2029	62,326	65,079
4.25% Province of Quebec, due December 1, 2036	83,568	88,320
3.25% Province of British Columbia, due December 18, 2021	76,449	78,527
5.05% Bank of Montreal, due September 3, 2013	133,812	138,091
4.97% Royal Bank of Canada, due June 5, 2014	143,491	147,591
3.34% Bank of Nova Scotia, due March 25, 2015	163,073	165,101
2.99% Royal Bank of Canada, due December 6, 2019	137,510	140,903
4.39% Hydro One Inc., due September 26, 2041	156,114	167,772
4.54% CU Inc., due October 24, 2041	158,416	171,484
4.55% Transcanada Pipelines Ltd., due November 15, 2041	76,417	83,245
3.35% Telus Corporation, due March 15, 2017	38,751	40,775
5.73% GE Capital Canada, due October 22, 2037	39,776	43,085
3.05% Canadian Natural Res Led, due June 19, 2019	37,816	38,505
5.65% Shaw Communications Inc., due October 1, 2019	48,665	48,396
3.20% Hydro One Inc., due January 13, 2022	87,191	91,317
3.94% Standard Life Co Canada, due September 21, 2022	88,414	90,381
6.93% Hydro One Inc., due June 1, 2032	38,914	40,513
4.19% 407 International Inc., due April 25, 2042	26,231	28,231
6.98% Greater Toronto Airport Authority, due October 15, 2032	29,480	30,334
5.21% Enbridge Gas Distribution Inc., due February 25, 2036	25,847	26,887
4.95% Sun Life Financial Inc., due June 1, 2036	92,233	92,668
5.69% Great-West Lifeco., due June 21, 2067	25,246	24,518
	3,636,592	3,749,730
Cash and cash equivalents	94,751	94,751
	3,731,343	3,844,481



Yellowknife District No. 1 Education Authority

(the Authority)

Notes to Financial Statements

June 30, 2013

4. Portfolio Investments (continued)

Investment funds are carried at fair market value together with the accrued interest earned and cash balance of the fund.

The following table represents the remaining terms to maturity at fair value, along with the average effective yields for each maturity for securities investments exposed to interest rate risk as at June 30, 2013.

	Within 1 yr	1-5 yrs	5-10 yrs	Over 10 yrs	Total 2013
Securities	\$ 524,658	\$ 1,253,486	\$ 834,434	\$ 1,024,014	\$ 3,636,592
Effective yields	3.840 %	2.548 %	4.232 %	4.929 %	3.887 %

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5. Due from GNWT

	2013	2012
	\$	\$
Department of Education, Culture and Employment	67,156	12,372
Department of Health and Social Services	72,304	91,746
	139,460	104,118

6. Other Accounts Receivable

	2013	2012
	\$	\$
Computer purchase plan - employees	4,277	11,741
GST recoverable	98,464	102,707
Trade receivables	623,995	718,624
	726,736	833,072



June 30, 2013

7. Wages and Employee Deductions Payable

Teachers' salaries and benefits earned prior to the end of the fiscal year that are payable during the months of July and August, following the school term, are accrued as follows:

	2013	2012
	\$	\$
Payable at end of July	1,873,353	1,447,469
Payable at end of August	1,861,071	1,455,301
	3,734,424	2,902,770

8. Leave and Termination Benefits

Under conditions of employment, teachers and other staff employed by the Authority may qualify for resignation and retirement benefits and assistance with removal expenses. The amount recorded is an estimated value based on experience. Amounts are not funded by the Department until the funds are disbursed by the Authority.

	2013	2012
	\$	\$
Leave and termination benefits - current	369,954	308,167
Leave and termination benefits - non-current	1,504,531	1,546,832
	1,874,485	1,854,999
<hr/>		
Comprised of:		
Removal	754,396	761,850
Annual and compensatory sick leave	354,362	389,165
Severance and sick leave (excluded)	558,417	513,141
Severance (USWA)	81,910	80,393
Non-moving accrual (NWTAA)	122,400	110,450
	1,874,485	1,854,999



June 30, 2013

9. Deferred Revenue

Deferred revenue consists of contributions or revenue received from contributors for expenditures not yet incurred.

