

**DETTAH DISTRICT  
EDUCATION AUTHORITY  
DETTAH, NT**

**FINANCIAL STATEMENTS**  
For the year ended June 30, 2010

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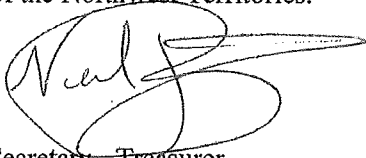
## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

To the Board of Directors  
Dettah District Education Authority

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 generally accepted accounting principles. Where necessary the statements include amounts that are based on informed judgements and estimates by management, giving appropriate consideration to reasonable limits of materiality.

In discharging its responsibility for the integrity and fairness of the financial statements 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 organization's management recognizes its responsibility for conducting the organization'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 generally accepted auditing standards. The auditor also considers whether the transactions that come to his 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.



Secretary - Treasurer  
Dettah District Education Authority  
Dettah, NT

August 24, 2010



# AVERY, COOPER & Co.

## Certified General Accountants

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### AUDITORS' REPORT

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

We have examined the Balance Sheet of the Dettah District Education Authority as at June 30, 2010 and the Statements of Revenue and Expenditure and Cash Flow for the year then ended. These financial statements have been prepared to comply with the accounting principles described in Note 2 to the financial statements. These financial statements are the responsibility of the Authority's administration. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as explained in the following paragraph, we conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

The Yellowknife Education District #1 is responsible for the calculation and distribution of the salaries and wages to indeterminate and term employees, the accuracy of which is not susceptible to complete audit verification. We have satisfied ourselves that the payroll information provided by the Yellowknife Education District #1 was reflected in the Authority's records.

In our opinion, except for the effect of adjustments, if any, which might have been determined to be necessary had we been able to do a complete payroll audit, these statements present fairly, in all material respects, the financial position of the Authority as at June 30, 2010 and the results of its operations for the year then ended in accordance with the accounting principles described in Note 2 to the financial statements.

These financial statements, which have not been, and were not intended to be prepared in accordance with Canadian generally accepted accounting principles, are solely for the information of the GNWT and are not intended to be and should not be used by anyone other than the specified users, or for any other purpose.

We further report, in accordance with the Financial Administration Act, in our opinion, proper books of account have been kept by the Authority, the financial statements are in agreement herewith, and the transactions that have come under our notice have, in all significant aspects, been within the statutory powers of the Authority.

*Avery, Cooper & Co.*

AVERY, COOPER & CO.  
Certified General Accountants  
Yellowknife, NT

August 24, 2010



AVERY COOPER IS A MEMBER OF MSI, AN INTERNATIONAL ASSOCIATION OF INDEPENDENT PROFESSIONAL FIRMS

## STATEMENT I

**DETTAH DISTRICT EDUCATION AUTHORITY**  
**BALANCE SHEET**  
**For the year ended June 30, 2010**

	<u>2010</u>	<u>2009</u>
<b>ASSETS</b>		
Cash - Operating	\$ 410,170	\$ 183,234
Cash - GIC	28,242	28,177
Trade Accounts Receivable	<u>3,000</u>	<u>-</u>
	<u>\$ 441,412</u>	<u>\$ 211,411</u>
<b>LIABILITIES</b>		
Trade Accounts Payable - Yellowknife Education District #1	\$ 71,241	\$ 90,474
Trade Accounts Payable - Other	52,243	20,770
Wages and Benefits Payable	<u>8,860</u>	<u>6,495</u>
	132,344	117,739
<b>OPERATING SURPLUS (DEFICIT), Statement II</b>	<u>309,068</u>	<u>93,672</u>
	<u>\$ 441,412</u>	<u>\$ 211,411</u>

APPROVED:

\_\_\_\_\_ Chairperson  
 \_\_\_\_\_ Secretary-Treasurer

See attached notes and schedules.

## STATEMENT II

**DETTAH DISTRICT EDUCATION AUTHORITY**  
**STATEMENT OF REVENUE AND EXPENDITURE**  
For the year ended June 30, 2010

	<b>Budget (unaudited) 2010</b>	<b>Actual 2010</b>	<b>Actual 2009</b>
<b>REVENUE</b>			
Contribution - GNWT Education Culture and Employment	\$ 1,459,403	\$ 1,459,403	\$ 1,365,146
Other Revenue	-	72,192	58,237
	<u>1,459,403</u>	<u>1,531,595</u>	<u>1,423,383</u>
<b>EXPENDITURE (Schedule 1)</b>			
School Programs	1,035,214	492,777	424,232
Inclusive Schooling	266,852	-	-
O&M	16,426	66,227	65,064
Administration	19,300	119,609	95,289
Aboriginal Languages	121,611	2,683	8,254
Other - School Fees		613,152	615,214
Other - General		21,751	43,221
	<u>1,459,403</u>	<u>1,316,199</u>	<u>1,251,274</u>
<b>EXCESS REVENUE (EXPENDITURE)</b>	-	215,396	172,109
<b>OPENING SURPLUS (DEFICIT)</b>	-	93,672	(78,437)
<b>CLOSING SURPLUS (DEFICIT) (Note 4)</b>	<u>\$ -</u>	<u>\$ 309,068</u>	<u>\$ 93,672</u>

See attached notes and schedules.

**STATEMENT III****DETTAH DISTRICT EDUCATION AUTHORITY  
STATEMENT OF CASH FLOW  
For the year ended June 30, 2010**

	<u>2010</u>	<u>2009</u>
<b>OPERATING TRANSACTIONS</b>		
Cash Received from Government of the Northwest Territories	\$ 1,456,403	\$ 1,365,970
Recoveries and General Revenue	72,192	58,238
	<u>1,528,595</u>	<u>1,424,208</u>
Cash Paid for Compensation	459,349	460,577
Operations and Maintenance	842,246	782,746
	<u>1,301,595</u>	<u>1,243,323</u>
<b>Cash Provided by (used for) operating transactions</b>	227,001	180,885
<b>CASH AND SHORT TERM INVESTMENT - OPENING BALANCE</b>	<u>211,411</u>	<u>30,526</u>
<b>CASH AND SHORT TERM INVESTMENT - CLOSING BALANCE</b>	<u><u>438,412</u></u>	<u><u>211,411</u></u>
<b>COMPRISED OF:</b>		
Cash - Operating	\$ 410,170	\$ 183,234
Cash - GIC	28,242	28,177
	<u><u>\$ 438,412</u></u>	<u><u>\$ 211,411</u></u>

**DETTAH DISTRICT EDUCATION AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the year ended June 30, 2010**

**NOTE 1 NATURE OF ORGANIZATION**

The Authority was established under the Education Act of the Northwest Territories by order of the Minister dated February 12, 2004. Its purpose is to administer and maintain the standards of educational programs in Dettah as defined under the Act.

The Authority (DEA) was formally removed as a member community of the Dogrib Community Services Board by order of the Minister February 12, 2004.

The Authority is dependent on funding from the GNWT - Department of Education, Culture and Employment.

**NOTE 2 SIGNIFICANT ACCOUNTING POLICIES**

a) General

The accounting policies of the Authority are as prescribed by the Department of Education, Culture and Employment, Government of the Northwest Territories. The basis of accounting used in these financial statements materially differs from Canadian generally accepted accounting principles in view of the following policies relating to the other capital assets, inventory and infrastructure funding receivable which are not reflected on these statements.

b) Capital Assets

All buildings and works, furniture, equipment and vehicles are the property of the GNWT. Although the Minister grants to the DEA full occupancy and use of such facilities and equipment required for the administration and delivery of the education programs within the community, they are not shown on the balance sheet.

Other capital assets, consisting of office furniture and equipment, including computers and other teaching equipment are treated as expenditures during the year of acquisition and accordingly do not appear on the balance sheet.

c) Inventory

Inventories of books, supplies and other expendable items purchased by the DEA are treated as expenditures during the year of acquisition and are not recorded on the balance sheet.



**DETTAH DISTRICT EDUCATION AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the year ended June 30, 2010**

**NOTE 2 SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**e) Measurement Uncertainty**

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from these estimates.

**f) Revenue Recognition**

The Authority follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

**NOTE 3 FINANCIAL INSTRUMENTS**

Effective July 1, 2007, the organization adopted the accounting standards issued by the Canadian Institute of Chartered Accountants (CICA) - Handbook Section 3855, Financial Instruments - Recognition and Measurement. Under this standard, cash is classified as held for trading and is measured at fair value. Accounts receivable and other short term receivables are classified as loans and receivables. Accounts receivable are measured at amortized cost. Accounts payable, accrued liabilities and other short term related party payables are classified as other liabilities. Accounts payable and accrued liabilities are measured at amortized cost.

**NOTE 4 OPERATING SURPLUS (DEFICIT)**

Under the block funding agreements the Authority does not receive funding for the summer salary payout accrual until the period in which the liability is paid. In addition, the retirement and termination and ultimate removal liabilities are unfunded liabilities and are excluded from funding advances to the Authority. For management purposes, the Department of Education recalculates surplus as shown below.

	<u>2010</u>	<u>2009</u>
Surplus (deficit) as reported on the balance sheet	\$ 309,068	\$ 93,672

**SCHEDULE 1**

**Dettah District Education Authority  
Schedule Of Expenditure  
For the year ended June 30, 2010**

	School Programs	Inclusive Schooling	Residences	Operations & Maintenance	Admin	Aboriginal Languages	Other	Totals
<b>SALARIES</b>								
Teachers	325,309							325,309
Instruction assistant	8,293							8,293
YK1 Superintendent					25,000			25,000
Non-instructional staff				35,394	39,350	2,683	750	78,177
Board/Trustee honoraria					18,440			18,440
<b>EMPLOYEE BENEFITS</b>								
Employee benefits / allowances	4,130							4,130
Leave and termination benefits								-
<b>SERVICES PURCHASED/</b>								
<b>CONTRACTED</b>								
Office Supplies and administration					5,634			5,634
Postage/communication					4,706			4,706
Utilities				23,217				23,217
Travel								-
Student travel/busing	76,995							76,995
Advertising/printing/publishing								-
Maintenance/repair				5,567				5,567
Vehicle expense								-
Rentals/leases								-
Food expenses								-
Scholarship grant								-
Furniture and equipment								-
Contracted services	17,084							17,084
Staff Development	3,714							3,714
School Fees							613,152	613,152
Summer and Snack Program								-
Other					26,479		21,001	47,480
<b>MATERIALS/SUPPLIES/FREIGHT</b>								
Materials	29,666			2,049				31,715
Furniture and equipment	27,092							27,092
Freight	494							494
<b>TOTAL EXPENDITURE</b>	<b>492,777</b>	<b>-</b>	<b>-</b>	<b>66,227</b>	<b>119,609</b>	<b>2,683</b>	<b>634,903</b>	<b>1,316,199</b>

**SCHEDULE 2**

**DETTAH DISTRICT EDUCATION AUTHORITY**  
**Schedule of Specific Program - Infrastructure**  
**For the year ended June 30, 2010**

Funding - GNWT - ECE		<u>\$ 16,426</u>
Expenditures	Utilities	
	Fuel	5,593
	Electricity	9,309
	Water/Sewer	<u>8,315</u>
	Total Expenses	<u>23,217</u>
Surplus (Deficit)		<u><u>\$ (6,791)</u></u>