	2013 \$	2012 \$
City of Yellowknife - tax requisition received in advance	1,426,087	-
GNWT - Active After School Program	64,299	-
Other	3,750	3,750
	1,494,136	3,750

10. Other Revenue

Other revenue consists of contributions or revenue received from contributors for school programs and preschool services.

	2013 \$	2012 \$
Pancake Donation	1,250	2,500
Superintendent Services	50,000	50,000
Range Lake North preschool	102,124	170,669
Mildred Hall preschool	91,523	108,773
J.H.Sissons preschool	220,681	95,483
Health projects	-	146,264
School travel planning	-	21,703
Drop the Pop program	-	32,761
Nutrition program	-	25,270
Other funding & donations	58,202	55,617
	523,780	709,040



June 30, 2013

11. Surplus for Management Purposes

Under block funding agreements, the Authority does not receive funding for the salary to be paid out in July and August until the period in which the liability is paid. In addition, the leave and termination liability is an unfunded liability and is excluded from any funding advances from the Department to the Authority. For management purposes, the Department recalculates surplus as shown below:

	2013	2012
	\$	\$
Accumulated surplus (Operating Fund)	1,004,429	2,018,191
Accrual for retirement, resignation and removal	1,874,485	1,465,834
Capital fund reserve	904,165	904,165
Decentralized surplus	298,116	255,959
Accrual for summer salaries and benefits	3,734,424	2,902,770
	7,815,619	7,546,919

As defined by the Department of Education, Culture and Employment guidelines, the Accumulated Surplus for Management Purposes should not exceed \$500,000 or 5% of the annual budget, whichever is greater. The surplus of \$7,815,619 exceeds 5% of the annual budget of \$31,854,769, 5% of which is \$1,592,738, by \$6,222,881.



June 30, 2013

12. Contractual Obligations

The Authority has a contract with Cardinal Coach Lines Limited for student transportation. The Authority is invoiced monthly and the amounts vary depending on a number of factors. The contract expires in June 2015.

The Authority has a Xerox equipment lease with annual payments of \$38,996 plus maintenance expiring in June 2016.

13. Financial Instruments

Financial instruments consist of recorded amounts of accounts receivable and portfolio investments which will result in future cash receipts, as well as accounts payable and accrued liabilities, and accrued salaries and benefits which will result in future cash outlays.

The Authority is exposed to the following risks in respect of certain of the financial instruments held:

a) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Authority is exposed to credit risk from funding agencies and preschool clients. The Authority has a concentrated risk of credit from two other school districts whose funding also comes from the Department.

b) Interest rate risk

Interest rate risk is the risk that the fair value of financial instruments will fluctuate because of changes in market interest rate. The Authority is exposed to interest rate risk on its fixed and floating interest rate financial instruments. Fixed interest instruments subject the enterprise to a fair value risk while the floating rate instruments subject it to cash flow risk.

Yellowknife District No. 1 Education Authority
 (the Authority)
Schedule of Tangible Capital Assets

For the year ended June 30,

Schedule 1

	Cost \$	Additions \$	Amortization \$	beginning of year \$	Accumulated Amortization \$	Net Book Value \$	Net Book Value \$
Land and improvements	1,299,476	-	-	-	-	1,299,476	1,299,476
School buildings							
Ecole Sir John Franklin	2,149,661	-	(59,762)	(759,168)	1,330,731	1,390,493	
William McDonald	7,078,328	-	(176,958)	(5,308,746)	1,592,624	1,769,582	
Mildred Hall	11,099,651	-	(275,241)	(4,650,467)	6,083,943	6,359,184	
Range Lake North	8,215,859	-	(205,396)	(3,902,533)	4,107,930	4,313,326	
N. J. Macpherson	5,329,162	-	(136,459)	(3,270,540)	1,922,163	2,058,621	
Ecole J. H. Sissons	2,436,769	-	-	(2,436,769)	-	-	
	36,219,430	-	(853,816)	(20,328,223)	15,037,391	15,891,206	
Other buildings							
Administratcion office	1,070,827	-	(26,771)	(508,643)	535,413	562,184	
Nordic Arms residence	595,205	-	(14,880)	(565,111)	15,214	30,094	
	39,134,938	-	(895,467)	(21,401,977)	16,887,494	17,782,960	
Total land and buildings							
Equipment and furnishings							
Schools	4,316,534	110,514	(243,673)	(3,475,831)	707,544	840,703	
Playgrounds	149,972	-	-	(149,972)	-	-	
Residences	64,045	-	-	(64,045)	-	-	
Administration office	322,132	-	-	(322,132)	-	-	
Vehicles	195,071	51,461	-	(195,071)	51,461	-	
	5,047,754	161,975	(243,673)	(4,207,051)	759,005	840,703	
	44,232,692	161,975	(1,139,140)	(25,609,028)	17,646,499	18,623,663	



Schedule of Expenditures - Operating Fund

Schedule 2

**For the year ended
June 30,**

	School Programs \$	Inclusive Schooling \$	Accommodation \$	Operations and Maintenance \$	Board Administration \$	Aboriginal Languages \$	Total 2013 \$	Total 2012 \$
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SALARIES								
Honoraria	-	-	-	-	66,259	-	66,259	64,235
Instructional assistants	681,338	2,339,847	-	-	-	53,429	3,074,614	2,749,156
Non-instructional staff	2,018,845	-	13,434	457,710	1,052,327	250,754	3,793,070	3,761,197
Teachers	12,637,139	2,104,185	-	-	-	137,716	14,879,040	14,430,405
EMPLOYEE BENEFITS	3,489,502	1139,036	815	85,677	215,240	74,384	5,004,654	4,625,646
SERVICES PURCHASED								
Advertising and printing	-	-	-	-	23,471	-	23,471	31,813
Communication	64,926	-	-	8,215	30,275	-	103,416	97,059
Contracted services	312,159	75,453	-	112,624	10,764	63,658	574,653	504,391
Maintenance and repairs	80,095	19,655	67,573	526,125	7,051	26,064	726,563	885,124
Other	136,968	-	-	-	87,545	-	224,513	202,779
Professional and technical	152,874	-	-	-	-	44,413	197,287	232,406
Rentals and leases	99,148	-	-	-	2,453	-	101,601	74,243
Student transportation	350,315	9,598	-	-	-	-	359,913	357,444
Travel	94,585	29,695	-	6,358	77,847	12,306	220,791	129,179
Utilities	-	-	104,712	1,789,207	-	-	1,893,919	1,815,710
MATERIALS	1,291,770	134,401	172,285	2,442,529	239,406	146,441	4,426,132	4,330,148
Awards and student events	14,736	-	-	-	40,236	-	54,972	27,156
Freight	12,654	-	-	149	699	-	13,502	12,519
Materials and supplies	810,602	15,918	908	65,539	24,743	67,033	984,743	1,370,779
Total operating expenditures	20,955,386	5,733,387	187,442	3,051,604	1,638,910	729,757	32,296,986	31,371,241



Yellowknife District No. 1 Education Authority

(the Authority)

Details of Inclusive Schooling Expenditures

Schedule 3

For the year ended June 30,	Assistive Technology \$	Student Resources \$	General Inclusive Schooling \$	Total 2013 \$
SALARIES				
Program support teachers	-	-	2,104,185	2,104,185
Support assistants	-	13,434	2,326,413	2,339,847
	-	13,434	4,430,598	4,444,032
EMPLOYEE BENEFITS				
SERVICES PURCHASED				
Travel	29,695	-	-	29,695
Student transportation	-	9,598	-	9,598
Maintenance and repairs	-	19,655	-	19,655
Contracted services	-	75,453	-	75,453
	29,695	104,706	-	134,401
MATERIALS				
Materials and supplies	-	15,918	-	15,918
Total operating expenditures	29,695	134,058	5,569,634	5,733,387



Yellowknife District No. 1 Education Authority

(the Authority)

Details of Aboriginal Language and Culture-Based Education Expenditures

Schedule 4

For the year ended June 30,	Student Instruction \$	School Activities and Integrated Community Programs \$			Total 2013 \$
		Professional Development \$		Community Programs \$	
SALARIES					
ALCBE Teachers	137,716	-	-	-	137,716
Support Assistants	53,429	-	-	-	53,429
Non Instructional Staff	-	-	250,754	250,754	250,754
	191,145	-	250,754	250,754	441,899
EMPLOYEE BENEFITS					
	74,384	-	-	-	74,384
SERVICES PURCHASED					
Professional and technical	-	44,413	-	-	44,413
Travel	-	12,306	-	-	12,306
Maintenance and repairs	-	-	26,064	26,064	26,064
Contracted services	-	-	63,658	63,658	63,658
	-	56,719	89,722	89,722	146,441
MATERIALS					
Materials and supplies	-	-	-	67,033	67,033
Total operating expenditures	265,529	56,719	407,509	407,509	729,757



Aboriginal Languages

	Total
	2013
	\$
Secretary of State (Heritage Canada)	
REVENUE	
Contribution from federal government	<u>60,000</u>
EXPENDITURES	
Salaries and benefits	<u>55,475</u>
Other operating and maintenance	<u>15,611</u>
	<u>71,086</u>
Surplus (deficit)	(11,086)



French Language Program

BILATERAL AGREEMENT FUNDING

For the year ended June 30, 2013

	Contribution from the Department	Commitment from the Authority	Expenses	Over(under) funding
	\$	\$	\$	\$
Literacy Coach (Salary)	60,000	30,000	115,722	(25,722)
Librarian (Salary)	35,000	35,000	81,578	(11,578)
Teacher Assistants (Salary)	60,000	10,000	136,386	(66,386)
Intensive & Enhance French (Salary)	105,000	675,000	945,980	(165,980)
French Camps	8,000	2,000	10,949	(949)
French Monitor	-	6,000	14,820	(8,820)
French Resources	46,000	20,000	63,608	2,392
Assessment, Intensive French	3,000	13,000	15,816	184
Cultural Activities	12,000	2,000	12,142	1,858
Professional Development	21,000	21,000	39,752	2,248
Consultant	60,000	115,000	178,330	(3,330)
Total	410,000	929,000	1,615,083	(276,083)



Student Success Initiative Projects

For the year ended June 30,

2013

\$

Revenue

Government of the Northwest Territories	123,000
Surplus from Prior Years	55,917
Deficit Rollover 2012/13	22,161

Total revenue

201,078

Expenses

Salaries/Wages

Facilitator fees (including per diems)	42,273
Substitute teacher wages	80,696

Travel

Facilitator travel	1,026
Staff Travel	23,920
Accommodation	27,819
Other expenses	866

Workshop expenses

Refreshments	5,687
Resources	11,028
Miscellaneous (Stationery)	7,763

Total expenses

201,078

Surplus



Yellowknife District No. 1 Education Authority

(the Authority)

Report on Activities of Specific Programs

Schedule 8

Mildred Hall Preschool

For the year ended	2013
	\$
REVENUES	
GNWT Contribution	60,000
GNWT Attendance	15,036
Fee cost	24,000
Total Revenue:	99,036
EXPENSES	
Employee salary	99,468
Employee benefits	-
Workers' Safety & Compensation	-
Audit	-
Insurance	-
Janitorial staff	-
Janitorial supplies	-
Materials & supplies	11,959
Office supplies / admin	-
Photocopy / xerox	-
Repair & maintenance	-
Subsidized kids	-
Telephone	-
Utilities	-
Total Expenditures:	111,427
Deficit	(12,391)